

**Representative Blake D. Chard** proposes to substitute the following bill:

**UTAH CORRECTIONAL INDUSTRIES BUSINESS PARK**

2000 GENERAL SESSION

STATE OF UTAH

**Sponsor: Leonard M. Blackham**

AN ACT RELATING TO THE DEPARTMENT OF CORRECTIONS AND FACILITIES  
CONSTRUCTION AND MANAGEMENT; CREATING A CORRECTIONAL INDUSTRIES  
BUSINESS PARK; CREATING A JOINT PLANNING ADVISORY BOARD; ESTABLISHING  
PROCEDURES AND REQUIREMENTS FOR LESSEES AT THE PARK; AND PROVIDING  
A COORDINATION CLAUSE.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

**63A-5-206**, as last amended by Chapters 225 and 285, Laws of Utah 1998

**64-13a-3**, as last amended by Chapter 92, Laws of Utah 1987

**64-13a-6**, as last amended by Chapter 13, Laws of Utah 1994

ENACTS:

**63A-5-307**, Utah Code Annotated 1953

**64-13a-15**, Utah Code Annotated 1953

*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **63A-5-206** is amended to read:

**63A-5-206. Construction, alteration, and repair of state facilities -- Powers of  
director -- Exceptions -- Expenditure of appropriations.**

(1) As used in this section:

(a) "Analysis" means an economic assessment of competing design and maintenance  
alternatives, the object of which is to reduce cost and conserve energy.

(b) "Capital developments" means any:

26 (i) remodeling, site, or utility projects with a total cost of \$1,000,000 or more;

27 (ii) addition of new space that will cost more than \$100,000; or

28 (iii) land acquisition where an appropriation is requested.

29 (c) "Capital improvements" means any:

30 (i) remodeling, alteration, repair project with a total cost of less than \$1,000,000; or

31 (ii) site and utility improvement with a total cost of less than \$1,000,000.

32 (d) "Life cycle cost-effective" means the lowest cost of owning and operating a facility

33 over a 25-year period, including the initial cost, energy costs, operation and maintenance costs,

34 repair costs, and the costs of energy conservation and renewable energy systems.

35 (e) "Renewable energy system" means a system designed to use solar, wind, geothermal

36 power, wood, or other replenishable energy source to heat, cool, or provide electricity to a

37 building.

38 (f) "State-owned facilities" means those facilities identified in Section 63A-5-212.

39 (2) The director shall prepare or have prepared by private firms or individuals designs,

40 plans, and specifications for the various buildings and improvements, and other work carried out

41 by the division.

42 (3) (a) (i) Except as provided in Subsection (3)(a)(ii) or (3)(a)(iii), and except for facilities

43 under the jurisdiction of the State Capitol Preservation Board, the director shall recommend the

44 need for and exercise direct supervision over the design and construction of all alterations, repairs,

45 and improvements to all existing facilities of the state, its departments, commissions, institutions,

46 and agencies if the total project construction cost is greater than \$100,000.

47 (ii) The director may:

48 (A) authorize a department, commission, institution, or agency to control design and

49 construction of alterations, repairs, and improvements when the total project construction cost is

50 greater than \$100,000 by following the delegation requirements and procedures of Subsection

51 (3)(c); or

52 (B) by rule, authorize a particular department, commission, institution, or agency to control

53 design and construction on projects within a particular dollar range and a particular project type.

54 (iii) (A) At the request of This is the Place Foundation, the director may authorize the

55 foundation to control design and construction of alterations, repairs, or improvements to facilities

56 at This is the Place State Park to be made with funds of the foundation, including grant monies

57 from the state, or with donated services or materials.

58 (B) If the foundation controls design and construction as provided in Subsection  
59 (3)(a)(iii)(A), the alterations, repairs, or improvements are subject to plan review and inspection  
60 by Salt Lake City for the purpose of assuring compliance with building codes.

61 (b) (i) Except for the placement or installation of works of art through Title 9, Chapter 6,  
62 Part 4, Utah Percent-for-Art Act, or as provided in Subsection (3)(b)(ii), and except for facilities  
63 under the jurisdiction of the State Capitol Preservation Board, an existing facility may not be  
64 altered, repaired, or improved on the property of any state institution, department, commission, or  
65 agency if the total project construction cost exceeds \$100,000 until the location, design, plans, and  
66 specifications are approved by the director and the officials charged with the administration of the  
67 affairs of the particular department, commission, institution, or agency.

