

**Minnesota State Agricultural Society
(Minnesota State Fair)
Midway/Kidway Attraction Specification Outline**

Registrations will be received for licensing of midway/Kidway attractions at the Minnesota State Fair at the Administration Building on the Minnesota State Fairgrounds, 1265 N. Snelling Ave, St. Paul, Minnesota 55108-3099. Registrations shall be upon the form(s) provided for such purpose and shall be based on this Midway/Kidway Attraction Specification Outline dated October 1, 2018.

The Minnesota State Fair reserves the right to reject any and all submissions and to waive any informalities therein, and will not consider licensing any registrant having a reputation for unsafe or unethical business conduct.

Registrations will be accepted for consideration on the basis that registrants, (1) understand and agree to all terms and conditions contained in the following midway/Kidway attraction specification outline, (2) provide all information requested on the registration form and in this midway/Kidway attraction specification outline, and (3) if accepted, will execute a license in a form specified by the State Fair. Failure to provide data and make disclosures as requested and alterations of (or deviations from) this specification outline shall constitute grounds for rejection of registration.

INTRODUCTION:

Operating period of the exposition will be twelve (12) days ending Labor Day. Move in and set up may begin the Saturday preceding opening day (earlier set up may be approved by the State Fair upon request); tear down and removal must be completed no later than the Friday following Labor Day. Registrants should anticipate operating hours to be from 10:00 a.m. until 12:00 a.m. (midnight) daily on the midway (14 hours); 9:00 a.m. until 10:30 p.m. daily on the Kidway (13 1/2 hours). Daily closing times may vary. Ticket booths close ½ hour before rides and games close.

Audited, annual paid attendance at the Minnesota State Fair, averaged over the past three years (2016-2018), is 1,995,857 visitors.

The Minnesota State Fair operates an "all pay gate" and admission to the outside gates of the exposition will be on a paid basis (only) for all personnel. No passes or complimentary tickets of any nature will be provided by the State Fair. Moreover, those licensed to present attractions at the Minnesota State Fair may not provide passes, tickets, coupons, products, services, rides or game play without charge to State Fair personnel or to other individuals without the expressed, written consent of the State Fair, except as may be required for inspection and audit purposes.

DEFINITIONS:

"Attraction(s)" as used hereinafter shall mean all spectacular major, standard and children's mechanical ride equipment, shows, games of skill and concessions.

"Concession(s)" as used hereinafter shall mean all games of skill, merchandise, food, beverage and other concessions.

"Rides/shows" as used hereinafter shall mean all spectacular, major, standard and children's mechanical ride equipment, shows and the like.

"Support equipment" as used hereinafter shall mean all electrical generation and distribution equipment, ticket sale boxes, light towers, water distribution equipment, guest comfort furnishings and the like.

"Service(s)" as used hereinafter shall mean all safety, inspection and loss control services, staffing and other human services.

"Gross receipts" as used hereinafter shall be defined as total revenue from operation, after removal of state sales tax, unless otherwise defined.

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GENERAL INFORMATION:

All attractions proposed by registrants for presentation must be the wholly-owned property of the registrant. Licensees may not assign or subcontract attraction space or license privileges to any other person or firm.

Licenses granting operation privileges will be issued directly by the Minnesota State Fair (only). Privileges, duties, responsibilities, obligations and interests therein may not be assigned, sublet, sold, transferred, hypothecated and/or otherwise disposed of, except with the written permission of the Minnesota State Fair.

Licenses granted the privilege of attraction operation shall agree to in all respects comply with the letter and spirit of all applicable laws, ordinances, regulations and coded standards of the State of Minnesota or other jurisdiction or authority pertaining to their operations, obtain all required permits for operation, and in all respects comply with all applicable licensing requirements and inspection procedures in force and effect at any time during their operation at the Minnesota State Fair, including the inspection procedures and all applicable rules of the Minnesota State Fair.

Attraction licensees shall agree that all books, financial statements, source documents, accounting, financial and supply records, etc. relevant to their operations on the Minnesota State Fairgrounds shall be open and readily available for audit upon request by the Minnesota State Fair or the Minnesota State Fair's Auditor(s).

All Midway employees must be housed in proper living quarters acceptable to and approved by the State Fair. Living or sleeping on, in or under rides, in games or concessions, in tents, automobiles or in stock or storage trucks/trailers will not be permitted.

PAYMENTS, PRICES, TICKETS AND COUPONS:

Rides/shows:

All rides/shows operated at the Minnesota State Fair shall work on a specified ticket basis requiring a specific ticket count for use or admission; which number of tickets shall be conspicuously posted at each ride/show location.

