

*.As Engrossed: 2/7/91*

1 **State of Arkansas**  
2 **78th General Assembly**  
3 **Regular Session, 1991**

# **A Bill**

**HOUSE BILL 1540**

4 **By: Representative John Miller**

5

6

7

## **For An Act To Be Entitled**

8 "AN ACT TO AUTHORIZE THE STATE BUILDING SERVICES TO  
9 CONSTRUCT, IN PHASES OVER A TEN-YEAR PERIOD, AND TO  
10 OPERATE, FACILITIES TO BE KNOWN AS THE 'CAPITOL MALL  
11 FACILITY' ON THE STATE CAPITOL GROUNDS, FOR HOUSING OF  
12 STATE AGENCIES, DEPARTMENTS, BOARDS AND COMMISSIONS; TO  
13 AUTHORIZE THE STATE BUILDING SERVICES TO ESTABLISH A  
14 SYSTEM OF CHARGES FOR RENTS TO BE COLLECTED FROM STATE  
15 AGENCIES, DEPARTMENTS, BOARDS, AND COMMISSIONS HOUSED IN  
16 SAID FACILITY; TO AUTHORIZE STATE BUILDING SERVICES TO  
17 ACQUIRE BUILDINGS AND FACILITIES IN THE CITY IN WHICH THE  
18 SEAT OF STATE GOVERNMENT IS LOCATED TO HOUSE STATE  
19 AGENCIES PROVIDED THAT NO SINGLE ACQUISITION MAY EXCEED A  
20 TOTAL COST OF \$4,000,000 IN VALUE EXCLUSIVE OF THE COST OF  
21 REPAIRS, REMODELING, AND RENOVATIONS THAT DO NOT EXPAND  
22 THE BUILDING OR FACILITY MORE THAN TEN PERCENT; TO  
23 AUTHORIZE THE CONSTRUCTION OF PARKING FACILITIES AND  
24 NECESSARY STREETS, CURBS, AND GUTTERS IN CONNECTION WITH  
25 SUCH NEW CONSTRUCTION OR ACQUISITIONS; TO AUTHORIZE THE  
26 ISSUANCE OF REVENUE BONDS TO PROVIDE FUNDS FOR FINANCING  
27 THE CONSTRUCTION OR ACQUISITION OF SAID FACILITIES; AND  
28 FOR OTHER PURPOSES."

29

30 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

31

32 SECTION 1. This act shall be known and cited as the "Capitol Mall  
33 Facility and State Agencies Facilities Acquisition Act of 1991".

34

35 SECTION 2. DEFINITIONS. Whenever used in this act, unless a different

1 meaning clearly appears from the context:

2 (a) "Agency" or "state agency" means any agency, board, office,  
3 commission, department, division or institution of the State of Arkansas.

4 (b) "Bonds" or "revenue bonds" means revenue bonds and any series of  
5 revenue bonds authorized by and issued pursuant to the authority granted in  
6 this act.

7 (c) "The Capitol Mall Facility" or the term "the facility" means those  
8 structures contained in the "Facilities -- Master Plan -- Year 1985" on page  
9 79 of the Arkansas State Capitol Complex Master Plan, as prepared under the  
10 direction of the Arkansas Public Building Authority authorized by Act 236 of  
11 1973, dated June, 1974, and any architectural drawings prepared in connection  
12 therewith which are on file with State Building Services, to include the  
13 following:

14 (i) Building Number 1 under the Legend, entitled "Agency Office,  
15 Module A; Visitor Center, 220 Car Garage;"

16 (ii) Building Number 2 under the Legend, entitled "Agency Office,  
17 Module B;"

18 (iii) Building and Facility Number 4 under Legend, entitled "750  
19 Car Garage;"

20 (iv) the necessary tie-in to the State Capitol Building and to  
21 connect Building Number 3 under the Legend, entitled "Library Archives --  
22 Museum Module" now existing, which is commonly referred to as the "Big Mac" or  
23 "Capitol Mall No. 1" Building;

24 (v) such modifications to the aforementioned buildings and  
25 facilities, and the architectural drawings prepared in connection therewith,  
26 as are deemed necessary to meet current and projected needs;

27 (vi) landscaping and other improvements in connection with the  
28 project deemed necessary to accommodate the overall architectural and  
29 topographical scheme of the State Capitol grounds; and

30 (vii) related structures, fixtures, and facilities (including,  
31 without limitation, utilities, parking facilities, streets, curbs, gutters,  
32 and a maintenance/operations center necessary to accommodate such facility),  
33 as may be determined to be appropriate.

34 (viii) construction of such additional parking decks and parking  
35 facilities that are not identified in the "Facilities -- Master Plan -- Year  
36 1985" on page 79 of the Arkansas State Capitol Complex Master Plan, which

1 State Building Services deems necessary to meet parking needs on the State  
2 Capitol grounds, provided that the construction thereof does not conflict with  
3 the basic design and location of proposed buildings and facilities included  
4 within the long-range Capitol Complex Master Plan.