68 (ii) Alterations, repairs, or improvements to facilities at This is the Place State Park to be  
69 made by This is the Place Foundation with funds of the foundation, including grant monies from  
70 the state, or with donated services or materials, are exempt from Subsection (3)(b)(i).

71 (c) (i) The director may delegate control over design, construction, and all other aspects  
72 of any project to entities of state government on a project-by-project basis if the state entity  
73 requests that delegation in writing and the State Building Board approves the delegation.

74 (ii) (A) The director, his designee, or the state entity to whom control has been designated  
75 pursuant to Subsection (5)(c)(i) shall notify in writing the elected representatives of local  
76 government entities directly and substantively affected by any diagnostic, treatment, parole,  
77 probation, or other secured facility project exceeding \$250,000, if:

78 (I) the nature of the project has been significantly altered since prior notification or  
79 approval;

80 (II) the project would significantly change the nature of the functions presently conducted  
81 at the location;

82 (III) the project adds 50% or more square feet to the area of the facility; or

83 (IV) the project is new construction.

84 (B) At the request of either the state entity or the local government entity, representatives  
85 from the state entity and the affected local entity shall conduct or participate in a local public  
86 hearing or hearings to discuss these issues.

87 (iii) The state entity to whom control is delegated shall assume fiduciary control over

88 project finances, shall assume all responsibility for project budgets and expenditures, and shall  
89 receive all funds appropriated for the project, including any contingency funds contained in the  
90 appropriated project budget.

91 (iv) Delegation of project control does not exempt the state entity from complying with  
92 the codes and guidelines for design and construction adopted by the division and the State Building  
93 Board.

94 (v) State entities that receive a delegated project may not have access to the building board  
95 contingency funds authorized in Section 63A-5-209 for the delegated project.

96 (4) (a) The director shall ensure that state-owned facilities, except for facilities under the  
97 control of the State Capitol Preservation Board, are life cycle cost-effective.

98 (b) The estimated cost of the analysis shall be included in each program budget document  
99 and in the project funding request submitted to the State Building Board, the governor, and the  
100 Legislature.

101 (c) The final cost estimate shall reflect the most life cycle cost-effective building.

102 (d) The director, in consultation with the State Building Board and Division of Energy,  
103 shall make rules to implement this subsection by following the procedures and requirements of  
104 Title 63, Chapter 46a, Utah Administrative Rulemaking Act.

105 (e) The State Building Board may exempt a facility from being life cycle cost-effective  
106 pursuant to rules, after reviewing and concurring with a written request and justification from the  
107 director.

108 (5) (a) Except as provided in Subsection (5)(c) or (5)(d), and except for facilities  
109 constructed on property under the jurisdiction of the State Capitol Preservation Board, the director  
110 shall recommend the need for and exercise direct supervision over the design and construction of  
111 all new facilities of the state, its departments, commissions, institutions, and agencies if the total  
112 project construction cost is in excess of \$100,000.

113 (b) (i) Except for the placement or installation of works of art under Title 9, Chapter 6,  
114 Part 4, Utah Percent-for-Art Act, or as provided in Subsection (5)(b)(ii), (5)(b)(iii), [or] (5)(b)(iv),  
115 or (5)(b)(v), and except for facilities constructed on property under the jurisdiction of the State  
116 Capitol Preservation Board, a new facility may not be constructed on the property of any state  
117 department, commission, institution, or agency if the total project construction cost of the facility,  
118 regardless of the funding source, exceeds \$100,000, until the construction of the facility has been

119 approved by the Legislature in an Appropriations Act or by other specific legislation, and the  
120 location, design, plans, and specifications are approved by the director and the official charged  
121 with the administration of the affairs of the particular department, commission, institution, or  
122 agency.

123 (ii) Facilities to be built with nonstate funds and owned and occupied by nonstate entities  
124 within research park areas are exempt from this Subsection (5)(b).

125 (iii) Facilities to be built for the Utah National Guard for which the funding for  
126 construction, operations, and maintenance are derived totally from the United States Government  
127 are exempt from the requirement of obtaining legislative approval required by this Subsection  
128 (5)(b).