The State Fair shall furnish and sell all necessary tickets for all rides/shows and provide the ticket collection boxes and ticket signs for all rides/shows, at no cost to licensees. Licensees shall provide a ticket taker(s) at each ride/show, be responsible and accountable for all tickets collected at each ride/show and shall comply with all reconciliation and audit procedures prescribed by the State Fair.

Licenses shall submit to the State Fair, in advance of opening, a statement of the number of tickets to be charged for any/all rides/shows they are licensed to operate at the Minnesota State Fair (based on ticket values established by the Minnesota State Fair). Licensees shall not change any ticket designation without the prior approval of the State Fair. No ride/show may be operated without a ticket charge for use or admission. The State Fair may negotiate an alternative attraction admission program if it believes such to be appropriate.

On the gross receipts from operation of each ride/show, after removal of state sales tax, the State Fair shall receive percentage payment(s) as follows: Midway Rides/Shows = forty-one percent (41%) and Kidway Rides/Shows = forty-three (43%). The State Fair may negotiate a lower percentage if it believes such to be appropriate. Current Minnesota state sales tax is 7.375%.

Concessions:

All games of skill operated at the Minnesota State Fair shall work on a specified ticket basis requiring a specific ticket count for play; which number of tickets shall be conspicuously posted at each game of skill location. Games of skill may not be operated on a cash or coin basis for player privileges.

The State Fair shall furnish and sell all necessary tickets for all games of skill and provide the ticket collection boxes for all games of skill, at no cost to licensees. Licensees shall provide a ticket taker(s) at each game of skill, be responsible and accountable for all tickets collected at their game(s) of skill and shall comply with all reconciliation and audit procedures prescribed by the State Fair.

All merchandise, food, beverage and other concessions operated at the Minnesota State Fair shall work on a specific cash price schedule for products or services, which shall be conspicuously posted at each such concession location.

Licenses shall submit to the State Fair, in advance of opening, a statement of the prices(s) to be charged for any/all products and services or the ticket count(s) for games of skill they are licensed to present (based on ticket values established by the Minnesota State Fair). Licensees shall not change any such price(s) or ticket

count(s) without the prior approval of the State Fair. No product or game play may be provided without charge.

On the gross receipts from operation of each concession, after removal of applicable state sales tax, the State Fair shall receive percentage payments as follow:

Food and beverage concessions . . . 15% of gross revenue

Merchandise concessions15 - 25% of gross revenue

Pay for play games (arcades) 20% of gross revenue

Pay for prize games of skill23% of gross revenue

The State Fair retains the right to adjust or establish any percentage payment amount, subject to the written agreement of both parties involved. Current Minnesota sales tax is 7.375%.

Support equipment and services:

The State Fair shall contract and pay for the provision of certain support equipment, staffing and human services; e.g. ticket sale boxes, electrical power generation and distribution equipment, safety, inspection and loss control services, light towers, guest comfort furnishings, etc.

The State Fair shall designate the area and location for all living quarters, stock storage trailers/trucks, office units, and empty trailers authorized for placement on the fairgrounds, if space is available. Fees charged for living quarters and office facilities shall be on a per unit, per day basis. Stock storage units and empty trailers may be placed without charge, if authorized, space is available and no utility services are needed for same.

UTILITIES:

Sewer and water:

Water and sewer service is available on a limited basis and may be furnished to licensee's attraction(s) and/or support equipment if and when requested and available. Licensees will be charged for water use and sewer service. Where sewer access is not available, holding tanks are required and the State Fair will provide access to pumping service at the licensee's cost.

Electric:

Electric consumption/usage costs for rides, shows and games of skill shall be included in the license percentage "privilege" for such attractions. All other concession licensees shall pay any costs associated with electric usage by their concession(s) based on actual consumption, within forty-eight (48) hours of billing receipt.

Licensees must supply at least one hundred fifty (150) feet of appropriate connecting "lead wire" and an acceptable and compatible connection device for any attraction(s) and/or support equipment they present.

GENERAL OPERATION:

The State Fair shall designate the area(s) on the Minnesota State Fairgrounds where each licensee may operate their attraction(s) during the Minnesota State Fair. The location shall be selected solely by the Minnesota State Fair and the State Fair, through its duly authorized agents and officers, shall at all times have free access to each licensee's area of operation for the purposes of inspection and to insure compliance with license terms and conditions, as well as State Fair Rules.

The Minnesota State Fair reserves the right to approve the nature and content of any and all advertising, signs, graphics, posters and the like placed on or in any attraction and prohibit the use of such advertising, signs, graphics or posters not so approved.

Licensees shall keep their attraction(s) and support equipment in a good and safe state of repair and upkeep, use every known practicable safety device for the protection and safety of passengers and the public, and not bring onto the Minnesota State Fairgrounds, or operate thereon, any attraction or support equipment which may be deemed by the State Fair to be unsafe, inappropriate, illegal, or otherwise objectionable. The State Fair shall have the authority to immediately close and order the removal of any attraction or support equipment that the State Fair, in its sole discretion, deems objectionable.