5 (d) "State Building Services" means the public agency known as  
6 "Arkansas State Building Services" and the "State Building Services Council",  
7 as established under Arkansas Code 22-2-101 et seq.

8 (e) "Construct" means to acquire, construct, reconstruct, remodel,  
9 install, and equip any lands, buildings, structures, improvements or other  
10 property, real, personal or mixed, useful in connection with buildings and  
11 facilities constructed or acquired under this act and to make other necessary  
12 expenditures in connection therewith, by such methods and in such manner as  
13 the State Building Services shall determine to be necessary or desirable to  
14 accomplish the powers, purposes, and authority set forth in this act.

15

16 SECTION 3. (a) CAPITOL MALL FACILITY. In addition to the purposes,  
17 powers, and authority set forth elsewhere in this act or in other laws, the  
18 State Building Services is hereby authorized and empowered to construct on the  
19 State Capitol grounds the Capitol Mall Facility, as defined herein, with  
20 construction of new enclosed buildings not to exceed a cumulative gross  
21 building area of one hundred thousand (100,000) square feet commenced through  
22 calendar year 1992, two hundred thousand (200,000) square feet commenced  
23 through calendar year 1994, three hundred thousand (300,000) square feet  
24 commenced through calendar year 1996, four hundred thousand (400,000) square  
25 feet commenced through calendar year 1998, and five hundred thousand (500,000)  
26 square feet commenced through calendar year 2000, with such restrictions to  
27 apply to enclosed buildings only and shall not apply to square feet area of  
28 parking structures or parking space required in connection with or  
29 necessitated by the construction of new buildings or to meet the needs of  
30 parking space on the State capitol grounds; and in furtherance thereof to:

31 (1) arrange for the housing in the Capitol Mall Facility of state  
32 agencies to the extent that space and facilities are available for such  
33 purpose, under such terms and conditions and for such rentals and charges as  
34 State Building Services may determine;

35 (2) construct or cause to be constructed streets, curbs, gutters,  
36 utilities, landscaping, and parking facilities to serve the facility;

1           (3) obtain the necessary funds for accomplishing its powers,  
2 purposes, and authority from any source or sources, including, without  
3 limitation, the proceeds of revenue bonds issued hereunder and other funds as  
4 may be appropriated or made available therefor;

5           (4) purchase, lease, or rent, and receive bequests or donations  
6 of or otherwise acquire, sell, trade, or barter, any property (real, personal,  
7 or mixed), and convert such property into money and/or other property;

8           (5) contract and be contracted with;

9           (6) apply for, receive, accept, and use any monies and property  
10 from the government of the United States of America, provided by the General  
11 Assembly, any agency, any state, or governmental body or political  
12 subdivision, any public or private organization or corporation, of any nature,  
13 or any individual;

14           (7) invest and reinvest any of its money (in securities selected  
15 by State Building Services);

16           (8) take such other actions not inconsistent with law as may be  
17 necessary or desirable to carry out the powers, purposes, and authority as set  
18 forth herein, in accordance with the duly promulgated policies of the State  
19 Building Services as authorized by law.

20           (b) ACQUISITION OF BUILDINGS AND FACILITIES. In addition to the  
21 purposes, powers, and authority set forth in subsection (a) of this section  
22 and as set forth elsewhere in this act or in other laws, the State Building  
23 Services is hereby authorized and empowered to acquire buildings and  
24 facilities located in the city in which the seat of State Government is  
25 located to house state agencies, and repair, remodel, and renovate such  
26 buildings and facilities as State Building Services shall deem necessary and  
27 appropriate to accommodate state agencies, provided that no single acquisition  
28 may exceed a total cost of four million dollars (\$4,000,000) in value, whether  
29 acquired by purchase, exchange, eminent domain, long-term lease, or other  
30 means, exclusive of the cost of repairs, remodeling, and renovation of such  
31 buildings and facilities as State Building Services deems necessary and  
32 appropriate to accommodate state agencies, provided that the area of the  
33 structure of any such existing building or facility is not expanded by more  
34 than ten percent (10%) in connection therewith. All property acquired on a  
35 specific site shall be considered as a part of a single acquisition. In  
36 furtherance of the purposes authorized by this subsection, State Building

1 Services is hereby authorized and empowered to:

2 (1) exercise the power of eminent domain for the purpose of  
3 acquiring buildings and facilities and to otherwise carry out the purposes and  
4 intent of this act, with such power to be exercised in the manner provided in  
5 Arkansas Code 22-2-109;

6 (2) arrange for the housing of state agencies in such buildings  
7 and facilities to the extent that space and facilities are available for such  
8 purpose, under such terms and conditions and for such rentals and charges as  
9 State Building Services may determine;

10 (3) acquire, construct, or cause to be constructed parking  
11 facilities to serve the facility;

12 (4) obtain the necessary funds for accomplishing its powers,  
13 purposes, and authority from any source or sources, including, without  
14 limitation, the proceeds of revenue bonds issued hereunder and other funds as  
15 may be appropriated or made available therefor;

16 (5) purchase, lease, or rent, and receive bequests or donations  
17 of or otherwise acquire, sell, trade, or barter, any property (real, personal,  
18 or mixed), and convert such property into money and/or other property;

19 (6) contract and be contracted with;

20 (7) apply for, receive, accept, and use any monies and property  
21 from the government of the United States of America, any agency, any state, or  
22 governmental body or political subdivision, any public or private organization  
23 or corporation, of any nature, or any individual;

24 (8) invest and reinvest any of its money (in securities selected  
25 by State Building Services);

26 (9) take such other actions not inconsistent with law as may be  
27 necessary or desirable to carry out the powers, purposes, and authority as set  
28 forth herein, in accordance with the duly promulgated policies of the State  
29 Building Services Council.