129 (iv) New facilities to be built at This is the Place State Park by This is the Place  
130 Foundation with funds of the foundation, including grant monies from the state, or with donated  
131 services or materials, are exempt from Subsection (5)(b)(i).

132 (v) Facilities to be built at the UCI Business Park, as defined in Section 64-13a-3, are  
133 exempt from Subsection (5)(b) if the facility:

134 (A) is to be built with funds not provided by the state; and

135 (B) is to be developed under a land lease.

136 (c) (i) The director may delegate control over design, construction, and all other aspects  
137 of any project to entities of state government on a project-by-project basis if the state entity  
138 requests that delegation in writing and the State Building Board approves the delegation.

139 (ii) The state entity to whom control is delegated shall assume fiduciary control over  
140 project finances, shall assume all responsibility for project budgets and expenditures, and shall  
141 receive all funds appropriated for the project, including any contingency funds contained in the  
142 appropriated project budget.

143 (iii) Delegation of project control does not exempt the state entity from complying with  
144 the codes and guidelines for design and construction adopted by the division and the State Building  
145 Board.

146 (iv) State entities that receive a delegated project may not have access to the building board  
147 contingency funds authorized in Section 63A-5-209 for the delegated project.

148 (d) (i) At the request of This is the Place Foundation, the director may authorize the  
149 foundation to control design and construction of any new facility at This is the Place State Park

150 to be built with funds of the foundation, including grant monies from the state, or with donated  
151 services or materials.

152 (ii) If the foundation controls design and construction as provided in Subsection (5)(d)(i),  
153 the new facility is subject to plan review and inspection by Salt Lake City for the purpose of  
154 assuring compliance with building codes.

155 (6) The director may expend appropriations for statewide projects from funds provided by  
156 the Legislature for those specific purposes and within guidelines established by the State Building  
157 Board.

158 (7) (a) The director, with the approval of the Office of Legislative Fiscal Analyst, shall  
159 develop standard forms to present capital development and capital improvement cost summary  
160 data.

161 (b) The director shall:

162 (i) within 30 days after the completion of each capital development project, submit cost  
163 summary data for the project on the standard form to the Office of Legislative Fiscal Analyst; and

164 (ii) upon request, submit cost summary data for a capital improvement project to the Office  
165 of Legislative Fiscal Analyst on the standard form.

166 (8) Notwithstanding the requirements of Title 63, Chapter 38, Budgetary Procedures Act,  
167 the director may:

168 (a) accelerate the design of projects funded by any appropriation act passed by the  
169 Legislature in its annual general session;

170 (b) use any unencumbered existing account balances to fund that design work; and

171 (c) reimburse those account balances from the amount funded for those projects when the  
172 appropriation act funding the project becomes effective.

173 Section 2. Section **63A-5-307** is enacted to read:

174 **63A-5-307. Leasing of Utah Correctional Industries Business Park -- Joint Planning**  
175 **Advisory Board.**

176 (1) As used in this section:

177 (a) "Compliance agency" has the same definition as in Section 58-56-3.

178 (b) "DCI" means the Division of Correctional Industries, created under Subsection  
179 64-13a-4(a).

180 (c) "Division" means the Division of Facilities Construction and Management.

181 (d) "Joint Planning Advisory Board" means the planning advisory board created in  
182 Subsection (7).

183 (e) "Lessee" means any entity that leases property in the UCI Business Park, other than the  
184 state or an agency of the state.

185 (f) "UCI" means the Utah Correctional Industries Program which is operated by the DCI.

186 (g) "UCI Business Park" or "park" means the property owned by the state, consisting of  
187 approximately 120 acres that lie west of the prison complex in Draper and south of the Bangerter  
188 Highway.

189 (2) The division may lease property in the UCI Business Park to a lessee if the following  
190 conditions are satisfactorily met:

191 (a) the DCI has certified that the lease will result in the employment of offenders as  
192 provided in Section 64-13a-15;

193 (b) the Department of Corrections has not raised security objections regarding the lease;

194 (c) DCI has approved the business terms of the lease;

195 (d) the lease provides appropriate consideration to the state based on the value of the  
196 property leased; and

197 (e) the division has considered the recommendations of the Joint Planning Advisory Board.

