

MINUTES OF  
Budget and  
Control Board  
Meeting

December 21, 1978

MINUTES OF BUDGET AND CONTROL BOARD MEETING

DECEMBER 21, 1978      10:00 A. M.

The Budget and Control Board met at 10:00 a.m. on Thursday, December 21, 1978 in the Governor's Conference Room with the following members in attendance:

Governor James B. Edwards  
Mr. Grady L. Patterson, Jr.  
Mr. Earle E. Morris, Jr.  
Representative Tom G. Mangum

Also attending were Executive Director William T. Putnam, State Auditor Edgar A. Vaughn, Jr., Board Secretary William A. McInnis, and Donna K. Williams.

POLL AGENDA - The Budget and Control Board without objection approved all items on the poll agenda which are identified as such in these minutes.

THE CITADEL - A&E SELECTION APPROVAL REQUEST (POLL ITEM 1) - The Citadel Vice President for Administration and Finance James A. Grimsley, Jr., advised the Board that the following firms, listed in preference order, have been selected to provide the services required in connection with the replacement of airconditioning in the Coward Hall Dining Rooms:

<u>Firm</u>	<u>Location</u>	<u>Reported State Work in Prior Two Years</u>
(1) Cummings and McCrady	Charleston	\$ 1,500,000.00
(2) George Rast and Associates	Charleston	6,165.76 (fee)
(3) William B. Leland	Charleston	-0-

General Grimsley advised the Board that Cummings and McCrady were selected as best qualified "because a certain amount of structural work is required to provide a room with adequate load bearing floor for the central chiller plant."

After being advised that the required selection procedure had been followed, the Budget and Control Board without objection approved the selection



of Cummings and McCrady for the referenced project.

Information relating to this matter has been retained in these files and is identified as Exhibit I.

DEPARTMENT OF MENTAL HEALTH - A&E SELECTION APPROVAL REQUEST (POLL ITEM 2) - Commissioner William S. Hall advised the Budget and Control Board that the following firms, listed in preference order, have been selected to undertake the following projects:

	<u>Firm</u>	<u>Location</u>	<u>Reported State Work in Prior Two Years</u>
A.	<u>Study of Existing Facilities - Crafts-Farrow State Hospital:</u>		
(1)	Carlisle Associates, Inc.	Columbia	\$ -0-
(2)	McMillan Associates	Greenville	1,100,000
(3)	Clark Associates, Inc.	Anderson	285,000

Dr. Hall pointed out that the selection of Carlisle Associates was based upon the professional ability, time availability, and the willingness to commence work for an early completion of the study.

B.	<u>Study of Existing Facilities - South Carolina State Hospital:</u>		
(1)	Odell Associates, Inc.	Greenville	\$ 47,500
(2)	Renshaw-Heilman & Associates		60,000
(3)	LaFaye Associates, Inc.	Columbia	-0-

Dr. Hall indicated that the selection of Odell Associates was based upon work done on the feasibility study of the Mills Building and the feeling that the present study should be a continued effort by the same firm and that other factors considered in this selection were the professional ability, time availability, and willingness to commence work for an early completion of this study.

After being advised that the required selection procedure had been followed in both cases, the Budget and Control Board without objection approved the selection of Carlisle Associates, Inc., to undertake a study of existing facilities at Crafts-Farrow State Hospital and the selection of Odell Associates,

Inc., to undertake a study of existing facilities at the South Carolina State Hospital.

Information relating to this matter has been retained in these files and is identified as Exhibit II.

DEPARTMENT OF MENTAL RETARDATION - A&E SELECTION APPROVAL REQUEST

(POLL ITEM 3) - Commissioner Charles D. Barnett advised the Board that, under the small A&E projects law (R. 761 of 1978), the required selection procedure has been followed in the selection of Design Collaborative, Inc., to provide architectural services in connection with the development of a prototype design of an eight-bed intermediate care facility for the mentally retarded.

Dr. Barnett further advised that, under the proposed contract, his Department will provide the mechanical, plumbing, and electrical designs.

The Budget and Control Board without objection approved the selection of Design Collaborative, Inc., for the referenced project.

Information relating to this matter has been retained in these files and is identified as Exhibit III.

PARKS, RECREATION AND TOURISM - A&E SELECTION APPROVAL REQUEST (POLL

ITEM 4) - PRT Engineering and Planning Coordinator Pearce Thomson advised the Board that the following firms, listed in preference order, have been selected for the Lynches River State Park project (#4500-7-80):

	<u>Firm</u>	<u>Location</u>	<u>Reported State Work in Prior Two Years</u>
(1)	Wilkins-Wood & Associates	Florence	\$12,263,000
(2)	Anderson Associates	Columbia	4,000 (fee)
(3)	James T. Barnes Associates, Ltd.	Florence	-0-

Mr. Thomson indicated that the overriding reasons for selecting Wilkins-Wood & Associates were the proximity of their established reputable office in Florence to the project and their knowledge of and experience with poll/bathhouse construction and attractive use of natural materials in a rustic

setting.

After being advised that the required selection procedure had been followed, the Budget and Control Board without objection approved the selection of Wilkins-Wood for the referenced project.

Information relating to this matter has been retained in these files and is identified as Exhibit IV.

STATE PORTS AUTHORITY - A&E SELECTION APPROVAL REQUEST (POLL ITEM 5) -

Ports Authority Director of Management Services Larry E. Beldner advised that the following firms, listed in preference order, have been selected to perform the following work in connection with the Wando Terminal (Projects #Y14-005 and #Y14-006): (1) Detailed site planning, including but not limited to the location of roads, railroads, buildings, and parking areas; and the establishment of grade elevations for drainage control, with special emphasis on run-off control; (2) The design and preparation of contract plans and specifications for storm drainage, internal roads, open storage and parking areas, internal railroad tracks, and landscaping for incorporating run-off control; and (3) the overall coordination of all other planning and design contracts with other firms:

	<u>Firm</u>	<u>Location</u>	<u>Reported State Work in Prior Two Years</u>
(1)	Wilbur Smith & Associates	Charleston	\$ 8,300,000 and 419,537 in fees
(2)	Carlisle Associates and Harwood Beebe/C. E. Maguire	Columbia	35,165,000
(3)	J. E. Sirrine Company and Century Southern, Inc.	Greenville	2,000,000

Mr. Beldner indicated the following reasons for the selection of Wilbur Smith & Associates as first choice:

- "1. Their knowledge of the project, terminal design, and container operations was greater than the other firms interviewed.
2. A majority of the work would be performed out of the Charleston office, reducing the overall expenses for the engineering work.



3. All project managers for the work are presently located in Charleston, allowing them to better communicate with the Authority, contractors, and other engineering firms.
4. Their presentation during the interview more adequately represented the Authority's requirements for the overall coordination of the other engineering firms selected for other work."

After being advised that the required selection procedure had been followed, the Budget and Control Board approved the selection of Wilbur Smith & Associates for the referenced projects.

Information relating to this matter has been retained in these files and is identified as Exhibit V.

SOUTH CAROLINA STATE COLLEGE - A&E SELECTION APPROVAL REQUEST (POLL ITEM 6) - State College Vice President for Business and Finance Harold A. Jenkins advised the Board that the following firms, listed in preference order, have been selected to provide the planning services related to a Physical Plant Facilities Complex:

	<u>Firm</u>	<u>Location</u>	<u>Reported State Work in Prior Two Years</u>
(1)	McNair, Gordon, Johnson & Karasiewicz Architects/Engineers/Planners	Columbia	\$ 8,900,000
(2)	McDuffie & Associates	Orangeburg	-0-
(3)	Lucas & Stubbs	Charleston	970,477

Mr. Jenkins indicated that the McNair, Gordon, Johnson & Karasiewicz firm had been selected first in order of preference for the following reasons:

- "1. The firm has recent experience in similar facilities.
2. The firm has proven ability to produce large scale projects on schedule and within the construction budget in the current market.
3. The firm's principals and staff have many years of outstanding experience. All phases of work will be directly supervised by an experienced firm principal, responsible to the owner at all times.
4. The principals have had previous experience with projects at this agency.
5. The firm has experience with State projects and is familiar with required procedures and criteria."



After being advised that the required selection procedure had been followed, the Budget and Control Board without objection approved the selection of McNair, Gordon, Johnson & Karasiewicz, Architects/Engineers/Planners for the referenced project.

Information relating to this matter has been retained in these files and is identified as Exhibit VI.

UNIVERSITY OF SOUTH CAROLINA - AIKEN - A&E SELECTION APPROVAL REQUEST  
(POLL ITEM 7) - USC - Aiken Dean of Administration George A. Gibson advised the Board that the following firms, listed in preference order, have been selected to provide the architectural and engineering services required for Project #H31-002, Adaptation of General Purpose Building:

	<u>Firm</u>	<u>Location</u>	<u>Reported State Work in Prior Two Years</u>
(1)	Wells, Fleetwood & Hutchison	Aiken	\$ -0-
(2)	William-Bailey-Kauric, Architects	Columbia	-0-
(3)	Anderson Associates	Columbia	-0-

After being advised that the required selection procedure had been followed, the Budget and Control Board without objection approved the selection of Wells, Fleetwood & Hutchison for the referenced project.

Information relating to this matter has been retained in these files and is identified as Exhibit VII.

MOTOR VEHICLE MANAGEMENT - FLEET ADDITION REQUEST (PATRIOTS POINT)  
(POLL ITEM 8) - MVM Division Director Spence advised the Board that the Patriots Point Development Authority has requested authorization to purchase one nine-passenger station wagon (Class VIII) as a fleet addition.

Mr. Spence indicated that Patriots Point presently has only one vehicle, a pickup truck, assigned to it and that the requested vehicle will be assigned to the Authority pool to be available to all employees with official travel requirements.

The Budget and Control Board without objection approved the Patriots Point Development Authority request to purchase one nine-passenger station wagon as a fleet addition.

Information relating to this matter has been retained in these files and is identified as Exhibit VIII.

DIVISION OF GENERAL SERVICES - GRANT OF EASEMENT (SCE&G) (POLL ITEM 9) -

The Division of General Services advised the Board that the South Carolina Electric and Gas Company has requested a ten-foot easement across approximately 2,500 feet of State property, used by the Department of Youth Services and the Department of Corrections, for the purpose of erecting power lines to serve a Columbia Housing Authority project and an apartment complex.

After being advised that the Board of Corrections and the Board of the Department of Youth Services had approved the request, the Budget and Control Board without objection approved the granting of the referenced easement to the South Carolina Electric and Gas Company.

Information relating to this matter has been retained in these files and is identified as Exhibit IX.

UNIVERSITY OF SOUTH CAROLINA - LOAN APPLICATION FOR PURCHASE OF WADE HAMPTON HOTEL - After being advised that contractual matters which had not yet been finalized would be discussed, the Budget and Control Board without objection agreed to consider the proposed USC loan application in Executive Session.

FINANCE DIVISION (COMPUTER SYSTEMS MANAGEMENT) - REPLACEMENT OF COMPUTER MAINFRAME FOR TAX COMMISSION - The Budget and Control Board was advised that the NCR proposes to replace the mainframe of the Tax Commission NCR Century 201 (256K), which has been in place since 1972 on a lease basis and which is expected to be able to process the Commission's work load for some time to come, with a fully compatible NCR Criterion 8560 (512K) at a reduced lease

The Budget and Control Board without objection approved the Patriots Point Development Authority request to purchase one nine-passenger station wagon as a fleet addition.

Information relating to this matter has been retained in these files and is identified as Exhibit VIII.

DIVISION OF GENERAL SERVICES - GRANT OF EASEMENT (SCE&G) (POLL ITEM 9) -

The Division of General Services advised the Board that the South Carolina Electric and Gas Company has requested a ten-foot easement across approximately 2,500 feet of State property, used by the Department of Youth Services and the Department of Corrections, for the purpose of erecting power lines to serve a Columbia Housing Authority project and an apartment complex.