30 (c) It is the intent of this section to authorize State Building  
31 Services to undertake, in the manner and subject to the limitations set forth  
32 in subsection (a), the construction of the Capitol Mall Facility and that,  
33 excepting parking structures, new building construction shall not be permitted  
34 under this act except to implement the Capitol Mall Facility as defined in  
35 subsection (c) of Section 2 of this act. In addition, it is the purpose of  
36 this act to authorize State Building Services to acquire buildings and

1 facilities ("acquired structures") in the city in which the seat of State  
2 Government is located in the manner authorized in subsection (b) of this  
3 section and to provide that the repair, remodeling, and renovation of such  
4 facilities by State Building Services shall not be considered new building  
5 construction if such repair, remodeling, and renovation does not expand the  
6 existing structure by more than ten percent (10%) in area. The restrictions  
7 contained in subsection (a) of this section with respect to the limitations on  
8 the square footage of new construction to be undertaken on the Capitol Mall  
9 Facility during each biennium, and the restrictions on the cost of a single  
10 "acquired structure" under subsection (b) of this section, shall not apply to  
11 the acquisition, construction, or improvement of parking structures or parking  
12 areas as authorized under subsection (a) of this section or in connection with  
13 "acquired structures" under subsection (b) of this section.

14

15 SECTION 4. REVENUE BONDS.

16 (a) The State Building Services is hereby authorized and empowered to  
17 issue revenue bonds, at one (1) time or from time to time, and to use the  
18 proceeds thereof for defraying the cost of accomplishing all or part of the  
19 powers, purposes, and authorities set forth in this act, pay all incidental  
20 expenses in connection therewith, paying the expenses of authorizing and  
21 issuing the bonds, establishing a debt service reserve to secure the payment  
22 of the bonds, if the State Building Services deems such desirable, and making  
23 provisions for the payment of interest on the bonds during and up to one (1)  
24 year after construction, if the State Building Services deems such desirable.  
25 Bonds outstanding under this act may be in such principal amount as the State  
26 Building Services shall determine to be necessary for the accomplishment of  
27 the purposes of this act.

28 (b) The bonds shall be authorized by resolution of the State Building  
29 Services Council ("authorizing resolution"). The bonds may be coupon bonds,  
30 payable to bearer, or may be registrable as to principal only or as to  
31 principal and interest, may be made exchangeable for bonds of another  
32 denomination, may be in such form and denomination, may have such date or  
33 dates, may be stated to mature at such time or times, may bear interest  
34 payable at such times and at such rate or rates, may be payable at such place  
35 or places within or without the state of Arkansas, may be made subject to such  
36 terms of redemption in advance of maturity at such prices, and may contain

1 such terms and conditions, all as the State Building Services shall determine.  
2 The bonds shall have the quality of negotiable instruments under the laws of  
3 the State of Arkansas, subject to provisions as to registration, as set forth  
4 above. The authorizing resolution may contain any other terms, covenants, and  
5 conditions that are deemed desirable by the State Building Services,  
6 including, without limitation, those pertaining to the maintenance of various  
7 funds and reserves, the nature and extent of the security, the issuance of  
8 additional bonds and the nature of the lien and pledge (parity or priority) in  
9 that event, the custody and application of the proceeds of the bonds, the  
10 collection and disposition of revenues, the investing and reinvesting (in  
11 securities specified by the State Building Services) of any bond proceeds or  
12 other funds received under this act during periods not needed for authorized  
13 purposes, and the rights, duties, and obligations of the State Building  
14 Services and of the holders and registered owners of the bonds.

15       The authorizing resolution may provide for the execution by the State  
16 Building Services with a bank or trust company within or without the state of  
17 Arkansas of a trust indenture. The trust indenture may contain any terms,  
18 covenants, and conditions that are deemed desirable by the State Building  
19 Services, including, without limitation, those pertaining to the maintenance  
20 of various funds and reserves, the nature and extent of the security, the  
21 issuance of additional bonds, and the nature of the lien and pledge (parity or  
22 priority) in that event, the custody and application of the proceeds of the  
23 bonds, the collection and disposition of revenues, the investment or  
24 reinvesting (in securities specified by the State Building Services) of any  
25 bonds during periods not needed for authorized purposes, and the rights,  
26 duties, and obligations of the State Building Services and the holders and  
27 registered owners of the bonds.

