

Introduced: 3/26/75
Referred: Community and
Regional Affairs

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 319

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to local construction of state-operated
7 school buildings; and providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 35 is amended by adding a new chapter to read:

10 CHAPTER 16. LOCAL CONSTRUCTION OF STATE-OPERATED

11 SCHOOL BUILDINGS

12 Sec. 35.16.010. REQUEST FOR LOCAL CONSTRUCTION OF STATE-OPERATED
13 SCHOOL BUILDINGS. A local public body, by resolution of its governing
14 body, may request authority from the governor to construct a state-
15 operated school building that otherwise would be constructed by the
16 department. Two or more local public bodies may join in such a request
17 if the resolutions of their respective governing bodies designate
18 which of them shall be the local public body for all purposes of this
19 chapter.

20 Sec. 35.16.020. PERFORMANCE BOND. With its request, the local
21 public body shall furnish to the state a performance bond of the kind
22 that would be required by AS 36.25.010 if the local public body were a
23 contractor submitting a bid for construction of the public building.
24 The bond shall be in the amount of the appropriation for the construction
25 project. The bond becomes binding upon approval by the governor of
26 the local public body's request for authority to construct the building.

27 Sec. 35.16.030. PRIORITIES. If two or more local public bodies
28 make separate requests to construct the same school building, preference
may be given first to an advisory school board, second to a city, and

1 third to a regional housing authority.

2 Sec. 35.16.040. AGREEMENT WITH DEPARTMENT. The commissioner of
3 public works shall review the request made under sec. 10 of this
4 chapter and recommend to the governor that it be approved or disapproved.
5 The governor may approve the request only if the commissioner of
6 public works has recommended approval. If the governor approves the
7 request, an agreement shall be entered into between the department and
8 the local public body under which the local public body shall cause
9 the building to be constructed consistent with the future operating
10 needs of the state. Either the commissioner of public works or the
11 governor may require, as a condition for approval of the local public
12 body's request, terms in the agreement he believes to be necessary in
13 the public interest, whether or not those terms are required or sug-
14 gested by this chapter.

15 Sec. 35.16.050. USE OF APPROPRIATED FUNDS. (a) Upon approval
16 of the request made under sec. 10 of this chapter, funds appropriated
17 for the building's construction shall be transferred to a special
18 account in the state treasury.

19 (b) The local public body may draw on the account for the costs
20 of the construction project under fiscal control of the department.

21 Sec. 35.16.060. CONTRACT AWARDS AND BONDS. When a local public
22 body enters into a construction contract under this chapter, it shall
23 invite competitive bids and award the contract to the lowest respon-
24 sible bidder and shall require contractor bonds under AS 36.25.

25 Sec. 35.16.070. RESPONSIBILITY OF DEPARTMENT. When the local
26 public body has assumed responsibility for constructing a building
27 under this chapter, the department is relieved of responsibility to
28 the same extent. The department may provide the technical assistance
29 requested by the local public body, and shall be reasonably compen-

1 sated for that assistance from the account established under sec. 50
2 of this chapter.

3 Sec. 35.16.080. TITLE TO SITE. Title acceptable to the depart-
4 ment to a suitable project site shall be vested in the state before
5 work is begun on the site.

6 Sec. 35.16.090. COMPLETION OF PROJECT. The construction project
7 shall be turned over to the state when it is substantially completed,
8 but the local public body remains responsible after that for project
9 completion and processing of any contract claims.

10 Sec. 35.16.100. DEFINITIONS. As used in this chapter, unless
11 the context otherwise requires:

12 (1) "construction" or any derivative of the term "construct"
13 includes, in addition to the meaning given in AS 35.25.020, selecting
14 and acquiring a project site and necessary rights of way and easements,
15 providing for and connecting to utilities, and planning, designing,
16 building, supervising and inspecting the school building project; the
17 term includes contracting for any or all of these services or performing
18 them with employees of the local public body;

19 (2) "local public body" means a city in the unorganized
20 borough, an advisory school board established under AS 14.14.170 for a
21 state-operated school in an unincorporated community, or a regional
22 housing authority created by AS 18.55.996;

23 (3) "school" and "school building" mean any construction or
24 reconstruction or repair required for purposes of state-operated
25 schools.

26 * Sec. 2. Sec. 33 of ch 46, SLA 1970 is amended to read:

27 Sec. 33. The ownership of land and buildings used in relation to
28 state-operated schools remains vested in the state, and use permits
29 shall be given to the Alaska State-Operated School System. Construction

1 required by the Alaska State-Operated School System shall be performed
2 by the Department of Public Works unless construction by a local
3 public body has been approved under AS 35.16.

4 * Sec. 3. AS 18.55.996(b) is amended to read:

5 (b) There is created with respect to each of the associations
6 named in (a) of this section a public body corporate and politic to
7 function in the operating area of the individual associations to be
8 known as the regional housing authority of the associations possessing
9 all powers, rights and functions now or subsequently specified for the
10 Alaska State Housing Authority, under the Alaska State Housing Authority
11 Act (secs. 10 - 290 of this chapter) except those specified with
12 respect to the construction and acquisition of public buildings for
13 lease to the state or any subsequently specified authority which is
14 inconsistent with sec. 995 of this chapter. It may submit competitive
15 bids and serve as a contractor for construction required by the state-
16 operated school system within its operating area, subject to require-
17 ments of law applicable to private contractors except requirements of
18 AS 08.18, or may enter into an agency agreement with the state to
19 perform that construction when its request to do so is approved under
20 AS 35.16. All obligations or liabilities of the regional housing
21 authorities shall remain their own and shall not be obligations or
22 liabilities of the state.

23 * Sec. 4. AS 14.14.200 is amended to read:

24 Sec. 14.14.200. POWERS AND DUTIES. An advisory school board
25 shall advise and assist the Board of Directors for the State-Operated
26 Schools through the local official administering the school, and shall
27 do so in the manner the board of directors prescribes by regulation.
28 An advisory school board may direct the construction of a school over
29 which it has, or will have, advisory authority when its request to do

1 so is approved by the governor under AS 35.16.

2 * Sec. 5. This Act takes effect immediately in accordance with AS
3 01.10.070(c).

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