After being advised that the Board of Corrections and the Board of the Department of Youth Services had approved the request, the Budget and Control Board without objection approved the granting of the referenced easement to the South Carolina Electric and Gas Company.

Information relating to this matter has been retained in these files and is identified as Exhibit IX.

UNIVERSITY OF SOUTH CAROLINA - LOAN APPLICATION FOR PURCHASE OF WADE HAMPTON HOTEL - After being advised that contractual matters which had not yet been finalized would be discussed, the Budget and Control Board without objection agreed to consider the proposed USC loan application in Executive Session.

FINANCE DIVISION (COMPUTER SYSTEMS MANAGEMENT) - REPLACEMENT OF COMPUTER MAINFRAME FOR TAX COMMISSION - The Budget and Control Board was advised that the NCR proposes to replace the mainframe of the Tax Commission NCR Century 201 (256K), which has been in place since 1972 on a lease basis and which is expected to be able to process the Commission's work load for some time to come, with a fully compatible NCR Criterion 8560 (512K) at a reduced lease



cost of \$400 below the current \$26,999 per month. The Board was also advised that the present Tax Commission installation is the last one in the Columbia area and that the lease costs of the older model will have to be increased approximately \$1,000 per month next year.

Mr. Burr indicated to the Board that similar situations have existed in other State installations from time to time as advancing technology has permitted the achievement of cost reductions and that, in such cases, replacement of the computers has been deferred until a need for additional capacity has arisen. When a need for additional capacity is established, the approved action has been to undertake a competitive procurement in accordance with law, a course that Mr. Burr pointed out has proven to be the most equitable and the least challengeable by the several competing vendors.

Mr. Burr proposed that the Board approve the draft of a letter to NCR advising that State statutes require competitive procurement of acquisitions valued at \$1,500 or more and that the initiation of an RFP for a replacement computer system for the Tax Commission will be undertaken as soon as practicable in order to take full advantage of the improvements, including the lesser costs that newer computer systems provide.

Following a discussion in which Mr. Burr expressed the view that the Tax Commission's current computer mainframe will be adequate for its needs for the next one and one half to two years, the Budget and Control Board, upon a motion by Representative Mangum, seconded by Mr. Morris, approved the referenced draft letter to NCR which outlines the State's competitive procurement policy.

Information relating to this matter has been retained in these files and is identified as Exhibit X.



DIVISION OF STATE PLANNING - ACCOUNTING AND REPORTING SYSTEMS PROJECT

STATUS AND PROPOSED PROJECT CONSULTANT CONTRACT AMENDMENT - Division Director P. C. Smith, accompanied by Clyde Nichols, staff of the State Accounting and Reporting Systems Project, appeared before the Budget and Control Board to present a status report on the project and to request approval of an amended contract with Peat, Marwick, Mitchell & Co., project consultants.

Mr. Smith indicated that project progress in terms of professional competence has been satisfactory but that the rate of progress on the effort is much less than had been hoped. He indicated that the election at the beginning of the project to conduct it on a joint staff-consultant basis and the obvious limits on the time staff could devote to the project meant that progress on the project necessarily would be slow. Mr. Smith expressed the view, however, that this staff-consultant procedure is the best way to approach the task.

Mr. Smith indicated that the effort thus far has largely been handled by the consultants and has focused on a review of the State's existing system and on the development of the consultants' recommendation on the basic features of a modern system along with recommendations for revision of subordinate accounting procedures.

Mr. Smith indicated that the project is now entering a phase where a great number of details involved in the accounting system must be given attention by State staff. Involved here are the adaptation of the numerous systems to the objectives of the project and the computerization of the system.

In light of these factors, Mr. Smith suggested that it is now appropriate to modify the arrangement with the consultant. He recommended modification of the terms of the original arrangement to provide for a series of involvements by the consultant, each of which would be negotiated separately. Mr. Smith indicated that the Offices of the Treasurer and the Comptroller General have been involved in the effort principally and that they and the Attorney General's Office have reviewed the proposed modification of the contract.

Following this discussion, upon a motion by Mr. Morris, seconded by Mr. Patterson, the Budget and Control Board approved the recommendation of Mr. Smith that the arrangement with Peat, Marwick, Mitchell & Co. be amended to provide for a series of negotiated involvements. In approving the approach recommended by Mr. Smith, Mr. Patterson observed that several items involved in the project have not yet been approved finally.

Information relating to this matter has been retained in these files and is identified as Exhibit ~~XI~~.

FINANCE DIVISION (COMPUTER SYSTEMS MANAGEMENT) - DATA PROCESSING  
EQUIPMENT AND CONSULTING SERVICES PROCUREMENT POLICIES AND PROCEDURES -

Computer Systems Management Director Charles Burr, in response to the increasing importance of the proper and the consistent handling of specialized procurements involving costly data processing equipment and services, recommended the adoption of expanded regulations on this subject and their insertion in Rule 19-10 of the Board's "Purchasing Policies and Procedures". Following a brief discussion, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Budget and Control Board adopted the "Data Processing Equipment and Consulting Services Procurements" draft as proposed by Mr. Burr and approved its inclusion in Rule 19-10 of the Board's "Purchasing Policies and Procedures".

Information relating to this matter has been retained in these files and is identified as Exhibit XII.

EMPLOYMENT SECURITY COMMISSION - CONSULTANT SERVICES CONTRACT -

Executive Director Putnam reminded the Board that this proposed contract by ESC with Dr. John S. Kososki for the purpose of making a responsibility and grade comparability study of professional and supervisory personnel within the Commission had been carried over from the December 13 meeting for the purpose of determining if the State Personnel Division could perform this work. Mr. Putnam indicated that Dr. Mullins and he recommend approval of the contract.

Upon a motion by Mr. Patterson, seconded by Representative Mangum,

the Budget and Control Board approved the referenced contract between ESC and Dr. John S. Kososki.

Information relating to this matter has been retained in these files and is identified as Exhibit XIII.

LEXINGTON SCHOOL DISTRICT FIVE - RATE OF INTEREST IN EXCESS OF SEVEN PERCENT - Attorney T. H. Rawl has advised the Board that Lexington School District Five is attempting to complete a complicated property transaction prior to the end of the calender year which apparently will involve the payment of a rate of interest by the School District in excess of the seven percent maximum. Attorney Rawl requested that the Board be advised of this situation and asked that the Board authorize a poll prior to the end of 1978.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Budget and Control Board authorized the Executive Director to poll the Board after the specific interest rate is known.

LAND RESOURCES COMMISSION AND STATE DEVELOPMENT BOARD - POSITIONS ABOVE NUMBER AUTHORIZED - Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Budget and Control Board approved the establishment of the following positions above the number authorized:

(1) Land Resources Commission: one grade 21, or lower, position, at an estimated annual salary of \$10,000, 100% state funds, to fulfill responsibilities in the Landscape Architects Registration program; and (2) State Development Board: one Industrial Development Representative I, grade 26, and one Clerk II, grade 8, positions resulting from the split of one Associate Director position, grade 34.

Information relating to this matter has been retained in these files and is identified as Exhibit XIV.

GRANTS AND CONTRACTS REVIEW SUBCOMMITTEE - GRANT AND CONTRACT REQUESTS Grant Services Administrator George F. Oliver presented the subcommittee's package including 30 projects involving funds totalling \$6,464,172. Mr. Putnam called the Board's attention to requests numbers 5 and 12 which are requests by the



College of Charleston and Winthrop College, respectively, for funds "to generate the skill and motivation necessary for success in education beyond high school..." and raised the question of whose responsibility it is to conduct programs of this sort. Representative Mangum observed that these efforts by institutions of higher learning is a reversal of the situation with TEC and its apparent involvement in the academic programs. Mr. Putnam observed that this responsibility issue still needs to be resolved.

Following this discussion, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Budget and Control Board approved the recommendations of the Grants and Contracts Review Subcommittee.

Information relating to this matter has been retained in these files and is identified as Exhibit XV.

BUDGET AND CONTROL BOARD - RESOLUTION DEFEASING STATE INSTITUTION

BONDS - Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Budget and Control Board adopted a Resolution defeasing \$2,435,000 State Institution Bonds. Included are the following: \$1,350,000, University of South Carolina; \$785,000, Clemson University; and \$300,000, Winthrop College.

Information relating to this matter has been retained in these files and is identified as Exhibit XVI.

BUDGET AND CONTROL BOARD - RESOLUTION AUTHORIZING ISSUANCE OF \$22,215,000

STATE INSTITUTION BONDS - Executive Director Putnam advised the Board that the staff had not yet completely identified Commission on Higher Education and House-Senate Bond Review Committee approval of the projects to be funded through the issuance of the referenced State Institution Bonds. Mr. Putnam indicated that the staff would complete this review and contact the appropriate persons to seek the clearances required.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Budget and Control Board adopted a Resolution making provision for the issuance of \$22,215,000 State Institution Bonds. Included in the proposed issue are the



following: University of South Carolina, \$9,700,000; Clemson University, \$7,000,000; The Citadel, \$1,015,000; Medical University, \$1,000,000; Trident Technical College, \$3,500,000.

Information relating to this matter has been retained in these files and is identified as Exhibit XVII.

EXECUTIVE DIRECTOR - RENOVATION OF FORSYTHE BUILDING - Executive Director

Putnam recommended that the Division of General Services be authorized to use reserve account and/or uncommitted Capital Improvement Bond funds to finance the complete renovation of the interior of the Forsythe Building, located at 915 Main Street, for possible occupancy by the Auditing and Engineering Sections of the Finance Division and by the State Planning Division. Mr. Putnam noted that a letter of protest has been written by the Commission on Aging, one of the present occupants of the building, expressing objection to being asked to relocate. Mr. Putnam stressed that the staff feels strongly that the building needs renovation to meet life safety and other code requirements regardless of the future occupants.

Mr. Putnam recommended that the Board grant conditional approval to this project pending resolution of the question of who will occupy the building. Mr. Putnam also recommended that a Capital Improvement Bond authorization be requested to repay any funds advanced for this project by the Division of General Services. Mr. Putnam emphasized that this proposal would be brought back to the Board for further consideration at a future meeting.

Following this discussion, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Budget and Control Board gave conditional approval to the use by the Division of General Services of reserve account and/or uncommitted Capital Improvement Bond funds to finance the complete renovation of the interior of the Forsythe Building and directed that a request for a Capital Improvement Bond authorization be included by the Division of General Services to reimburse any funds advanced by that Division in the event the project materializes.

Information relating to this matter has been retained in these files

14'- 12/21/78

and is identified as Exhibit XVIII.

DIVISION OF GENERAL SERVICES - SALE OF STATE PROPERTY TO STATE OFFICIALS -

The Division of General Services advised the Board that, as each administration comes to a close, it has been customary for State officials, for sentimental reasons, to purchase certain items of furniture they have used during their tenure. The Division noted further that as requests come in, the items are being appraised by the Surplus Property Officer with one of the Division's State Purchasing Assistants and that the proceeds from any such sales will be returned to the appropriate Department to be applied toward the purchase of like equipment.

The Division indicated that requests have been received from the following officials to purchase certain items of furniture (desk, chair, and credenza; and, in the case of the Secretary of State, an automobile): the Governor; Administrative Assistant to the Governor; Governor's Press Secretary; the Lieutenant Governor; the Secretary of State; and the Secretary to the Agriculture Study Committee.

Following a brief discussion, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Budget and Control Board approved the sale of the referenced property, as recommended by the Division of General Services. Governor Edwards abstained.

Information relating to this matter has been retained in these files and is identified as Exhibit XIX.

DIVISION OF GENERAL SERVICES - LOSS PREVENTION PROGRAM - The Division of General Services advised that, on September 17, 1977, the Budget and Control Board approved a joint program with the Underwriters' Association to provide loss prevention programs for hospitals insured through the Insurance Reserve Fund. The Division further advised that the Joint Underwriters Association is headed by the Insurance Commissioner and that this is an on-going program although the original contract extended for a period of one year only.