28       (c) *The bonds may be sold at public or private sale. If the State*  
29 *Building Services shall determine that a negotiated sale of the taxable bonds*  
30 *is in the best interest of the state, then the State Building Services may*  
31 *negotiate for the sale of the bonds. If the bonds are sold at public sale,*  
32 *then notice of the sale shall be published once in a newspaper published in*  
33 *city of Little Rock, Arkansas, having a general circulation throughout the*  
34 *state of Arkansas at least twenty (20) days prior to the date of sale, and may*  
35 *be published in such other publications as the State Building Services may*  
36 *determine. The bonds may be sold at such prices as the State Building*

1 Services may accept, including sale at a discount, but in no event shall any  
2 bid be accepted which results in a net interest cost (determined by computing  
3 the aggregate interest cost from date to maturity at the rate or rates bid and  
4 deducting any premium or adding the amount of any discount) in excess of the  
5 interest cost computed at par for bonds bearing interest at the rate of eight  
6 percent (8%) per annum. The award, if made, shall be to the bidder whose bid  
7 results in the lowest net interest cost.

8 (d) The bonds shall be executed by the manual or facsimile signature of  
9 the chairman and secretary of the State Building Services Council, provided  
10 that one of such signatures must be manual. The coupons attached to the bonds  
11 shall be executed by the facsimile signature of the chairman of the Council.  
12 In case any of the officers whose signatures appear on the bonds or coupons  
13 shall cease to be such officers before the delivery of such bonds or coupons,  
14 their signatures shall, nevertheless, be valid and sufficient for all  
15 purposes. The State Building Services shall adopt and use a seal in the  
16 execution and issuance of the bonds, and each bond shall be sealed with the  
17 seal of the State Building Services.

18 (e) There may be issued separate bonds hereunder and separate series  
19 within each issue. In any event, the authorizing resolution may specify the  
20 amount of revenues, as defined herein, to be pledged for the security and  
21 payment of bonds authorized hereby.

22  
23 SECTION 5. (a) It shall be plainly stated on the face of each bond  
24 that it has been issued under the provisions of this act, that the bonds shall  
25 be obligations only of the State Building Services, that in no event shall  
26 they constitute an indebtedness for which the faith and credit of the State of  
27 Arkansas or any of its revenues (within the meaning of Amendment 20 to the  
28 Constitution of the State of Arkansas) are pledged, and that they are not  
29 secured by a mortgage or lien on any land or buildings belonging to the State  
30 of Arkansas. No member of the State Building Services Council shall be  
31 personally liable for the bonds or for any damages sustained by anyone in  
32 connection with any contracts entered into in carrying out the purposes and  
33 intent of this act, unless he shall have acted with a corrupt intent.

34 (b) The principal of, premiums, if any, interest on, and trustees' and  
35 paying agents' fees in connection with the bonds shall be secured by a lien on



1 and pledge of and shall be payable from the pledged revenues, defined in  
2 Section 6 hereof. The authorizing resolution or trust indenture shall set  
3 forth details of the nature and extent of the lien and pledge, including  
4 provisions for the use of surplus revenues, if any, for other lawful purposes.  
5

6 SECTION 6. (a) The principal of, premiums, if any, interest on, and  
7 trustees' and paying agents' fees in connection with all bonds issued under  
8 this act shall be secured solely by a lien on and pledge of the gross revenues  
9 derived from the leasing or renting to state agencies or other tenants of  
10 space in the Capitol Mall Facility and in the buildings and facilities  
11 acquired pursuant to this act and the pledging of such revenues (the "pledged  
12 revenues") is hereby authorized. All pledged revenues are hereby specifically  
13 declared to be cash funds restricted in their use and dedicated (and) to be  
14 used solely as provided and authorized in this act. Commencing the first day  
15 of the month succeeding the issuance of the bonds hereunder and so long as any  
16 bonds are outstanding hereunder, the pledged revenues shall not be deposited  
17 into the State Treasury and shall not be subject to legislative appropriation,  
18 but, as and when received (by the State Building Services, or by any other  
19 state agency, as the case may be) shall be deposited in a bank or banks  
20 selected by the State Building Services, to the credit of funds designated the  
21 "Capitol Mall Facility and State Agencies Facilities Revenue Bond Fund", with  
22 appropriate identification for separate issues or series. So long as any  
23 bonds are outstanding hereunder, all monies in any bond fund shall be used  
24 solely for the payment of the principal of, premiums, if any, interest on, and  
25 trustees' and paying agents' fees in connection with the bonds, with the  
26 maintenance of necessary funds and reserves, except that the authorizing  
27 resolution or trust indenture may provide for the withdrawal, for other  
28 purposes, of surplus monies, as defined in the authorizing resolution or trust  
29 indenture. Nothing in this section is intended to prohibit the State Building  
30 Services from investing monies received hereunder, as provided in this act.