Licensees shall not stage any added attraction(s) inside their licensed attraction(s), whether or not an additional charge is made for same; it being understood and agreed that the price for admission, product or play posted at the outside of each attraction shall be the entire charge made to the public.

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Unless otherwise specified, all costs and expenses of operation, including wages, maintenance, repair parts, transportation, contract labor, licenses, permits, utilities, insurance and all overhead expense shall be the obligation of each licensee. Licensees will also provide and pay all personnel required for attraction and support equipment operation and maintenance, or service provision, unless otherwise specified.

All aspects of a licensee's operation, including, but not limited to, staff conduct and appearance, maintenance of appropriate and reasonable sound levels, handling consumer complaints and any other requirements placed on the licensee by the State Fair are the responsibility of the licensee and the physical, on-site presence of the licensee or State Fair approved representative of the licensee is a condition precedent to the granting of a license.

In the event a licensee should sell all or part of its attraction(s) to a third party and/or the current owner(s), for any reason, should cease to be active in the day-to-day management and operation of same, the State Fair, at its sole option, shall have the right to terminate its license by giving the licensee thirty (30) days written notice of termination.

All of each licensee's employees and agents at the Minnesota State Fair shall be uniformed in a manner approved by the State Fair. Employee identification badges will be required for all attraction, support equipment and service supplier employees and agents and will be provided by the State Fair without charge to licensees.

INDEMNITY AND INSURANCE:

Licensees shall waive any claims against the State Fair for liability arising out of any damage or destruction done to their attraction(s) and/or support equipment from any cause whatsoever. The risk of loss occasioned by all of the operations, installations, acts, errors and omissions of the licensee, or the employees and agents of the licensee, on the Minnesota State Fairgrounds shall be that of the licensee, and not that of the State Fair, and licensees shall under no circumstances seek contribution, damages or indemnification from the State Fair for any loss so occasioned.

Licensees shall assume all liability for injury to persons and for damage to property arising from accidents or other causes incident to the movement, set up, tear down and operation of their attraction(s) on the Minnesota State Fairgrounds and release the State Fair from any such liability whatsoever, including, but not limited to, liability for licensee's employees and to its worker's compensation insurance carrier for injuries sustained by licensee's employees in the course and scope of their employment.

Prior to the commencement of operation at the Minnesota State Fair, licensees, support equipment and service contractors shall obtain policies of occurrence form commercial general public liability, automobile liability and workers' compensation insurance covering themselves, the State Fair (with the exception of automobile liability and workers' compensation) and their entire operations at the Minnesota State Fair against all claims for personal injury, property damage or death incurred by reason of: accidents; their operations, maintenance and/or installations; any claims for personal injury, property damage or death claimed by reason of their acts, errors or omissions or the acts, errors or omissions of their employees or agents on the grounds of the Minnesota State Fair; the design, condition, maintenance and operation of their attraction(s) and/or support equipment; or loss or damage to persons or property deemed to be the responsibility of the State Fair because of its failure to supervise, inspect or control a licensee, support equipment or service contractor's operations, or otherwise discover or prevent their actions which give rise to liability to any person or property.

Licensees, support equipment and service contractors must agree to release and indemnify the State Fair from any liability whatsoever resulting from set up, tear down and operation of their attraction(s), support equipment and/or services they provide, and furnish copies of their entire public liability insurance, worker's compensation and automobile insurance policies, in amounts and with terms, conditions and a company(s) eligible to do business and provide coverage in the State of Minnesota satisfactory to the State Fair, at least forty-five (45) days prior to the commencement of operation. The minimum amount of general public liability insurance shall be \$1,000,000 combined single limits per occurrence (\$2,000,000 annual aggregate). The Minnesota State Agricultural Society (Minnesota State Fair) must be named as an "additional insured" under all general public liability insurance policies. The State Fair may require a higher insurance limit in certain circumstances.

It shall be the duty of licensees, support equipment and service contractors and their insurers to defend, indemnify and hold the State Fair harmless from all damages, costs, attorney and court fees, as well as any claims arising out of their actions, errors, omissions, movement, set up, tear down and operation of attractions, support equipment and/or provision of service(s) at the Minnesota State Fair.

ATTRACTION INFORMATION AND INSPECTION:

Licenses shall meet or exceed all applicable standards for the safe placement, erection, testing, maintenance, inspection and operation of amusement attractions and support equipment as set forth in the most current specifications of the manufacturer, by the American Society for Testing and Materials and/or by any other governmental agency having jurisdiction, together with those modifications and amendments to same promulgated and received by the licensee prior to opening at the Minnesota State Fair.