Upon the recommendation of the Division of General Services, the

Budget and Control Board, upon a motion by Mr. Morris, seconded by Mr. Patterson, approved a continuation of the referenced loss prevention program from October 1, 1978 until such time as there are significant changes which should be approved by the Board at an annual cost of about \$75,000, to be paid from the Insurance Reserve Fund out of premiums collected from participating hospitals.

Information relating to this matter has been retained in these files and is identified as Exhibit XX.

PERSONNEL DIVISION - AMENDMENT OF RULES AND REGULATIONS ON SETTLEMENT PROPOSALS - Deputy State Personnel Division Director Joe Mack advised the Board that the proposed amendment of Personnel Rules (Section VII) substantially incorporates the current practice and he recommended Board approval of the proposed amendment.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Budget and Control Board approved the amendment of Section VII, S. C. Personnel Rules pertaining to settlement proposals.

Information relating to this matter has been retained in these files and is identified as Exhibit XXI.

AGENDA ADDITIONS - Mr. Putnam advised the Board that a request by the Division of Motor Vehicle Management for a Civil Contingent Fund allocation to support an additional position and a request by the State Development Board for authorization to send a staff member to a school and following that to station him in Belgium for a three year period have been proposed as additions to the present agenda.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Budget and Control Board agreed to add these items to the present agenda.

MOTOR VEHICLE MANAGEMENT - ADDITIONAL POSITION AND CIVIL CONTINGENT FUND REQUEST - Executive Director Putnam advised that the Division of Motor Vehicle Management has no additional funds to support the implementation of the new legislation relating to that Division. The Division has indicated a



need for an additional staff person and has requested a Civil Contingent Fund allocation to support that position for the remainder of the current fiscal year.

Following a brief discussion, upon a motion by Mr. Morris, seconded by Mr. Patterson, the Budget and Control Board approved the establishment of one Management Analyst, grade 26, above the number authorized for the Division of Motor Vehicle Management and allocated \$8,514.42 from the Civil Contingent Fund for the purpose of supporting this position during the remainder of the current fiscal year.

STATE DEVELOPMENT BOARD - STAFFING FOR BRUSSELS OFFICE - Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Budget and Control Board approved a request by Development Board Director Robert E. Leak for authorization to send staff member James Lindsay to a six-week language and cultural orientation training program at the American Graduate School of International Management located in Thunderbird, Arizona and for authorization to station Mr. Lindsay at the Development Board's office in Brussels, Belgium for a three-year period.

FUTURE MEETING - The Budget and Control Board agreed to meet at 2:30 p.m. on Thursday, January 4, 1979.

EXECUTIVE SESSION - Executive Director Putnam advised that two property acquisition matters, two contractual matters, one Retirement System appeal and three personnel matters had been proposed for consideration in Executive Session. Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Budget and Control Board agreed to consider these matters whereupon Governor Edwards declared the meeting to be in Executive Session.

RATIFICATION OF EXECUTIVE SESSION ACTIONS - The Budget and Control Board without objection ratified the following actions taken in Executive Session:

- (1) Approved conditionally the purchase of certain property in Charleston, subject to the concurrence of the House-Senate Bond Review Committee;
- (2) Approved conditionally a University of South Carolina request for authorization to seek a long-term, low-interest loan from the Department of



Housing and Urban Development to finance the purchase of the Wade Hampton Hotel property and, if the loan is secured, to purchase the referenced property, subject to the following conditions: (a) that a majority of the Richland County Legislative Delegation and the Mayor and Council of the City of Columbia approve this purchase; (b) that the usual clearances be secured from the Commission on Higher Education, the Joint Appropriations Review Committee and the House-Senate Bond Review Committee; and (c) further, that the University agree to sell the Hotel property at fair market value in the future in the event an opportunity materializes to develop it to meet community needs.

(3) Carried over to a future meeting consideration of a computer acquisition bid award;

(4) Carried over for further consideration an insurance benefits contractual matter;

(5) After a review of the record, received as information the findings and recommendations of the State Employee Grievance Committee in a case involving the Department of Corrections and a case involving the Department of Health and Environmental Control;

(6) Upheld an opinion of the Attorney General's Office in a Retirement System appeal; and

(7) Agreed to reclassify to an unclassified status an employee at the University of South Carolina.

The meeting was adjourned at 1:05 p.m.

[Secretary's Note: In compliance with Section 9 of Act 593 of 1978 (the Freedom of Information Act), public notice of and the agenda for this meeting were posted on bulletin boards in the Office of the Governor's Assistant for Public Affairs in the State House and near the Board Secretary's Office in the Wade Hampton Building on December 19, 1978.]

## STATE BUDGET AND CONTROL BOARD

EXHIBIT I  
12/21/78POLL OF December 21, 1978POLL ITEM NUMBER 1

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Agency: The Citadel

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Subject: A&E Selection Approval Request

The Citadel Vice President for Administration and Finance James A. Grimsley, Jr., advises that the following firms, listed in preference order, have been selected to provide the services required in connection with the replacement of airconditioning in the Coward Hall Dining Room:

<u>Firm</u>	<u>Location</u>	<u>Reported State Work in Prior Two Years</u>
(1) Cummings and McCrady	Charleston	\$ 1,500,000.00
(2) George Rast and Associates	Charleston	6,165.76 (fee)
(3) William B. Leland	Charleston	-0-

General Grimsley states that Cummings and McCrady were selected as best qualified "because a certain amount of structural work is required to provide a room with adequate load bearing floor for the central chiller plant."

The required selection procedure has been followed.

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Board Action Requested:

Approve the selection of Cummings and McCrady for the referenced project, as requested by the Citadel.

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Vote Of Board Member: (Please indicate by initialing appropriate line below.)

           I approve of the above action.

           I disapprove of the above action.

           Hold for regular meeting.

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Attachments:

Grimsley 12/11/78 letter to McPherson, plus attachments.

**THE CITADEL**  
THE MILITARY COLLEGE OF SOUTH CAROLINA  
CHARLESTON, S. C. 29409

OFFICE OF THE  
VICE PRESIDENT  
FOR ADMINISTRATION  
AND FINANCE

11 December 1978

**RECEIVED**  
DEC 12 1978  
S. C. BUDGET AND  
CONTROL BOARD

Mr. John A. McPherson, Jr.  
Chief Engineer  
State Budget and Control Board  
Post Office Box 11333  
Columbia, South Carolina 29211

RE: Coward Hall Dining Rooms-  
Air Conditioning Replacement

Dear Mr. McPherson:

Inclosed is a copy of a proposed contract with Cummings and McCrady for the replacement of air conditioning in Coward Hall Dining Rooms.

A copy of newspaper request for submission of resumes of qualifications is attached at Inclosure 2.

Firms that responded, in order of preference are:

Cummings and McCrady - Charleston, South Carolina  
Rast and Associates - Charleston, South Carolina  
William B. Leland - Charleston, South Carolina  
Wilbur Smith and Associates - Columbia, South Carolina

All of the above were interviewed. Consideration was given to the amount of state projects each firm has executed contracts for in the past two years prior to date this work was first advertised.

In this case Cummings and McCrady were selected as best qualified because a certain amount of structural work is required to provide a room with adequate load bearing floor for the central chiller plant.

Cost of design and construction of central chiller plant and related work- which will serve both mess hall and hospital - will be divided between projects on a "fair share" basis.



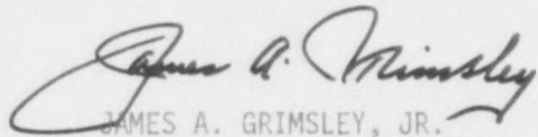


State Budget & Control Board  
Page two

A list of AE contracts awarded by The Citadel in the past three years  
is at Inclosure 4.

Request State Budget and Control Board's approval of attached contract.

Sincerely,

A handwritten signature in dark ink, appearing to read "James A. Grimsley, Jr.", with a stylized flourish at the end.

JAMES A. GRIMSLEY, JR.  
Major General, USA, Retired  
Vice President for Administration  
and Finance

JAGJR:rb

4 Inclosures  
As stated

# THE AMERICAN INSTITUTE OF ARCHITECTS



AIA Document B141

## Standard Form of Agreement Between Owner and Architect

1977 EDITION

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH  
AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION

### AGREEMENT

made as of the 6TH day of DECEMBER in the year of Nineteen  
Hundred and SEVENTY-EIGHT

BETWEEN the Owner: THE CITADEL

and the Architect: CUMMINGS & McCRADY, INC.

For the following Project: COWARD HALL DINING ROOMS AIR CONDITIONING PROJECT.  
(Include detailed description of Project location and scope.) SCOPE OF THE WORK ATTACHED.

The Owner and the Architect agree as set forth below.

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SCOPE OF AE WORK - COWARD HALL DINING ROOMS AIR CONDITIONING PROJECT

1. Study existing building and air conditioning system in three dining rooms and staff cafeteria (4 - 40 ton package units mounted in attic) with a view to replacement with a central, chilled water system using fan coil units. Central chiller will be sized to also service Mary Bennett Murray Hospital.

Personnel loading to be considered is:

Mess Hall - 2000 people for three one hour feeding periods and 1000 people for a four hour social, dinner and speaker affair in the evening under adverse temperature and humidity conditions.

Hospital - peak population 100 people in morning hours; all day load not over 50.

2. Study existing electric feeder system to Mess Hall with view to replacing 10 pole mounted transformers (serving Mess Hall and Hospital) with pad mounted transformer(s).

3. After discussion with owner, perform services through the AIA's Design Development Phase.

4. (As a separate cost item) prepare construction and bid documents.

5. Advertise job and supervise construction.



12/21

## TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT

### ARTICLE 1

#### ARCHITECT'S SERVICES AND RESPONSIBILITIES

##### BASIC SERVICES

The Architect's Basic Services consist of the five phases described in Paragraphs 1.1 through 1.5 and include normal structural, mechanical and electrical engineering services and any other services included in Article 15 as part of Basic Services.

##### 1.1 SCHEMATIC DESIGN PHASE

**1.1.1** The Architect shall review the program furnished by the Owner to ascertain the requirements of the Project and shall review the understanding of such requirements with the Owner.

**1.1.2** The Architect shall provide a preliminary evaluation of the program and the Project budget requirements, each in terms of the other, subject to the limitations set forth in Subparagraph 3.2.1.

**1.1.3** The Architect shall review with the Owner alternative approaches to design and construction of the Project.

**1.1.4** Based on the mutually agreed upon program and Project budget requirements, the Architect shall prepare, for approval by the Owner, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of Project components.

**1.1.5** The Architect shall submit to the Owner a Statement of Probable Construction Cost based on current area, volume or other unit costs.

##### 1.2 DESIGN DEVELOPMENT PHASE

**1.2.1** Based on the approved Schematic Design Documents and any adjustments authorized by the Owner in the program or Project budget, the Architect shall prepare, for approval by the Owner, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the entire Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.

**1.2.2** The Architect shall submit to the Owner a further Statement of Probable Construction Cost.

##### 1.3 CONSTRUCTION DOCUMENTS PHASE

**1.3.1** Based on the approved Design Development Documents and any further adjustments in the scope or quality of the Project or in the Project budget authorized by the Owner, the Architect shall prepare, for approval by the Owner, Construction Documents consisting of Drawings and Specifications setting forth in detail the requirements for the construction of the Project.

**1.3.2** The Architect shall assist the Owner in the preparation of the necessary bidding information, bidding forms, the Conditions of the Contract, and the form of Agreement between the Owner and the Contractor.

**1.3.3** The Architect shall advise the Owner of any adjust-

ments to previous Statements of Probable Construction Cost indicated by changes in requirements or general market conditions.

**1.3.4** The Architect shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

##### 1.4 BIDDING OR NEGOTIATION PHASE

**1.4.1** The Architect, following the Owner's approval of the Construction Documents and of the latest Statement of Probable Construction Cost, shall assist the Owner in obtaining bids or negotiated proposals, and assist in awarding and preparing contracts for construction.