198 (3) The division shall ensure that the lease:

199 (a) protects the state from liability;

200 (b) places responsibility for any adverse environmental impact on the lessee;

201 (c) prohibits the manufacture or storage of significant quantities of hazardous materials  
202 on the leased premises;

203 (d) requires the lessee to assume responsibility for any taxes or fees associated with its use  
204 of the property and improvements on the property;

205 (e) establishes terms regarding the condition in which the lessee shall leave the property  
206 upon termination of the lease; and

207 (f) provides that any improvements acquired or constructed upon the premises during the  
208 term of the lease revert to and become the property of the state upon the expiration or termination  
209 of the lease, including any extensions or renewals of the lease.

210 (4) Proceeds derived from the lease of property at the UCI Business Park shall be  
211 deposited in the Utah Correctional Industries Enterprise Fund created in Section 51-5-4.

212 (5) The designs, plans, and specifications of any proposed improvements by a lessee are  
213 subject to:

214 (a) review and recommendations of the Joint Planning Advisory Board; and

215 (b) review and approval by the division and DCI.

216 (6) (a) Any lessee conducting business in the UCI Business Park is subject to the business  
217 licensing and fee requirements of Draper City, Utah.

218 (b) Draper City, Utah shall apply its business licensing and fee requirements to lessees  
219 within the UCI Business Park in the same manner as for other businesses located within Draper  
220 City, except that a use approved by the division and DCI is considered to be a permitted use within  
221 the park, for purposes of business licensing.

222 (c) The use of the UCI Business Park and any improvements constructed on the park  
223 property by the state or any agency of the state is not subject to the zoning authority of municipal  
224 government as provided in Section 10-9-105. However, regarding improvements constructed on  
225 park property by the state or any state agency, the division and DCI shall consider comments from  
226 local governmental entities that are or may be affected by the use of the property.

227 (7) The division and DCI shall enter into a cooperative agreement with Draper City for the  
228 formation of an administrative body known as the Joint Planning Advisory Board. The purpose  
229 of the Joint Planning Advisory Board is to recommend regulations regarding the use by lessees  
230 of the land within the UCI Business Park. The board shall be composed of five members, who  
231 serve at the pleasure of the appointing entity. The members are:

232 (a) one who is appointed by the director of the division;

233 (b) one who is appointed by the executive director of the Department of Corrections;

234 (c) two who are appointed by the governing body of Draper City; and

235 (d) one who is appointed by the legislative body of Salt Lake County.

236 (8) The cooperative agreement under Subsection (7) shall also include:

237 (a) provisions for the adoption and enforcement of reasonable land use regulations by the  
238 division, after consideration of the Joint Planning Advisory Board's recommendations, to ensure  
239 that a lessee's use of land within the park is compatible with uses of land within Draper City that  
240 are located in the near vicinity of the park;

241 (b) authorization for the Community Development Department of Draper City to conduct  
242 an initial review and to make recommendations to the Joint Planning Advisory Board regarding



243 applications for development in the park by lessees;

244 (c) appointment of Draper City as the compliance agency for purposes of enforcement of  
245 building codes as required and adopted by the Uniform Building Codes Commission created under  
246 Section 58-56-5;

247 (d) a requirement that:

248 (i) lessees within the park pay fees, including building permit fees, to Draper City or other  
249 entities that provide services or infrastructure to the lessees; and

250 (ii) the fees shall be applied by Draper City or the other entities imposing the fees in a  
251 manner consistent with other businesses located in Draper City; and

252 (e) a definition of the legal boundaries of the UCI Business Park.

253 Section 3. Section **64-13a-3** is amended to read:

254 **64-13a-3. Definitions.**

255 As used in this chapter:

256 [~~2~~] (1) "Board" means the Advisory Board of Utah Correctional Industries.

257 [~~1~~] (2) "Division" means the Division of Correctional Industries.

258 (3) "Lessee" means any entity that leases property in the UCI Business Park, other than the  
259 state or an agency of the state.

260 (4) "UCI" Business Park" means the real property owned by the state and consisting of  
261 approximately 120 acres that lie west of the state prison complex in Draper and south of the  
262 Bangerter Highway.