Licenses shall comply with State of Minnesota ride, safety and electrical inspection laws and provide the State Fair with copies of any inspection reports, correction orders, affidavits, insurance records, etc. required or generated thereby, immediately upon licensee's receipt of such materials.

Licenses shall provide the State Fair with copies of any and all attraction inspection reports and notice of any prior accidents or significant incidents involving their attraction(s) during the preceding twelve (12) month period. If others may have owned or operated the attraction(s) during this period, details of such circumstances must be provided.

Licenses shall also provide the State Fair with duplicate copies of all independent, insurance company and/or underwriter inspection reports relative to their operations at the Minnesota State Fair immediately upon the licensee's receipt of same.

Licenses shall prominently post at their attractions, clearly understood and visible signs, approved by the State Fair, that communicate to the public appropriate instructions and warnings regarding safe use of their attraction(s), including, but not limited to, instructions to persons with disabilities and parents of minor children, as well as limitations or exclusions due to age, weight, height or physical condition.

Rides/shows:

All safety and restraint systems specified by the ride/show manufacturer must be in place and in proper working order on all rides/shows.

Prior to the opening of the Minnesota State Fair; each day during the fair before opening and operation; and subsequent to any repair or maintenance shut-down before commencing ride/show operation; licenses shall conduct an inspection of and submit to the State Fair a properly completed manufacturer's operator/inspector manual safety checklist for each ride/show they are licensed to present, with the authorizing signature of the State Fair's safety, inspection and loss control contractor. If no such checklist is available, the State Fair and its safety, inspection and loss control contractor may substitute its own inspection form for submission by the licensee, with the authorizing signature of the State Fair's safety, inspection and loss control contractor.

Copies of said completed and authorized checklists must be provided to the State Fair immediately upon their completion.

Licenses are required to have in their possession manuals provided by the manufacturer that detail operating, maintenance and inspection procedures for their attraction(s), and make them available for reference and review upon request by the State Fair, electrical inspectors and/or safety, inspection and loss control personnel. Manuals must be printed in the English language, or must have been translated into English at the licensee's expense.

Licenses that employ non-English speaking personnel should have a documented program in place that provides training and all required paperwork in the employee's native language. (Example: Daily Pre-opening Inspection Checklist, Operator's Fact Sheet, Periodic Maintenance Report, Training Log, etc.)

Concessions:

Licenses shall conspicuously display, in plain public view, professionally printed, large and easy to read product/menu signage, with fees payable for all games of skill, concession merchandise, products, services, food and/or beverages. Concession numbers shall be provided (at no charge) and assigned by the State Fair. Posted concession numbers, product menus and fees, as well as game instructions and rules, shall not be changed in any manner without the prior approval of the State Fair.

Instructions and rules for all games of skill must be clearly posted, including how prizes are won and any restrictions on numbers and types of prizes which may be won by an individual player per day, as approved by the State Fair.

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All game and concession operators must participate in the Minnesota State Fair's special promotions.

Games of skill will be operated on a ticket basis only . . . no cash or coins. No game of skill may be played, nor product or service provided, without charge for same, or for any amount greater or less than the approved and posted price. All game play requires payment before each play; charging after play is not permitted. No free or "bonus" play may be provided as an incentive for customers to play games.

Posted game instructions must clearly indicate the size and quality of prizes offered for each win category. Game prizes must be displayed and clearly marked for each win category. Prizes that can not be won must not be displayed. Repurchase of prizes, cash prizes and forfeiture of previously won prizes in exchange for additional game play are prohibited, but small prizes may be exchanged for prizes of greater value, provided the number of prizes required is clearly indicated.

No game of skill may be presented in which the outcome of the game is placed in the judgment of the game operator or their employee. No conversion charts, score cards, punch boards or the like may be used as part of any game. No game operator or their employee may throw or toss any object (e. g. baseball, basketball, etc.) to a patron, potential patron, or into a public walkway near their attraction.

No game operator or employee may touch, grab or in any manner physically restrain any player. No obstacles shall be permitted to hinder play by a game player. Games of skill must be designed and erected to completely contain all objects (i.e. balls, darts, projectiles, etc.) thrown as part of game play. No object thrown as part of game play may pass through the game, around backboards or bounce back towards the player, unless approved by the State Fair as an aspect of game play.

All games of skill must be attainable and possible for the player and game operator to win under the game rules from the specified player's position, must fully comply with Minnesota Statutes related to such games and, in every instance, the game must involve skill (not chance), must be fair and must provide the player with a reasonable opportunity to win.

The information contained herein is an outline of only the basic requirements related to midway/Kidway attractions and their operation and does not represent a complete documentation of all current State Fair attraction specifications. The State Fair retains the right to alter and/or add to these specifications as it deems appropriate in the process of attraction licensing.