##### 1.5 CONSTRUCTION PHASE—ADMINISTRATION OF THE CONSTRUCTION CONTRACT

**1.5.1** The Construction Phase will commence with the award of the Contract for Construction and, together with the Architect's obligation to provide Basic Services under this Agreement, will terminate when final payment to the Contractor is due, or in the absence of a final Certificate for Payment or of such due date, sixty days after the Date of Substantial Completion of the Work, whichever occurs first.

**1.5.2** Unless otherwise provided in this Agreement and incorporated in the Contract Documents, the Architect shall provide administration of the Contract for Construction as set forth below and in the edition of AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement.

**1.5.3** The Architect shall be a representative of the Owner during the Construction Phase, and shall advise and consult with the Owner. Instructions to the Contractor shall be forwarded through the Architect. The Architect shall have authority to act on behalf of the Owner only to the extent provided in the Contract Documents unless otherwise modified by written instrument in accordance with Subparagraph 1.5.16.

**1.5.4** The Architect shall visit the site at intervals appropriate to the stage of construction or as otherwise agreed by the Architect in writing to become generally familiar with the progress and quality of the Work and to determine in general if the Work is proceeding in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of such on-site observations as an architect, the Architect shall keep the Owner informed of the progress and quality of the Work, and shall endeavor to guard the Owner against defects and deficiencies in the Work of the Contractor.

**1.5.5** The Architect shall not have control or charge of and shall not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, for the acts or omissions of the Contractor, Sub-

contractors or any other persons performing any of the Work, or for the failure of any of them to carry out the Work in accordance with the Contract Documents.

**1.5.6** The Architect shall at all times have access to the Work wherever it is in preparation or progress.

**1.5.7** The Architect shall determine the amounts owing to the Contractor based on observations at the site and on evaluations of the Contractor's Applications for Payment, and shall issue Certificates for Payment in such amounts, as provided in the Contract Documents.

**1.5.8** The issuance of a Certificate for Payment shall constitute a representation by the Architect to the Owner, based on the Architect's observations at the site as provided in Subparagraph 1.5.4 and on the data comprising the Contractor's Application for Payment, that the Work has progressed to the point indicated; that, to the best of the Architect's knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents (subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to the results of any subsequent tests required by or performed under the Contract Documents, to minor deviations from the Contract Documents correctable prior to completion, and to any specific qualifications stated in the Certificate for Payment); and that the Contractor is entitled to payment in the amount certified. However, the issuance of a Certificate for Payment shall not be a representation that the Architect has made any examination to ascertain how and for what purpose the Contractor has used the moneys paid on account of the Contract Sum.

**1.5.9** The Architect shall be the interpreter of the requirements of the Contract Documents and the judge of the performance thereunder by both the Owner and Contractor. The Architect shall render interpretations necessary for the proper execution or progress of the Work with reasonable promptness on written request of either the Owner or the Contractor, and shall render written decisions, within a reasonable time, on all claims, disputes and other matters in question between the Owner and the Contractor relating to the execution or progress of the Work or the interpretation of the Contract Documents.

**1.5.10** Interpretations and decisions of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in written or graphic form. In the capacity of interpreter and judge, the Architect shall endeavor to secure faithful performance by both the Owner and the Contractor, shall not show partiality to either, and shall not be liable for the result of any interpretation or decision rendered in good faith in such capacity.

**1.5.11** The Architect's decisions in matters relating to artistic effect shall be final if consistent with the intent of the Contract Documents. The Architect's decisions on any other claims, disputes or other matters, including those in question between the Owner and the Contractor, shall be subject to arbitration as provided in this Agreement and in the Contract Documents.

**1.5.12** The Architect shall have authority to reject Work which does not conform to the Contract Documents. Whenever, in the Architect's reasonable opinion, it is

necessary or advisable for the implementation of the intent of the Contract Documents, the Architect will have authority to require special inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work be then fabricated, installed or completed.

**1.5.13** The Architect shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for conformance with the design concept of the Work and with the information given in the Contract Documents. Such action shall be taken with reasonable promptness so as to cause no delay. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

**1.5.14** The Architect shall prepare Change Orders for the Owner's approval and execution in accordance with the Contract Documents, and shall have authority to order minor changes in the Work not involving an adjustment in the Contract Sum or an extension of the Contract Time which are not inconsistent with the intent of the Contract Documents.

**1.5.15** The Architect shall conduct inspections to determine the Dates of Substantial Completion and final completion, shall receive and forward to the Owner for the Owner's review written warranties and related documents required by the Contract Documents and assembled by the Contractor, and shall issue a final Certificate for Payment.

**1.5.16** The extent of the duties, responsibilities and limitations of authority of the Architect as the Owner's representative during construction shall not be modified or extended without written consent of the Owner, the Contractor and the Architect.

## **1.6 PROJECT REPRESENTATION BEYOND BASIC SERVICES**

**1.6.1** If the Owner and Architect agree that more extensive representation at the site than is described in Paragraph 1.5 shall be provided, the Architect shall provide one or more Project Representatives to assist the Architect in carrying out such responsibilities at the site.

**1.6.2** Such Project Representatives shall be selected, employed and directed by the Architect, and the Architect shall be compensated therefor as mutually agreed between the Owner and the Architect as set forth in an exhibit appended to this Agreement, which shall describe the duties, responsibilities and limitations of authority of such Project Representatives.

**1.6.3** Through the observations by such Project Representatives, the Architect shall endeavor to provide further protection for the Owner against defects and deficiencies in the Work, but the furnishing of such project representation shall not modify the rights, responsibilities or obligations of the Architect as described in Paragraph 1.5.

## **1.7 ADDITIONAL SERVICES**

The following Services are not included in Basic Services unless so identified in Article 15. They shall be provided if authorized or confirmed in writing by the Owner, and they shall be paid for by the Owner as provided in this Agreement, in addition to the compensation for Basic Services.



**1.7.1** Providing analyses of the Owner's needs, and programming the requirements of the Project.

**1.7.2** Providing financial feasibility or other special studies.

**1.7.3** Providing planning surveys, site evaluations, environmental studies or comparative studies of prospective sites, and preparing special surveys, studies and submissions required for approvals of governmental authorities or others having jurisdiction over the Project.

**1.7.4** Providing services relative to future facilities, systems and equipment which are not intended to be constructed during the Construction Phase.

**1.7.5** Providing services to investigate existing conditions or facilities or to make measured drawings thereof, or to verify the accuracy of drawings or other information furnished by the Owner.

**1.7.6** Preparing documents of alternate, separate or sequential bids or providing extra services in connection with bidding, negotiation or construction prior to the completion of the Construction Documents Phase, when requested by the Owner.

**1.7.7** Providing coordination of Work performed by separate contractors or by the Owner's own forces.

**1.7.8** Providing services in connection with the work of a construction manager or separate consultants retained by the Owner.

**1.7.9** Providing Detailed Estimates of Construction Cost, analyses of owning and operating costs, or detailed quantity surveys or inventories of material, equipment and labor.

**1.7.10** Providing interior design and other similar services required for or in connection with the selection, procurement or installation of furniture, furnishings and related equipment.

**1.7.11** Providing services for planning tenant or rental spaces.

**1.7.12** Making revisions in Drawings, Specifications or other documents when such revisions are inconsistent with written approvals or instructions previously given, are required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents or are due to other causes not solely within the control of the Architect.

**1.7.13** Preparing Drawings, Specifications and supporting data and providing other services in connection with Change Orders to the extent that the adjustment in the Basic Compensation resulting from the adjusted Construction Cost is not commensurate with the services required of the Architect, provided such Change Orders are required by causes not solely within the control of the Architect.

**1.7.14** Making investigations, surveys, valuations, inventories or detailed appraisals of existing facilities, and services required in connection with construction performed by the Owner.

**1.7.15** Providing consultation concerning replacement of any Work damaged by fire or other cause during construction, and furnishing services as may be required in connection with the replacement of such Work.

**1.7.16** Providing services made necessary by the default of the Contractor, or by major defects or deficiencies in the Work of the Contractor, or by failure of performance of either the Owner or Contractor under the Contract for Construction.

**1.7.17** Preparing a set of reproducible record drawings showing significant changes in the Work made during construction based on marked-up prints, drawings and other data furnished by the Contractor to the Architect.

**1.7.18** Providing extensive assistance in the utilization of any equipment or system such as initial start-up or testing, adjusting and balancing, preparation of operation and maintenance manuals, training personnel for operation and maintenance, and consultation during operation.

**1.7.19** Providing services after issuance to the Owner of the final Certificate for Payment, or in the absence of a final Certificate for Payment, more than sixty days after the Date of Substantial Completion of the Work.

**1.7.20** Preparing to serve or serving as an expert witness in connection with any public hearing, arbitration proceeding or legal proceeding.

**1.7.21** Preparing to serve or serving as an expert witness in connection with any public hearing, arbitration proceeding or legal proceeding.

**1.7.22** Providing services of consultants for other than the normal architectural, structural, mechanical and electrical engineering services for the Project.

**1.7.23** Providing any other services not otherwise included in this Agreement or not customarily furnished in accordance with generally accepted architectural practice.

## **1.8 TIME**

**1.8.1** The Architect shall perform Basic and Additional Services as expeditiously as is consistent with professional skill and care and the orderly progress of the Work. Upon request of the Owner, the Architect shall submit for the Owner's approval, a schedule for the performance of the Architect's services which shall be adjusted as required as the Project proceeds, and shall include allowances for periods of time required for the Owner's review and approval of submissions and for approvals of authorities having jurisdiction over the Project. This schedule, when approved by the Owner, shall not, except for reasonable cause, be exceeded by the Architect.

## **ARTICLE 2**

### **THE OWNER'S RESPONSIBILITIES**

**2.1** The Owner shall provide full information regarding requirements for the Project including a program, which shall set forth the Owner's design objectives, constraints and criteria, including space requirements and relationships, flexibility and expandability, special equipment and systems and site requirements.

**2.2** If the Owner provides a budget for the Project it shall include contingencies for bidding, changes in the Work during construction, and other costs which are the responsibility of the Owner, including those described in this Article 2 and in Subparagraph 3.1.2. The Owner shall, at the request of the Architect, provide a statement of funds available for the Project, and their source.



2.3 The Owner shall designate, when necessary, a representative authorized to act in the Owner's behalf with respect to the Project. The Owner or such authorized representative shall examine the documents submitted by the Architect and shall render decisions pertaining thereto promptly, to avoid unreasonable delay in the progress of the Architect's services.

2.4 The Owner shall furnish a legal description and a certified land survey of the site, giving, as applicable, grades and lines of streets, alleys, pavements and adjoining property; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and complete data pertaining to existing buildings, other improvements and trees; and full information concerning available service and utility lines both public and private, above and below grade, including inverts and depths.

2.5 The Owner shall furnish the services of soil engineers or other consultants when such services are deemed necessary by the Architect. Such services shall include test borings, test pits, soil bearing values, percolation tests, air and water pollution tests, ground corrosion and resistivity tests, including necessary operations for determining subsoil, air and water conditions, with reports and appropriate professional recommendations.

2.6 The Owner shall furnish structural, mechanical, chemical and other laboratory tests, inspections and reports as required by law or the Contract Documents.

2.7 The Owner shall furnish all legal, accounting and insurance counseling services as may be necessary at any time for the Project, including such auditing services as the Owner may require to verify the Contractor's Applications for Payment or to ascertain how or for what purposes the Contractor uses the moneys paid by or on behalf of the Owner.

2.8 The services, information, surveys and reports required by Paragraphs 2.4 through 2.7 inclusive shall be furnished at the Owner's expense, and the Architect shall be entitled to rely upon the accuracy and completeness thereof.

2.9 If the Owner observes or otherwise becomes aware of any fault or defect in the Project or nonconformance with the Contract Documents, prompt written notice thereof shall be given by the Owner to the Architect.

2.10 The Owner shall furnish required information and services and shall render approvals and decisions as expeditiously as necessary for the orderly progress of the Architect's services and of the Work.