31 (b) So long as there are outstanding any bonds issued under this act,  
32 the General Assembly shall pass no laws or take any action to eliminate or  
33 change the schedule of rental fees as promulgated by the State Building  
34 Services or in any other respect diminish the revenues pledged under the  
35 provisions of this act except on condition that there is always maintained in

1 effect and made available for the payment of outstanding bonds sources of  
2 revenue which produce revenues at least sufficient in amount to provide for  
3 the payment when due of the principal of, premiums, if any, interest on, and  
4 trustees' and paying agents' fees in connection with the outstanding bonds and  
5 to comply with all covenants (including, without limitation, the maintenance  
6 of funds and reserves) in favor of the holders or registered owners of such  
7 outstanding bonds.

8

9 SECTION 7. Any authorizing resolution and trust indenture shall,  
10 together with this act, constitute a contract between the State Building  
11 Services and the holders and registered owners of the bonds, which contract,  
12 and all covenants, agreements and obligations therein, shall be promptly  
13 performed in strict compliance with the terms and provisions of such contract,  
14 and the covenants, agreements, and obligations of the State Building Services  
15 may be enforced by mandamus or other appropriate proceedings at law or in  
16 equity. In this regard, in addition to other provisions referred to above,  
17 the State Building Services is hereby expressly authorized to include in any  
18 authorizing resolution or trust indenture all or any part of the following  
19 covenants:

20 (1) that, to the fullest extent possible, it will continuously operate  
21 the Capitol Mall Facility and other buildings and facilities acquired under  
22 this act as revenue-producing undertakings, including the maintenance of  
23 occupancy and the use of facilities and space so as to avoid any impairment of  
24 the security for the bonds; and

25 (2) that, to the fullest extent possible, it will always charge, impose  
26 and collect sufficient rentals and other revenue to meet, as due, all debt  
27 service requirements, maintain reserves at proper levels, and otherwise comply  
28 with any provisions of authorizing resolutions or trust indentures concerning  
29 revenues and bonds.

30

31 SECTION 8. Bonds issued under the provisions of this act, and the  
32 interest thereon, shall be exempt from all state, county, and municipal taxes,  
33 and the exemption shall include income, inheritance, and estate taxes.

34

35 SECTION 9. The State Building Services shall include necessary

1 provisions in the authorizing resolution or trust indenture to require the  
2 deposit of the proceeds of the bonds or any series thereof (except amounts for  
3 interest or reserve, which may be deposited in the Bond Fund) into a special  
4 Construction Fund ("Construction Fund") which shall be a trust fund in such  
5 depository as the State Building Services shall designate, which depository  
6 shall be a member of the Federal Deposit Insurance Corporation, and all monies  
7 in the Construction Fund in excess of the amount insured by the Federal  
8 Deposit Insurance Corporation must be secured by direct obligations of the  
9 United States of America, unless invested in securities specified by the State  
10 Building Services. The monies in the Construction Fund shall be used solely  
11 for the powers, purposes, and authorities set forth in this act.

12

13 SECTION 10. REFUNDING BONDS. Bonds may be issued for the purpose of  
14 refunding any bonds issued under this act. Refunding bonds may either be sold  
15 or delivered in exchange for the bonds being refunded. If sold, the proceeds  
16 may be either applied to the payment of the bonds being refunded or deposited  
17 in trust and there maintained in cash or authorized investments for the  
18 retirement of the bonds being refunded, as shall be specified by the State  
19 Building Services in the authorizing resolution or trust indenture securing  
20 the refunding bonds and subject to compliance with the provisions of the  
21 authorizing resolution or trust indenture securing the bonds being refunded.  
22 The authorizing resolution or trust indenture securing the refunding bonds may  
23 provide that the refunding bonds shall have the same priority of pledge as was  
24 enjoyed by the bonds refunded. Refunding bonds shall be sold and secured in  
25 accordance with the provisions of this act pertaining to the sale and security  
26 of revenue bonds. The refunding bonds issued as herein authorized shall not  
27 carry an interest rate greater than the interest rate on the outstanding bonds  
28 to be refunded. The resolution authorizing issuance of refunding bonds shall  
29 specifically set forth all fees to be paid to bond counsels and underwriters,  
30 and all other fees incurred in the issuance of the refunding bonds under the  
31 provisions of this act. It shall also specify the intended use to be made of  
32 all proceeds made available through the refunding process.

33

34 SECTION 11. No member of the State Building Services Council shall be  
35 held personally liable for any act taken by the Council or for any damages

1 sustained by anyone in any contract entered into in carrying out the purposes  
2 and intent of this act, unless he (she) shall have acted with a corrupt  
3 intent.