263 Section 4. Section **64-13a-6** is amended to read:

264 **64-13a-6. Board powers and duties.**

265 The board has the following powers and duties:

266 (1) advise which enterprises should be conducted in the correctional facilities, and the  
267 volume, kind, and place of enterprises, as to eliminate unnecessary inmate idleness at all facilities  
268 and to provide diversified work activities which will serve as a means of enhancing vocational  
269 skills;

270 (2) advise whether any enterprise should be established, expanded, diminished, or  
271 discontinued;

272 (3) advise as to the establishment of policy with respect to the conduct of all enterprises;

273 (4) advise the prices at which all services and products provided, manufactured, produced,

274 or harvested by enterprises shall be furnished;

275 (5) consult regularly with state agencies and local public entities in order to develop new  
276 enterprise products, adopt existing enterprise products, and establish new service functions to meet  
277 their needs;

278 (6) act as liaison with private industry, organized labor, the Legislature, and the general  
279 public;

280 (7) obtain and provide technical assistance for enterprise programs;

281 (8) recommend to the division the adoption of rules necessary to carry out the provisions  
282 of this chapter;

283 (9) review and monitor an annual budget for all enterprises that includes a projected profit  
284 analysis, sales forecast, and anticipated year-end financial forecast;

285 (10) advise on the development and management of the UCI Business Park, including the  
286 types of businesses that should be solicited;

287 ~~[(10)]~~ (11) assist in the process of inmate occupational placement upon release from  
288 confinement by coordination with the Board of Pardons and Parole, correctional institutions, and  
289 field operations; and

290 ~~[(11)]~~ (12) prepare an annual report to the governor and the Legislature that contains:

291 (a) a detailed financial statement for each enterprise in each facility;

292 (b) a detailed financial statement of the fund;

293 (c) reasons for establishing or terminating enterprises;

294 (d) a summary of plans to develop additional enterprises;

295 (e) the number of inmates employed in each enterprise;

296 (f) the number of inmates available for work at each facility; and

297 (g) any further information requested by the governor or the Legislature.

298 Section 5. Section **64-13a-15** is enacted to read:

299 **64-13a-15. Administration of the UCI Business Park.**

300 In cooperation with the Division of Facilities Construction and Management, and subject  
301 to Section 63A-5-307, the division shall:

302 (1) establish, maintain, and operate the UCI Business Park for the primary purpose of  
303 providing training and employment opportunities for offenders by lessees;

304 (2) establish guidelines for the employment of offenders by lessees;

- 305 (3) solicit lessees who will provide training and employment opportunities to offenders;
- 306 (4) enter into agreements for the operation and maintenance of the UCI Business Park; and
- 307 (5) establish requirements to provide for the security of offenders receiving training and
- 308 employment.

Section 6. **Coordination clause.**

310 If this bill and H.B. 292, Capital Projects Approval and Administration, both pass, it is the  
311 intent of the Legislature that the amendments in Section 63A-5-206 of this bill, S.B. 183, be  
312 replaced with the following amendments to Sections 63A-5-104 and 63A-5-206 as amended by  
313 HB 292:

314 1. Page 6, Line 164

315 House Floor Amendments

316 2-21-2000:

After "(3)(d)" delete "and" and insert " ;"

317 After "(e)," insert "and (f),"

318 2. Page 6, Line 182h

319 House Floor Amendments

320 2-21-2000:

After Line 182h insert:

321 "(f) Legislative approval is not required for capital  
322 development projects built at the UCI Business Park,

323 as defined in Section 63A-5-307, if the facility:

324 (i) is to be built with funds that are not provided by

325 the state; and

(ii) is to be developed under a land lease."

327 3. Page 14, Line 404:

After "construction;" delete "or"

328 4. Page 14, Line 406:

After "Program" delete " ;" and insert " ; or"

329 5. Page 14, Line 406:

After Line 406, insert:

330 "(e) is for facilities to be built at the UCI Business  
331 Park, as defined in Section 63A-5-307, if the facility:

332 (i) is to be built with funds that are not provided by

333 the state; and

(ii) is to be developed under a land lease."

335 6. Page 15, Line 455:

After "(4);" delete "or"

336 7. Page 15, Line 457:

After "(5)(a)" delete "." and insert "; or"

337 8. Page 15, Line 457:

After Line 457 insert:

338

"(vi) the entity designated in Section 63A-5-307 for

339

projects under Subsection (3)(e)."