### ARTICLE 3

#### CONSTRUCTION COST

##### 3.1 DEFINITION

3.1.1 The Construction Cost shall be the total cost or estimated cost to the Owner of all elements of the Project designed or specified by the Architect.

3.1.2 The Construction Cost shall include at current market rates, including a reasonable allowance for overhead and profit, the cost of labor and materials furnished by the Owner and any equipment which has been de-

signed, specified, selected or specially provided for by the Architect.

3.1.3 Construction Cost does not include the compensation of the Architect and the Architect's consultants, the cost of the land, rights-of-way, or other costs which are the responsibility of the Owner as provided in Article 2.

##### 3.2 RESPONSIBILITY FOR CONSTRUCTION COST

3.2.1 Evaluations of the Owner's Project budget, Statements of Probable Construction Cost and Detailed Estimates of Construction Cost, if any, prepared by the Architect, represent the Architect's best judgment as a design professional familiar with the construction industry. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials or equipment, over the Contractor's methods of determining bid prices, or over competitive bidding, market or negotiating conditions. Accordingly, the Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from the Project budget proposed, established or approved by the Owner, if any, or from any Statement of Probable Construction Cost or other cost estimate or evaluation prepared by the Architect.

3.2.2 No fixed limit of Construction Cost shall be established as a condition of this Agreement by the furnishing, proposal or establishment of a Project budget under Subparagraph 1.1.2 or Paragraph 2.2 or otherwise, unless such fixed limit has been agreed upon in writing and signed by the parties hereto. If such a fixed limit has been established, the Architect shall be permitted to include contingencies for design, bidding and price escalation, to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents, to make reasonable adjustments in the scope of the Project and to include in the Contract Documents alternate bids to adjust the Construction Cost to the fixed limit. Any such fixed limit shall be increased in the amount of any increase in the Contract Sum occurring after execution of the Contract for Construction.

3.2.3 If the Bidding or Negotiation Phase has not commenced within three months after the Architect submits the Construction Documents to the Owner, any Project budget or fixed limit of Construction Cost shall be adjusted to reflect any change in the general level of prices in the construction industry between the date of submission of the Construction Documents to the Owner and the date on which proposals are sought.

3.2.4 If a Project budget or fixed limit of Construction Cost (adjusted as provided in Subparagraph 3.2.3) is exceeded by the lowest bona fide bid or negotiated proposal, the Owner shall (1) give written approval of an increase in such fixed limit, (2) authorize rebidding or renegotiating of the Project within a reasonable time, (3) if the Project is abandoned, terminate in accordance with Paragraph 10.2, or (4) cooperate in revising the Project scope and quality as required to reduce the Construction Cost. In the case of (4), provided a fixed limit of Construction Cost has been established as a condition of this Agreement, the Architect, without additional charge, shall modify the Drawings and Specifications as necessary to comply

with the fixed limit. The providing of such service shall be the limit of the Architect's responsibility arising from the establishment of such fixed limit, and having done so, the Architect shall be entitled to compensation for all services performed, in accordance with this Agreement, whether or not the Construction Phase is commenced.

#### **ARTICLE 4**

##### **DIRECT PERSONNEL EXPENSE**

**4.1** Direct Personnel Expense is defined as the direct salaries of all the Architect's personnel engaged on the Project, and the portion of the cost of their mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, vacations, pensions and similar contributions and benefits.

#### **ARTICLE 5**

##### **REIMBURSABLE EXPENSES**

**5.1** Reimbursable Expenses are in addition to the Compensation for Basic and Additional Services and include actual expenditures made by the Architect and the Architect's employees and consultants in the interest of the Project for the expenses listed in the following Subparagraphs:

**5.1.1** Expense of transportation in connection with the Project; living expenses in connection with out-of-town travel; long distance communications, and fees paid for securing approval of authorities having jurisdiction over the Project.

**5.1.2** Expense of reproductions, postage and handling of Drawings, Specifications and other documents, excluding reproductions for the office use of the Architect and the Architect's consultants.

**5.1.3** Expense of data processing and photographic production techniques when used in connection with Additional Services.

**5.1.4** If authorized in advance by the Owner, expense of overtime work requiring higher than regular rates.

**5.1.5** Expense of renderings, models and mock-ups requested by the Owner.

**5.1.6** Expense of any additional insurance coverage or limits, including professional liability insurance, requested by the Owner in excess of that normally carried by the Architect and the Architect's consultants.

#### **ARTICLE 6**

##### **PAYMENTS TO THE ARCHITECT**

###### **6.1 PAYMENTS ON ACCOUNT OF BASIC SERVICES**

**6.1.1** An initial payment as set forth in Paragraph 14.1 is the minimum payment under this Agreement.

**6.1.2** Subsequent payments for Basic Services shall be made monthly and shall be in proportion to services performed within each Phase of services, on the basis set forth in Article 14.

**6.1.3** If and to the extent that the Contract Time initially established in the Contract for Construction is exceeded

or extended through no fault of the Architect, compensation for any Basic Services required for such extended period of Administration of the Construction Contract shall be computed as set forth in Paragraph 14.4 for Additional Services.

**6.1.4** When compensation is based on a percentage of Construction Cost, and any portions of the Project are deleted or otherwise not constructed, compensation for such portions of the Project shall be payable to the extent services are performed on such portions, in accordance with the schedule set forth in Subparagraph 14.2.2, based on (1) the lowest bona fide bid or negotiated proposal or, (2) if no such bid or proposal is received, the most recent Statement of Probable Construction Cost or Detailed Estimate of Construction Cost for such portions of the Project.

###### **6.2 PAYMENTS ON ACCOUNT OF ADDITIONAL SERVICES**

**6.2.1** Payments on account of the Architect's Additional Services as defined in Paragraph 1.7 and for Reimbursable Expenses as defined in Article 5 shall be made monthly upon presentation of the Architect's statement of services rendered or expenses incurred.

###### **6.3 PAYMENTS WITHHELD**

**6.3.1** No deductions shall be made from the Architect's compensation on account of penalty, liquidated damages or other sums withheld from payments to contractors, or on account of the cost of changes in the Work other than those for which the Architect is held legally liable.

###### **6.4 PROJECT SUSPENSION OR TERMINATION**

**6.4.1** If the Project is suspended or abandoned in whole or in part for more than three months, the Architect shall be compensated for all services performed prior to receipt of written notice from the Owner of such suspension or abandonment, together with Reimbursable Expenses then due and all Termination Expenses as defined in Paragraph 10.4. If the Project is resumed after being suspended for more than three months, the Architect's compensation shall be equitably adjusted.

#### **ARTICLE 7**

##### **ARCHITECT'S ACCOUNTING RECORDS**

**7.1** Records of Reimbursable Expenses and expenses pertaining to Additional Services and services performed on the basis of a Multiple of Direct Personnel Expense shall be kept on the basis of generally accepted accounting principles and shall be available to the Owner or the Owner's authorized representative at mutually convenient times.

#### **ARTICLE 8**

##### **OWNERSHIP AND USE OF DOCUMENTS**

**8.1** Drawings and Specifications as instruments of service are and shall remain the property of the Architect whether the Project for which they are made is executed or not. The Owner shall be permitted to retain copies, including reproducible copies, of Drawings and Specifications for information and reference in connection with the Owner's use and occupancy of the Project. The Drawings and Specifications shall not be used by the Owner on

other projects, for additions to this Project, or for completion of this Project by others provided the Architect is not in default under this Agreement, except by agreement in writing and with appropriate compensation to the Architect.

8.2 Submission or distribution to meet official regulatory requirements or for other purposes in connection with the Project is not to be construed as publication in derogation of the Architect's rights.

## **ARTICLE 9**

### **ARBITRATION**

9.1 All claims, disputes and other matters in question between the parties to this Agreement, arising out of or relating to this Agreement or the breach thereof, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. No arbitration, arising out of or relating to this Agreement, shall include, by consolidation, joinder or in any other manner, any additional person not a party to this Agreement except by written consent containing a specific reference to this Agreement and signed by the Architect, the Owner, and any other person sought to be joined. Any consent to arbitration involving an additional person or persons shall not constitute consent to arbitration of any dispute not described therein or with any person not named or described therein. This Agreement to arbitrate and any agreement to arbitrate with an additional person or persons duly consented to by the parties to this Agreement shall be specifically enforceable under the prevailing arbitration law.

9.2 Notice of the demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. The demand shall be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

9.3 The award rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

## **ARTICLE 10**

### **TERMINATION OF AGREEMENT**

10.1 This Agreement may be terminated by either party upon seven days' written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.

10.2 This Agreement may be terminated by the Owner upon at least seven days' written notice to the Architect in the event that the Project is permanently abandoned.

10.3 In the event of termination not the fault of the Architect, the Architect shall be compensated for all services performed to termination date, together with Reimbursable Expenses then due and all Termination Expenses as defined in Paragraph 10.4.

10.4 Termination Expenses include expenses directly attributable to termination for which the Architect is not otherwise compensated, plus an amount computed as a percentage of the total Basic and Additional Compensation earned to the time of termination, as follows:

- .1 20 percent if termination occurs during the Schematic Design Phase; or
- .2 10 percent if termination occurs during the Design Development Phase; or
- .3 5 percent if termination occurs during any subsequent phase.

## **ARTICLE 11**

### **MISCELLANEOUS PROVISIONS**

11.1 Unless otherwise specified, this Agreement shall be governed by the law of the principal place of business of the Architect.

11.2 Terms in this Agreement shall have the same meaning as those in AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement.

11.3 As between the parties to this Agreement: as to all acts or failures to act by either party to this Agreement, any applicable statute of limitations shall commence to run and any alleged cause of action shall be deemed to have accrued in any and all events not later than the relevant Date of Substantial Completion of the Work, and as to any acts or failures to act occurring after the relevant Date of Substantial Completion, not later than the date of issuance of the final Certificate for Payment.

11.4 The Owner and the Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages covered by any property insurance during construction as set forth in the edition of AIA Document A201, General Conditions, current as of the date of this Agreement. The Owner and the Architect each shall require appropriate similar waivers from their contractors, consultants and agents.

## **ARTICLE 12**

### **SUCCESSORS AND ASSIGNS**

12.1 The Owner and the Architect, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Neither the Owner nor the Architect shall assign, sublet or transfer any interest in this Agreement without the written consent of the other.

## **ARTICLE 13**

### **EXTENT OF AGREEMENT**

13.1 This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.



**ARTICLE 14**  
**BASIS OF COMPENSATION**

The Owner shall compensate the Architect for the Scope of Services provided, in accordance with Article 6, Payments to the Architect, and the other Terms and Conditions of this Agreement, as follows:

- 14.1** AN INITIAL PAYMENT of N/A dollars (\$ N/A )  
shall be made upon execution of this Agreement and credited to the Owner's account as follows:

**14.2** BASIC COMPENSATION

- 14.2.1** FOR BASIC SERVICES, as described in Paragraphs 1.1 through 1.5, and any other services included in Article 15 as part of Basic Services, Basic Compensation shall be computed as follows:

*(Here insert basis of compensation, including fixed amounts, multiples or percentages, and identify Phases to which particular methods of compensation apply, if necessary.)*

TWENTY-ONE THOUSAND DOLLARS (\$21,000.00).

- 14.2.2** Where compensation is based on a Stipulated Sum or Percentage of Construction Cost, payments for Basic Services shall be made as provided in Subparagraph 6.1.2, so that Basic Compensation for each Phase shall equal the following percentages of the total Basic Compensation payable:

*(Include any additional Phases as appropriate.)*

DESIGN DEVELOPMENT STAGE	\$ 7,500.00
CONSTRUCTION AND BID DOCUMENTS STAGE	8,300.00
ADVERTISE PROJECT AND SUPERVISE CONSTRUCTION	5,200.00
TOTAL COMPENSATION----	\$ 21,000.00

~~Schematic Design Phase~~

~~percentage XXX %~~

~~Design Development Phase~~

~~percentage XXX %~~

~~Construction and Bid Documents Phase~~

~~percentage XXX %~~

~~Advertise Project and Supervise Construction Phase~~

~~percentage XXX %~~

~~Construction Phase~~

~~percentage XXX %~~

- 14.3** FOR PROJECT REPRESENTATION BEYOND BASIC SERVICES, as described in Paragraph 1.6, Compensation shall be computed separately in accordance with Subparagraph 1.6.2.