4

5 SECTION 12. (a) The State Building Services is hereby authorized to  
6 supervise and manage the Capitol Mall Facility and the other buildings and  
7 facilities acquired pursuant to the authority granted herein and to manage,  
8 maintain and repair said buildings and facilities to provide rental space to  
9 be made available for the housing of state agencies, departments, boards,  
10 commissions and institutions, or other tenants, at such rental rates as deemed  
11 necessary:

12 (i) to provide sufficient funds to be paid into the Bond Fund to  
13 enable the State Building Services to meet, when due, the payment of principal  
14 of, interest on, and paying agents' fees in connection with all bonds issued  
15 under this act;

16 (ii) to establish and maintain such reserves, and other financial  
17 obligations in regard to the bonds issued under the provisions of this act as  
18 set forth in the bond agreement; and

19 (iii) in addition thereto, to pay the costs of utilities,  
20 insurance, janitorial supplies and services, building maintenance, upkeep,  
21 repair, and remodeling as deemed necessary, including the accumulation of  
22 reserves deemed necessary for such purposes as authorized under the provisions  
23 of this act, and, in connection therewith, the State Building Services may  
24 establish one or more accounts in one or more banks authorized to do business  
25 in this state to accomplish such purposes.

26 (b) The State Building Services is hereby authorized to hire legal  
27 counsel of its choice to assist in the administration of this act.

28

29 SECTION 13. The following provisions shall apply to the Capitol Mall  
30 Facility:

31 (a) The General Assembly recognizes that the State Building Services  
32 has in its possession the original architectural drawings and plans for the  
33 construction of the Capitol Mall Facility as developed for and in behalf of  
34 the Public Building Authority under the authority of Act 236 of 1973, and the  
35 State Building Services is hereby authorized to employ architects to review

1 such plans and to prepare such additional plans, specifications and estimates  
 2 of costs for the construction of the Capitol Mall Facility as defined herein  
 3 and the various facilities in connection therewith and to supervise and  
 4 inspect such construction. After the State Building Services shall have  
 5 approved the plans and specifications reviewed, modified and prepared by the  
 6 architect, it may proceed to advertise for bids and award a contract for the  
 7 construction of the facility in accordance with applicable laws governing the  
 8 construction of public buildings. In addition, the State Building Services is  
 9 hereby authorized to engage and pay such professional, technical, and other  
 10 help as it shall determine to be necessary or desirable in assisting it to  
 11 carry out effectively the authorities, functions, powers, and duties conferred  
 12 and imposed upon it by this act.

13 (b) (1) In the event the provisions of this act are implemented, the  
 14 following-described lands acquired in the name of the State of Arkansas by the  
 15 Arkansas Revenue Department Building Commission pursuant to the provisions of  
 16 Act 151 of 1965 and any laws amendatory thereto, shall be transferred by said  
 17 commission to the State Building Services, to be held in the name of the State  
 18 of Arkansas, to be used by the State Building Services for the purposes  
 19 provided in this act, all of said lands being situated in the city of Little  
 20 Rock, Pulaski County, Arkansas, to wit:

21 "A tract of land located in the E 1/2 of S4, T1N, R12W of the 5th  
 22 Principal Meridian, said tract being located within the limits of the State  
 23 Office Complex for the State Capitol at Little Rock, Pulaski County, Arkansas,  
 24 as shown on the map titled Boundary Survey, State Office Complex by Edward G.  
 25 Smith & Associates dated October 30, 1974, more particularly described as  
 26 follows:

27 Commencing at the SW corner of Lot 12, Block 345 of Barton's  
 28 Subdivision; thence S89 deg. 57'-45W 1430.81 feet to a point; thence North  
 29 569.68 feet to the point of beginning; thence West 320.0 feet to a point;  
 30 thence North 115.0 feet to a point; thence East 320.0 feet to a point; thence  
 31 South 115.0 feet to the point of beginning, said tract containing .8448 acres  
 32 more or less."

33 (2) In the event revenue bonds are issued for the purpose of  
 34 constructing the Capitol Mall Facility, as defined herein, the State Building  
 35 Services shall have jurisdiction and control over the following lands, which

1 include the lands described in subsection (1) of this subsection, located on  
2 the State Capitol Grounds, to wit:

3 "A tract of land located in the E 1/2 of S4, T1N, R12W of the 5th  
4 Principal Meridian, said tract being located within the limits of the State  
5 Office Complex for the State Capitol at Little Rock, Pulaski County, Arkansas,  
6 as shown on the map titled Boundary Survey State Office Complex by Edward G.  
7 Smith & Associates dated October 30, 1974. The tract is more particularly  
8 described as follows:

9 Commencing at the SW corner of Lot 12, Block 345 of Barton's Sub-  
10 division; thence S89-57-45W 985.81 feet along the North Boundary of 7th Street  
11 to point of beginning; thence continuing S-89-57-45W 445.0 feet to a point;  
12 thence North 569.68 feet to a point; thence West 320.0 feet to a point; thence  
13 North 115.0 feet to a point; thence East 320.0 feet to a point; thence North  
14 692.27 feet to a point on the South Right-of-Way of the Missouri Pacific RR  
15 and the North Boundary of the State Office Complex; thence N54-57E 35.83 feet  
16 to a point; thence N88-09E 63.5 feet to a point; thence S 01-56E 18.18 feet to  
17 a point; thence North 54-55E 83.29 feet to a point on the South Right-of-Way  
18 of West 3rd Street being the North Boundary of the State Office Complex;  
19 thence S89-29E 783.47 feet along the South Boundary of 3rd Street to a point;  
20 thence S 967.54 feet to a point; thence West 380.0 feet to a point; thence  
21 North 200.0 feet to a point; thence West 390.0 feet to a point; thence South  
22 300.0 feet to a point; thence East 270.0 feet to a point; thence South 354.39  
23 feet to the point of beginning, said tract containing 24.04 acres more or  
24 less."