#### 14.4 COMPENSATION FOR ADDITIONAL SERVICES

- 14.4.1 FOR ADDITIONAL SERVICES OF THE ARCHITECT, as described in Paragraph 1.7, and any other services included in Article 15 as part of Additional Services, but excluding Additional Services of consultants, Compensation shall be computed as follows:

*(Here insert basis of compensation, including rates and/or multiples of Direct Personnel Expense for Principals and employees, and identify Principals and classify employees, if required. Identify specific services to which particular methods of compensation apply, if necessary.)*

JOHN McCRADY, JR	\$50.00/hr.
PETER A. McKELLAR, III	\$40.00/hr.
OTHER PERSONNEL AT 2.5 TIMES ACTUAL SALARY.	

- 14.4.2 FOR ADDITIONAL SERVICES OF CONSULTANTS, including additional structural, mechanical and electrical engineering services and those provided under Subparagraph 1.7.21 or identified in Article 15 as part of Additional Services, a multiple of ONE AND ONE-TENTH ( 1.1 ) times the amounts billed to the Architect for such services.

*(Identify specific types of consultants in Article 15, if required.)*

- 14.5 FOR REIMBURSABLE EXPENSES, as described in Article 5, and any other items included in Article 15 as Reimbursable Expenses, a multiple of ONE ( 1 ) times the amounts expended by the Architect, the Architect's employees and consultants in the interest of the Project.

- 14.6 Payments due the Architect and unpaid under this Agreement shall bear interest from the date payment is due at the rate entered below, or in the absence thereof, at the legal rate prevailing at the principal place of business of the Architect.

*(Here insert any rate of interest agreed upon.)*

*(Usury laws and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's and Architect's principal places of business, the location of the Project and elsewhere may affect the validity of this provision. Specific legal advice should be obtained with respect to deletion, modification, or other requirements such as written disclosures or waivers.)*

- 14.7 The Owner and the Architect agree in accordance with the Terms and Conditions of this Agreement that:

- 14.7.1 IF THE SCOPE of the Project or of the Architect's Services is changed materially, the amounts of compensation shall be equitably adjusted.

- 14.7.2 IF THE SERVICES covered by this Agreement have not been completed within

( ) months of the date hereof, through no fault of the Architect, the amounts of compensation, rates and multiples set forth herein shall be equitably adjusted.

## ARTICLE 15

### OTHER CONDITIONS OR SERVICES

6 28 Sep

In the TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT AND/OR ENGINEER add to or delete from as follows:

15.1 GENERAL:

"Where the word "ARCHITECT" appears in the TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT substitute therefor: "ARCHITECT and/or ENGINEER."

15.2 ARTICLE I - ARCHITECT AND/OR ENGINEER'S SERVICES AND RESPONSIBILITY:

Add the following subparagraph:

"1.1.5.1 Upon completion of the Schematic Design Phase, the Schematic Design Documents, including Probable Construction Cost shall be submitted to the Owner and State Engineer, and the Owner will approve the Probable Construction Cost in writing."

15.2.2 "1.2 Delete in its entirety and substitute therefor the following:

"1.2 DESIGN DEVELOPMENT PHASE

"1.2.1 Based on the Schematic Design Documents and any adjustments in the program or project budget, the Owner shall instruct the Architect, in writing, to prepare the Design Development Documents.

"1.2.2 Design Development Documents shall include sufficient material to delineate the scope of Project and to indicate the general design of the Project. Design Development Document, consisting of Drawing, Outline Specifications, Probable Construction Cost, and any other material or document necessary to prepare the Design Development Documents shall contain all architectural and/or engineering skills.

"1.2.3 Design Development Documents shall include but are not limited to the following:

"1.2.3.1 DRAWINGS:

(a) Existing topographic features and improvements affecting or relating to the proposed work. Indicate revisions to be made to existing topographic features and improvements such as grading, construction of drainage facilities, etc. Where drainage facilities are to be provided, indicate direction of flow and point of discharge by appropriate symbol or notes.

(b) Double-line drawings showing developed floor plans, proposed finished floor elevations, floor and roof framing, typical wall section, exterior elevations showing proposed floor-to-floor heights and basic details of any unusual features of construction.



(c) Basic information necessary to establish space requirements and functional arrangement.

(d) Functional layout of mechanical, electrical and electronic features, special equipment, plumbing and heating to include, where applicable:

- (1) Location of evaporative coolers and/or air conditioning units.
- (2) General scale layout of equipment, heater and/or boiler rooms showing space requirements and auxiliary equipment proposed.
- (3) Location and approximate size of special equipment to be installed such as compressors, generators, transformers, electronic equipment racks, consoles, panels, distributing frames, hoists, cranes, etc.

(e) Location, dimension, sections, areas and capacities, as applicable to parking areas, access roads, driveways, walks, etc.

(f) Location and size of existing or proposed sanitary sewers, water mains, gas mains and electrical service in the vicinity of the proposed buildings. Size and location of transformers. Elevations of gravity lines. Location of proposed building connections with notations showing which of the necessary utility extensions or connections beyond the 5-foot building line will be provided.

(g) Provide simplified schematic electrical diagrams for each electronic or instrumentation system to show that the required system functions are being provided.

"1.2.3.2 Outline Specifications and Probable Construction Cost shall be developed to a uniform level, reflecting the material, trades, mechanical and electrical system, and specialties required to reflect the Project as a whole.

"1.2.4 Upon completion of Design Development Phase, the Design Development Documents, including Outline Specifications and Probable Construction Cost shall be submitted to the Owner and State Engineer, and the Owner will approve the Probable Construction Cost in writing."

15.2.3 Add the following subparagraph:

"1.3.4.1 Prior to advertising for bids for construction, the Architect and/or Engineer shall submit the Construction Documents and Probable Construction Cost and shall obtain written approval of the Probable Construction Cost from the Owner..

"1.3.4.2 Submission of the Construction Documents and Probable Construction Documents and Probable Construction Cost to the Owner and State Engineer and the approval of the Probable Construction Cost shall not relieve the Architect and/or Engineer of any responsibility for design deficiencies, omission or errors."

Add the following subparagraphs:

5.2.4 "1.5.4.1 Periodic visit by the ARCHITECT and/or ENGINEER may vary with the progress of the work and other conditions, but shall average not less than one visit by the ARCHITECT and/or ENGINEER or his representative to the project per week during the course of construction. The ARCHITECT and/or ENGINEER shall submit to the OWNER a written report of his periodic visit, at least once a month, of his findings and progress of the project.

"1.5.4.1.2 Should the CONTRACTOR fall behind in his construction schedule by more than four weeks, the ARCHITECT and/or ENGINEER shall notify the OWNER in writing."

15.2.5 1.5.9 Delete in its entirety and substitute therefor the following:

"1.5.9 The ARCHITECT and/or ENGINEER shall be the interpreter of the requirements of the CONTRACT DOCUMENTS and judge of the performance thereunder by both the OWNER and the CONTRACTOR. The ARCHITECT and/or ENGINEER shall render written interpretations necessary for the proper execution or progress of the work within fifteen days on written request of either the OWNER or the CONTRACTOR, unless such interpretation can only be made after testing, in which case an interpretation must be rendered within fifteen days after completion of such test, and shall render written decisions, within fifteen days, on all claims, disputes and other matters in question between the OWNER and the CONTRACTOR relating to the execution or progress of the work or the interpretation of the CONTRACT DOCUMENTS."

15.2.6 Add the following subparagraph:

"1.5.14.1 Where a Change Order is required due to field adjustment, design deficiency omission or error, the Change Order shall be prepared at no cost to the Owner."

15.2.7 Add the following Subparagraphs:

"1.5.17 Upon completion of the CONSTRUCTION PHASE, the ARCHITECT and/or ENGINEER shall correct the original drawing to "record drawings" showing all significant changes in the Work made during construction. Such changes to the drawings shall be made in a professional manner, and drawings shall be stamped and signed by the ARCHITECT and/or ENGINEER as said drawings being "record drawings", based on marked-up prints, drawings and other data furnished by the CONTRACTOR and/or representative of the OWNER and/or ARCHITECT and/or ENGINEER.

"1.5.18 One month prior to the expiration of the one-year warranty period as called for in the CONSTRUCTION DOCUMENTS, the ARCHITECT and/or ENGINEER shall inspect the project for any deficiencies that may have developed under the one-year warranty. Upon completion of inspection a written report shall be furnished to the OWNER, the STATE ENGINEER and the CONTRACTOR, and the ARCHITECT and/or ENGINEER shall assist the OWNER in taking necessary action to see that the deficiencies are corrected."

15.2.8 1.7.17 Delete this Subparagraph in its entirety.

15.3 ARTICLE 2 - THE OWNER'S RESPONSIBILITY:

15.3.1 2.4 First line following Owner delete "shall furnish" and substitute therefor the following:

"will furnish, if requested, by the ARCHITECT and/or ENGINEER."

15.4 ARTICLE 3 - CONSTRUCTION COST:

15.4.1 Add the following Subparagraph:

"3.1.3.1 Compensation to the ARCHITECT and/or ENGINEER shall be as set forth in Article 14. When compensation is based on "Percentage of Construction Cost" the establishing of the percentage shall be the amount of the Construction Contract awarded. Once established, the same percentage figure shall apply to any recomputation of fee occasioned by Change Order, and only Change Orders that increase the contract amount shall be used in recomputation. Where a Change Order is required because of field adjustments, design deficiencies, omission or errors, the amount of that Change Order shall not apply toward computation of ARCHITECT and/or ENGINEER'S compensation".

15.4.2 Add the following Subparagraph:

"3.2.2.1 Fixed limit of Construction Cost shall be the Probable Construction Cost as defined in Subparagraph 1.3.4.1".

15.4.3 6.1.3 Delete in its entirety and substitute therefor the following:

"6.1.3 If the Contract Time initially established in the Construction Contract is exceeded by more than thirty days through no fault of the ARCHITECT and/or ENGINEER, compensation for Basic Services performed by Principals, employees and professional consultants required to complete the Administration of the Construction Contract beyond the thirtieth day shall be computed as set forth in Paragraph 14.4.1 and 14.4.2 for Additional Services. No additional services by the ARCHITECT and/or ENGINEER in connection with semi-final and final inspection."

15.5 ARTICLE 8: OWNERSHIP OF DOCUMENTS:

15.5.1 ARTICLE 8: Delete in its entirety and substitute therefor new ARTICLE 8 as follows:

"ARTICLE 8: OWNERSHIP OF DOCUMENTS".

8.1 The Owner shall have unlimited rights in the ownership of all drawings, designs, specifications, notes and other work developed in the performance of the AGREEMENT, including the right to use same on any other Owner's projects without additional cost to the Owner, and with respect thereto the ARCHITECT and/or ENGINEER agrees to and does hereby grant to the Owner a royalty-free



license to all such data which he may cover by copyright and to all designs as to which he may assert any rights or establish any claim under the design patent or copyright laws.

"8.2 In the case of future reuse of the documents the Owner reserves the right to negotiate with the ARCHITECT and/or ENGINEER for compensation for the acceptance of any professional liability."

"8.3 In the event the Owner does not exercise the option to negotiate with the ARCHITECT and/or ENGINEER FOR THE Architect's and/or Engineer's acceptance of any professional liability, it is understood that the ARCHITECT and/or ENGINEER is no longer liable in the reuse of the documents.

15.6 ARTICLE 9 - ARBITRATION

Delete ARTICLE 9 in its entirety.

15.7 ARTICLE 10 - TERMINATION OF AGREEMENT

15.7.1 10.3 Fourth line following "Expense" change comma "," to period "." and delete rest of sentence.

15.7.2 10.4 Delete in its entirety.

15.8 ARTICLE 11 - MISCELLANEOUS PROVISIONS

15.8.1 11.1 Second line following "laws of" delete remaining of sentence and substitute therefor the following:

"-----South Carolina."

15.9 ARTICLE 14 - BASIS OF COMPENSATION

15.9.1 14.6 Delete in its entirety and substitute therefor the following:

"14.6 Payment due the ARCHITECT and/or ENGINEER under this Agreement shall bear interest at six percent per annum commencing forty-five days after date of billing."

ARTICLE 15  
OTHER CONDITIONS OR SERVICES

This Agreement entered into as of the day and year first written above.

OWNER

THE CITADEL

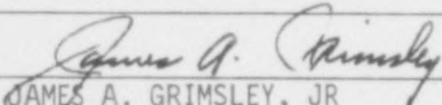
CHARLESTON, SOUTH CAROLINA

ARCHITECT

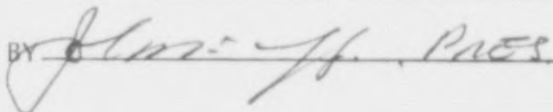
CUMMINGS & McCRADY, INC.

CHARLESTON, SOUTH CAROLINA

BY

  
JAMES A. GRIMSLEY, JR.  
Major General, USA, Retired  
Vice President for Administration  
and Finance

BY





☒ The News and Courier

☐ CHARLESTON EVENING POST

State of South Carolina

County of Charleston

Personally appeared before me

the undersigned advertising Clerk of the  
above indicated newspaper(s), published  
in the City of Charleston, County and  
State aforesaid, who, being duly sworn,  
says that the advertisement of

(copy attached)

appeared in the issues of said newspaper(s)

on the following day(s):

SEPT. 23, 29, 1978

at a cost of \$ 36.00

Acct. #16060

Subscribed and sworn to

before me this 6th day

of OCTOBER

A.D. 19 78

NOTARY PUBLIC, S.C.

My Commission Expires September 9, 1984.

ARCHITECT-ENGINEER  
QUALIFICATION REQUEST  
The Director of Physical Plant,  
The Citadel, Charleston, South  
Carolina 29409 will receive re-  
sumes of qualifications from Ar-  
chitect-Engineers interested in  
providing services for either or  
both of the following projects:  
1. Coward Hall Dining Rooms.  
Work includes removal of exist-  
ing, worn out air conditioning  
units and replacement with ap-  
proximately 250 tons capacity  
new equipment. A new electric  
power system will be required.  
2. Modernize heating and air  
conditioning systems in 37 units  
of faculty housing. Work includes  
removal of existing steam heat-  
ing system and replacement with  
heat pumps, duct system for air  
distribution, installation of build-  
ing insulation and storm win-  
dows or replacement of existing  
windows.  
Firms submitting resume of  
qualifications shall include a list  
of all contracts, including con-  
struction cost, the firm has exe-  
cuted on state work in the past  
two years.  
Resumes must be received in  
the Director of Physical Plant's  
Office within 15 days of the date  
of this advertisement.

INCL 2

Firms Responding to Advertisement with Contracts Executed  
on State Work in the Past Two Years

1. Cummings and McCrady - Charleston, South Carolina

October 1978, Multiple Handicapped Nursing Facility,  
Coastal Center, Ladson, South Carolina - \$1,500,000 (Est.)

2. George Rast and Associates - Charleston, South Carolina

November 1976, Electrical Engineering Consultation,  
Medical University of South Carolina - \$ 2,665.76 (Fee only)

December 1977 - Study of Heat Systems Faculty Quarters,  
The Citadel - \$ 3,500 (Fee only)

3. William B. Leland - Charleston, South Carolina

No state work in past two years.

4. Wilbur Smith and Associates - Columbia, South Carolina

See list next page

CONTRACTS EXECUTED WITH THE STATE OF SOUTH CAROLINA  
BY WILBUR SMITH AND ASSOCIATES  
FROM JUNE 1976 TO JUNE 1978

<u>PROJECT</u>	<u>AGENCY</u>	<u>CONSTRUCTION COST</u>
<u>ARCHITECTURE/CONSTRUCTION</u>		
Prototypical Correctional Facilities	SC Department of Corrections	\$17,000,000
(NOTE: This Project is an Association with Hellmuth, Obata & Kassabaum and employs Buford Goff and Associates and Fred Grant as consultants. The Wilbur Smith and Associates share of this project is approximately 40%)		
<u>HIGHWAY</u>		
Rosewood Drive Expert Testimony	Dept. of Highways & Public Transportation	N/A Testimony Only
Charleston Inner Belt Study	Dept. of Highways & Public Transportation	N/A Planning Study
Route US 276 Road/Bridge Design	Dept. of Highways & Public Transportation	\$ 1,500,000
James Island Expressway	Dept. of Highways & Public Transportation	N/A Planning and Preliminary Engineering
<u>PLANNING STUDIES</u>		
Arsenal Hill Master Plan	Division of Administration	N/A Planning Study
Little River Project	Clark Hill Authority	N/A Planning Study
Fire Academy Development	State Board of Technical Education	N/A Planning Study
Statewide Land Use Plan	Division of Administration	N/A Planning Study
<u>RAIL</u>		
SC Rail Plan	Division of Administration	N/A Planning Study

(SPECIAL NOTE: Wilbur Smith and Associates is a multi-disciplinary  
firm and employs 200 persons in South Carolina)



AE Contracts Awarded by The Citadel in the Last Three Years

1. January 1977, Lucas and Stubbs, Charleston, South Carolina  
Update Master Plan - \$31,895 (Fee)
2. December 1977, George Rast and Associates, Charleston, South Carolina  
Study of Heat Systems, Faculty Quarters - \$3,500 (Fee)
3. July 1978, Lockwood Greene, Spartanburg, South Carolina  
Design Repairs for Daniel Library and McAlister Field  
House Roofs - \$9,000 (Fee)
4. August 1978, G. Robert George and Associates, Charleston, South Carolina  
Design all-weather surface for 400 meter track - \$2,485 (Fee)
5. December 1978, George Rast and Associates, Charleston, South Carolina  
Faculty Quarters Heating/Air Conditioning - \$400,000 (Est.)

## STATE BUDGET AND CONTROL BOARD

EXHIBIT II  
12/21/78POLL OF December 21, 1978POLL ITEM NUMBER 2Agency: Department of Mental HealthSubject: A&E Selection Approval Requests

Commissioner William S. Hall advises that the following firms, listed in preference order, have been selected to undertake the following projects:

<u>Firm</u>	<u>Location</u>	<u>Reported State Work in Prior Two Years</u>
A. Study of Existing Facilities - Crafts-Farrow State Hospital:		
(1) Carlisle Associates, Inc.	Columbia	\$ -0-
(2) McMillan Associates	Greenville	1,100,000
(3) Clark Associates, Inc.	Anderson	285,000

Dr. Hall points out that the selection of Carlisle Associates was based upon the professional ability, time availability, and the willingness to commence work for an early completion of the study.

## B. Study of Existing Facilities - South Carolina State Hospital:

(1) Odell Associates, Inc.	Greenville	\$ 47,500
(2) Renshaw-Heilman & Associates		60,000
(3) LaFaye Associates, Inc.	Columbia	-0-

Dr. Hall indicates that the selection of Odell Associates was based upon work done on the feasibility study of the Mills Building and the feeling that the present study should be a continued effort by the same firm. Other factors considered in this selection were the professional ability, time availability, and willingness to commence work for an early completion of the study.

The required selection procedure has been followed in both cases.

Board Action Requested:

Approve the selection of Carlisle Associates, Inc., for project A (Study of Existing Facilities - Crafts-Farrow State Hospital) and Odell Associates, Inc., for project B (Study of Existing Facilities - South Carolina State Hospital), as requested by Dr. Hall.

Vote Of Board Member: (Please indicate by initialing appropriate line below.)

\_\_\_\_\_ I approve of the above action.

\_\_\_\_\_ I disapprove of the above action.

\_\_\_\_\_ Hold for regular meeting.

Attachments:

Roddey Hall 12/11/78 letters, plus attachments; McPherson 12/18/78 letter to



## South Carolina Department of Mental Health

P.O. Box 485 / 2414 Bull Street / Columbia, South Carolina 29202 / (803) 758-8090

William S. Hall, M.D.  
State Commissioner of Mental Health

December 11, 1978

Mr. John A. McPherson, Jr., P. E.  
Chief Engineer-Finance Division  
State Budget & Control Board  
P. O. Box 11333  
Columbia, SC 29211

RE: Study of Existing Facilities  
Crafts-Farrow State Hospital

Dear Mr. McPherson:

In compliance with Article 1 of Chapter 5 of the Code of Laws, I am enclosing the Mental Health Commission's selection of Architectural Consultant for the above referenced project for review and approval by the Budget and Control Board. The Mental Health Commission, during their meeting of November 7, 1978, selected the firm of Carlisle Associates, Inc., Columbia, South Carolina. Other firms considered were McMillan Associates, Greenville, S. C. and Clark Associates, Inc., Anderson, S. C.

I am enclosing a tentative contract (AIA Document B727, October 1972 Edition) negotiated with Carlisle Associates, Inc., a list of all firms submitting resumes or letters of interest, a statement of construction projects undertaken in the preceding two years, and I certify that project was duly advertised requesting resumes of interested architectural, engineering or planning firms.

The following additional information that you have requested is furnished below:

A. 1. LIST OF FIRMS INTERVIEWED:

- a. McMillan Associates, Architects and Consultants
- b. Carlisle Associates, Inc.
- c. Clark Associates, Inc.
- d. Renshaw-Heilman & Associates, Health Care Planners
- e. Odell Associates, Inc.
- f. McNair, Gordon, Johnson and Karasiewicz
- g. William Baily Kauric, Architect
- h. Stevens and Wilkinson
- i. LaFaye Associates
- j. Robert Opshal Architect

2. NAME OF FIRMS IN ORDER OF PREFERENCE:

- a. Carlisle Associates, Inc.
- b. McMillan Associates
- c. Clark Associates, Inc.

RECEIVED  
DEC 13 1978  
S. C. BUDGET AND  
CONTROL BOARD

A



3. In selecting and recommending to the Mental Health Commission, as always, consideration was given to the amount of State projects each firm submitting a resume' had contracted in the past two years.
4. The selection of Carlisle Associates was based upon the professional ability, time availability, and the willingness to commence work for an early completion of the Study. Consideration was given to McMillan Associates because of the excellent job done by Mr. McMillan when he was a member of another organization which performed work for the S. C. Department of Mental Health. The strong consideration given to Clark Associates was for their professional ability as demonstrated by their previous performance as members of another organization with which the principals worked.

- B. 1. A copy of the advertisement is enclosed.
2. The following listed firms, with the amount of State work in the past two years responded to the advertisement:

Blume, Cannon, and Ott	
MBTB Architects/Engineers	\$1,308,000
McMillan Associates	\$1,100,000
William Anderson, AIA	
Carlisle Associates, Inc.	None
Westmoreland, McGarity, Pitts	\$2,000,000
Clark Associates, Inc.	\$ 285,000
Architectural Design Environmental Planning (ADEP)	None
Lashley, Yates, and Associates	None
Renshaw-Heilman & Associates	\$ 60,000
Columbia Architectural Group, Inc.	None
Odell Associates, Inc.	\$ 47,500
Architects Boudreaux, Ltd.	\$ 564,200
McNair, Gordon, Johnson and Karasiewicz	
Wilbur Smith & Associates	\$1,500,000
Johnson-Pace Associates	None
J. E. Sirrine Company	\$2,300,000
William Bailey Kauric, Architect	\$1,000,000
Gill, Wilkins and Woods	\$5,640,000
Stevens & Wilkinson	None
LaFaye Associates	None
Rosenblum Associates	None
Robert Opshal Architect	None
Fellers Associates	\$ 10,000
Craig, Gaulden and Davis Architect	\$4,962,000
Pertus Engineering, Inc.	\$6,143,104
Eruch T. Tata, P. E.	