25 (3) The State Building Services, on behalf of the State of  
26 Arkansas, is hereby granted an easement or license over the State Capitol, the  
27 various buildings on the State Capitol grounds, and the State Capitol grounds,  
28 for the purpose of installing or relocating utilities, connecting the Capitol  
29 Mall Facility to existing structures, and such other purposes necessary and  
30 consistent with the Capitol Mall Facility project, as authorized in this act.

31 (4) Expenses incurred in utility installation or relocation and  
32 those directly associated with the connection of the Capitol Mall Facility to  
33 existing structures on the State Capitol grounds, shall be paid as a part of  
34 the project cost.

35 (5) Should it be necessary to relocate the cafeteria now located

1 in the State Capitol Building, to connect the Capitol Mall Facility with the  
2 State Capitol Building, the Secretary of State may make necessary arrangements  
3 for the cafeteria to be temporarily relocated in the State Capitol Building if  
4 the area in the Capitol Mall Facility for the cafeteria is not yet completed  
5 for its relocation. The cost of relocation of the cafeteria, if the Secretary  
6 of State deems the same to be necessary, shall be defrayed from funds  
7 appropriated or provided for the operation and support of the Secretary of  
8 State's office.

9 (6) The State Building Services shall coordinate with the  
10 affected agencies and the Secretary of State efforts to relocate state agency  
11 occupants of existing structures on the State Capitol grounds during  
12 construction, into State-owned facilities if available, and to pay any  
13 additional rentals for space used to house such state agencies as a part of  
14 the cost of the project for the term of the construction of the project unless  
15 funds are otherwise provided by the General Assembly therefor.

16 (7) The granite boulder placed June 15, 1936, in celebration of  
17 the State's centennial, and the bauxite boulder placed March 1943, honoring  
18 the State's contribution to the World War II effort, now located on the site  
19 of the proposed Capitol Mall Facility, shall be relocated by the State  
20 Building Services to such other areas or sites as may be designated by the  
21 Secretary of State. Costs of relocating these monuments shall be considered a  
22 cost of the project unless funds are otherwise provided for such purposes.

23 (c) The State Building Services is hereby authorized to:

24 (1) acquire from the Employment Security Division of the  
25 Department of Labor any title and interest in the building it now has or may  
26 hereafter acquire, located on the State Capitol grounds, known as the  
27 "Employment Security Building", in exchange for which the Employment Security  
28 Division may be granted an advance rental payment credit in an amount to be  
29 determined by the value of the building, reduce the Division's rental payment  
30 for occupancy in the Capitol Mall Facility, or,

31 (2) purchase, on behalf of the State of Arkansas, from the  
32 Employment Security Division the building on the State Capitol grounds at a  
33 price agreed to by the parties involved. If the building is purchased by the  
34 State Building Services, then no relocation costs shall be paid to the  
35 Employment Security Division.

1 As evidence of this transfer, the Director of the Department of Labor is  
2 hereby authorized to execute any instrument or conveyance or contract as the  
3 Attorney General of the State of Arkansas shall deem necessary.

4 (d) (1) The State Building Services is hereby authorized to lease  
5 additional temporary parking areas near the State Capitol Building during the  
6 construction phase of the Capitol Mall Facility project and to provide and  
7 operate, if necessary, one or more shuttle buses between such parking areas  
8 and the State Capitol grounds. The State Highway and Transportation  
9 Department shall assist the State Building Services in ground preparation and  
10 surfacing of additional temporary parking spaces as authorized in this act.

11 (2) Upon completion of the construction phase of the Capitol Mall  
12 Facility project, the State Building Services shall develop parking  
13 regulations which will maintain equitable parking among the tenants of the  
14 Capitol Mall Facility and the public, and may establish reasonable rental or  
15 other charges for parking therein. The State Capitol Police shall provide the  
16 necessary traffic patrols and policing of the Capitol Mall Facility parking  
17 areas.

18 (3) The State Building Services is hereby authorized to negotiate  
19 with any state agency or department now occupying existing structures on the  
20 site of the Capitol Mall Facility and to provide for the relocation of the  
21 agency or department during the construction of the Capitol Mall Facility, or  
22 may provide compensation for the existing structure(s) should acquisition of  
23 the structure(s) be necessary in connection with the project. The  
24 compensation paid for acquisition of existing structure(s) must be submitted  
25 to and approved by the Governor and the same shall constitute a cost of the  
26 Capitol Mall Facility project.

27 (4) The State Building Services, shall, prior to the beginning of  
28 the project, develop a proposed master plan of housing state agencies and  
29 departments within the facilities of the Capitol Mall project, and shall  
30 recommend in such plan the priorities by which space is to be provided for  
31 rental by state agencies and departments identified in the plan, and shall  
32 submit such plan, together with the recommended schedule of rental payments  
33 deemed necessary by the State Building Services to defray the cost of the  
34 project on a year-to-year basis, to the Governor for his review and approval,  
35 and shall submit a copy thereof to the Legislative Council for its information



1 and review. Upon receipt of such proposed plan the Governor shall review the  
2 same and may make such changes therein, including the priorities in providing  
3 space for state agencies and departments, as he deems appropriate, and shall  
4 endorse his approval thereon.

5 It is the intent of this subsection that the Governor shall determine  
6 the needs and priorities for locating or relocating state agencies and  
7 departments into space in the Capitol Mall project facilities. After the  
8 proposed plan is approved by the Governor, the State Building Services shall  
9 confer from time to time with the Governor in connection with priorities in  
10 the location or relocation of state agencies and departments in said Facility.

11 (e) In furtherance of the construction of the Capitol Mall Facility as  
12 authorized in subsection (a) of Section 3, State Building Services is  
13 authorized to enter into agreements with the respective Boards of Trustees of  
14 the Arkansas Teacher Retirement System, the Arkansas Public Employees  
15 Retirement System, and the Arkansas State Police Retirement System for the  
16 construction of a building which shall be a portion of the building identified  
17 as Building No. 1 contained in the "Facilities -- Master Plan -- Year 1985" on  
18 page 79 of the Arkansas State Capitol Complex Master Plan as defined in  
19 subsection (c) of Section 2, deemed adequate for the office space needs of  
20 their respective retirement systems for current and anticipated future  
21 expansion, provided that:

22 (1) such facilities shall be constructed by the State Building  
23 Services in accordance with a contract entered into by the State Building  
24 Services Council and the Boards of Trustees of the respective retirement  
25 systems setting forth the square footage of space to be allocated to and owned  
26 by the respective retirement systems upon completion of this project, with the  
27 cost thereof to be defrayed by each of the retirement systems in such manner  
28 and under such terms and conditions as may be agreed to by the respective  
29 retirement systems and the State Building Services Council;

30 (2) the agreement provides that the facilities shall, during  
31 construction and upon completion thereof, be managed by State Building  
32 Services in accordance with the provisions of Section 22-2-101 and subsequent  
33 sections of the Arkansas Code.

34 (3) to manage and rent any surplus space that each of the  
35 retirement systems may designate for lease to other state agencies under such

1 terms and conditions, and for such duration, that may be agreed to by the  
2 respective retirement systems and State Building Services, with all rental  
3 income over and above management costs defrayed by State Building Services to  
4 be remitted to the respective retirement systems as income to each of the  
5 respective systems.

6 (4) such respective retirement systems may utilize funds  
7 available to them for investment purposes for payment to the State Building  
8 Services for the cost of construction of the facilities authorized in this  
9 subsection, in which event the construction cost of the facilities acquired  
10 for the respective retirement systems may be amortized in accordance with the  
11 amortization plan for funding their retirement systems, but in no event  
12 extending over a period exceeding forty (40) years. The respective retirement  
13 systems shall enter into agreements with State Building Services to pay all  
14 costs of maintenance, janitorial, and other services as operating expenses for  
15 the use of the facilities assigned to the respective retirement systems.

16  
17 SECTION 14. From and after the effective date of this act, no new  
18 buildings or facilities to provide office space for State agencies shall be  
19 constructed on the State Capitol grounds unless the same are part of and in  
20 conformance with the Capitol Mall Facilities -- Master Plan -- Year 1985 on  
21 page 79 of the Arkansas State Capitol Complex Master Plan as prepared under  
22 the direction of the Arkansas Public Building Authority authorized by Act 236  
23 of 1973, dated June 1974, or as contained in such Plan as expanded in the  
24 Proposed Facilities Master Plan -- Year 2000 on page 80 of said Arkansas State  
25 Capitol Complex Master Plan. Nothing in this act shall restrict or prohibit  
26 the construction of surface parking or parking decks on the State Capitol  
27 grounds, provided that parking facilities shall be constructed in areas now  
28 utilized as parking or designated as parking on the Arkansas State Capitol  
29 Complex Master Plan -- Year 1985 or in accordance with the Facilities Master  
30 Plan -- Year 2000 as prepared by the Arkansas Public Building Authority.

31  
32 SECTION 15. This act shall not create any right in any bondholder for  
33 bonds issued pursuant to this act, and no right of such bondholder shall arise  
34 under it, until bonds authorized by this act (of the initial issue or series)  
35 shall have been sold and delivered by the State Building Services.

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SECTION 16. This act shall be construed liberally. The enumeration of any object, purpose, power, manner, method, and thing shall not be deemed to exclude like or similar objects, purposes, powers, manners, methods, and things.

SECTION 17. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 18. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 19. All laws and parts of laws in conflict with this act are hereby repealed.

*/s/John E. Miller*

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