3. This being a project requiring Special Services, the AIA Document B727 was selected for use, rather than the B141. The undated Modification or Amendment establishing other conditions or Services would not be applicable to this contract.

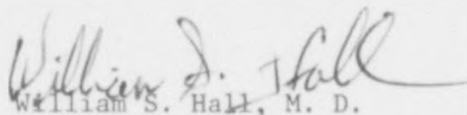
Mr. McPherson

Page 3

December 11, 1978

I would appreciate your review of this request and recommending to Mr. William T. Putnam, Executive Director of the Budget and Control Board, to obtain the Board's approval of the Mental Health Commission's selection of Carlisle Associates, Inc. for the project.

Sincerely,

A handwritten signature in cursive script, reading "William S. Hall".

William S. Hall, M. D.  
State Commissioner of Mental Health

WSH:rsh

Enclosure: 4

cc: Rufus Medlin, M. D.  
Mr. Claude Connelley  
Mr. William A. McInnis  
Racine D. Brown, Ph.D.

THE AMERICAN INSTITUTE OF ARCHITECTS



AIA Document B727

**Standard Form of Agreement Between  
Owner and Architect  
For Special Services**

THIS DOCUMENT IS FOR USE WHEN OTHER B-SERIES DOCUMENTS DO NOT APPLY

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH  
AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION

**AGREEMENT**

made this Twenty-ninth day of November in the year of Nineteen  
Hundred and Seventy-Eight

**BETWEEN** the Owner South Carolina Department of Mental Health  
Columbia, South Carolina

and the Architect Carlisle Associates Incorporated  
Architects - Engineers  
Columbia, South Carolina

It is the intention of the Owner to assess the existing and future needs for the Crafts-Farrow State Hospital, to examine existing structures for suitability to meet these needs and then to develop a comprehensive long range plan for the facility. This study will consist of six phases of work as described in Article I of this agreement.

hereinafter referred to as the Project.

The Owner and the Architect agree as set forth below.

ENCL 1



I. THE ARCHITECT shall provide professional services for the Project in accordance with the Terms and Conditions of this Agreement.

II. THE OWNER shall compensate the Architect, in accordance with the Terms and Conditions of this Agreement, as follows:

a. FOR THE ARCHITECT'S SERVICES, as described in Paragraphs 1.1, compensation computed on one of the following bases:

~~1. A Fixed Sum in the amount of~~ \_\_\_\_\_ dollars (\$ \_\_\_\_\_).

2. A Multiple of Direct Personnel as follows:

Principals' time at the fixed rate of \_\_\_\_\_ dollars (\$ 52.00 ) per hour. For the purposes of this Agreement, the Principals are:

W. A. Carlisle, FAIA                      Jerry L. Suddeth, PE  
D. J. Edwards, Jr., AIA  
A. L. Farnsworth, AIA, PE  
J. L. Bennett, AIA  
Jerry F. Friedner, PE

Employees' time at a multiple of two and one half ( 2.5 ) times the employees' Direct Personnel Expense as defined in Article 3.

~~Services of professional consultants at a multiple of \_\_\_\_\_ times the amount billed to the Architect for such services.~~

The rates and multiples set forth in this Paragraph IIa(2) will be subject to renegotiation if the services covered by this Agreement have not been completed within twelve ( 12 ) months of the date hereof.

3. (Here note any other method of compensation selected.)

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b. ~~AN INITIAL PAYMENT OF~~ \_\_\_\_\_ dollars (\$ \_\_\_\_\_) ~~shall be made upon the execution of this Agreement and credited to the Owner's account.~~

c. FOR THE ARCHITECT'S REIMBURSABLE EXPENSES, amounts expended as defined in Article 4.

d. THE TIMES AND FURTHER CONDITIONS OF PAYMENT shall be as described in Article 5.

# TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT

## ARTICLE 1

### ARCHITECT'S SERVICES

(Here list those services to be provided by the Architect under the terms and conditions of this Agreement. Note under each service listed the method and means of compensation to be used if applicable.)

### SCOPE OF SERVICES

#### CRAFTS-FARROW STATE HOSPITAL

- Organize: Assemble the team to establish mission, tasks and schedule.
- Phase One:
- . Examine Codes, Regulations, Accreditation Standards, Etc.
  - . Develop Criteria for Evaluations.
  - . Gather building information (plans, specs, square footage, use, etc.)
  - . Prepare mini-plans for evaluation.
  - . On-site inspection and "walk-thru" of each building.
  - . Analysis of data gathered to include building structures, mechanical, electrical, and plumbing systems.
  - . Documentation and Recommendations.
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- . (May occur simultaneously to Phase One)
  - . Assess needs and establish trends at local, state, and federal levels.
  - . Gather demographic information.
  - . Document treatment and management options to meet needs and trends.
  - . Develop space and performance criteria to support needs and trends.
  - . Determine best option and document into a definitive planning program.
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- . Develop physical planning options to support the planning program. These options will include conceptual drawings of various options, cost evaluations, life cycle considerations, phasing studies, etc.
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  - . Recommendations will then be made to the commission.
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- . Develop detailed plan to include descriptions related to phasing, space designations and modifications to meet codes and regulations, cost estimates, life cycle cost analysis, traffic and parking systems, etc.
- Phase Six:
- . Prepare final document of the planning process to include a synopsis of the study, site plans at phased increments, drawings for each phase for each building and supportive cost estimates for changes and modifications.

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### THE OWNER'S RESPONSIBILITIES

2.1 The Owner shall provide full information regarding his requirements for the Project.

2.2 The Owner shall designate, when necessary, a representative authorized to act in his behalf with respect to the Project. The Owner or his representative shall examine submissions made by the Architect and shall render decisions pertaining thereto promptly, to avoid unreasonable delay in the progress of the Architect's work.

2.3 The Owner shall furnish information required of him as expeditiously as necessary for the orderly progress of the Work and the Architect shall be entitled to rely upon the accuracy and completeness thereof.

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### DIRECT PERSONNEL EXPENSE

3.1 Direct Personnel Expense of employees engaged on the Project by the Architect applies to architects, engineers, designers, job captains, draftsmen, specification writers and typists, for consultation, research and design, in producing any documents pertaining to the Project, and in services required at the site.

3.2 Direct Personnel Expense includes cost of salaries and of mandatory and customary benefits such as statutory employee benefits, insurance, sick leave, holidays and vacations, pensions and similar benefits.

## ARTICLE 4

### REIMBURSABLE EXPENSES

4.1 Reimbursable Expenses are in addition to the Compensation for Services and include actual expenditures made by the Architect, his employees, or his professional consultants in the interest of the Project for the expenses listed in the following Subparagraphs:

~~4.1.1 Expense of transportation and living when traveling in connection with the Project, long distance calls and telegrams, and fees paid for securing approval of authorities having jurisdiction over the Project.~~

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4.1.3 If authorized in advance by the Owner, expense of overtime work requiring higher than regular rates and expense of renderings or models for the Owner's use.

~~4.1.4 Expense of computer time.~~

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### PAYMENTS TO THE ARCHITECT

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~~5.2 An initial payment as set forth in Paragraph Hb- (Page 2) is the minimum payment under this Agreement.~~

5.3 If the Project is suspended for more than three months or abandoned in whole or in part, the Architect shall be paid his compensation for services performed prior to receipt of written notice from the Owner of such suspension or abandonment, together with Reimbursable Expenses then due and all terminal expenses resulting from such suspension or abandonment. If the Project is resumed after being suspended for more than three months, the Architect's Compensation shall be subject to renegotiation.

5.4 Payments due the Architect under this Agreement shall bear interest at the legal rate commencing sixty days after the date of billing.

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Records of the Architect's Direct Personnel, Consultant and Reimbursable Expenses pertaining to the Project shall be kept on a generally recognized accounting basis and shall be available to the Owner or his authorized representative at mutually convenient times.

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### TERMINATION OF AGREEMENT

7.1 This Agreement may be terminated by either party upon seven days' written notice should the other party fail substantially to perform in accordance with its terms through no fault of the other. In the event of termination due to the fault of others than the Architect, the Architect shall be paid his compensation plus Reimbursable Expenses for services performed to termination date and all terminal expenses.

7.2 Terminal Expenses are defined as Reimbursable Expenses directly attributable to termination, plus a percentage computed as follows:

For Services provided on a Multiple of Direct Personnel Expense, 20% of the total incurred at the time of termination;

For Services provided on a Lump Sum, 10% of the Lump Sum Amount.



## ARTICLE 8

### SUCCESSORS AND ASSIGNS

The Owner and the Architect each binds himself, his partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Neither the Owner nor the Architect shall assign, sublet or transfer his interest in this Agreement without the written consent of the other.

## ARTICLE 9

### ARBITRATION

9.1 - All claims, disputes and other matters in question arising out of, or relating to, this Agreement or the breach hereof shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, then in effect, unless the parties mutually agree otherwise. This agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law.

9.2 - The arbitration shall be conducted in accordance with the rules of the American Arbitration Association. The demand shall

be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

9.3 - The award rendered by the arbitrators shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

## ARTICLE 10

### EXTENT OF AGREEMENT

This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.

## ARTICLE 11

### GOVERNING LAW

Unless otherwise specified, this Agreement shall be governed by the law of the principal place of business of the Architect.

This Agreement executed the day and year first written above.

OWNER

ARCHITECT **CARLISLE ASSOCIATES INCORPORATED**

ALVIN L. FARNSWORTH  
Vice President

WITNESS:

WITNESS:

RESUMES RECEIVED

1. Blume, Cannon and Ott
2. MBTB Architects/Engineers
3. McMillan Associates Architects
4. Willaim Anderson AIA
5. Carlisle Associates, Inc.
6. Westmoreland, McGarity, Pitts Architects
7. Clark Associates, Inc.
8. Architectural Design Environmental Planning (ADEP)
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15. Wilbur Smith & Associates
16. Johnson-Pace Associates
17. J. E. Sirrine Company
18. William Bailey Kauric, Architect
19. Gills, Wilkins and Woods
20. Stevens and Wilkinson
21. LaFaye Associates
22. Roseblum Architect
23. Robert Opshal Architect
24. Fellers Associates
25. Craig, Gaulden, and Davis, Architects, Inc.
26. Pertus Engineers, Inc.
27. Eruch T. Tata, P. E.

PROJECT NUMBER	PROJECT	DATE OF CONSTRUCTION CONTRACT	CONSTRUCTION CONTRACT	DATE OF PROFESSIONAL CONTRACT	ARCHITECTURAL/ENGINEER
26-83	Air Conditioning Two Buildings (CFSH)	May 5, 1975	J. A. Metze & Sons, Inc. (\$439,563.00)	May 29, 1974	McMillan/Bunes/Townsend/Bowen
26-84	Air Conditioning Four Buildings (SCSH)	October 1, 1975	Poole & Kent Company (\$1,357,558.00)	May 29, 1974	McMillan/Bunes/Townsend/Bowen
26-85	Supply and Laundry Center (CFSH)	August 4, 1976	Power Construction Co. (\$456,992.00)	July 15, 1975	William Bailey Kauric
26-86	Warehouse Renovation & Addition SCDMH	June 24, 1976	George A. Creed & Son, Co. (\$1,151,682.00)	March 27, 1975	Jackson-Miller-Wilds
26-87	Upgrade Electrical Service Connections (CFSH)	August 26, 1976	Gregory Electric Co. (\$120,660.00)	November 21, 1975	Tectonics, Inc.
26-92	Additional A/C for Brynes Clinical Center	March 7, 1977	Walker Plumbing & Heating (\$84,237.00)	May 4, 1976	Bruce Flemming & Associates
26-94	Village "B"			September 9, 1976	MBTB Architects/Engineer
26-97	Thompson Building Renovation and A/C			August 22, 1977	Reed-Shealy & Associates
26-98	Mills Buildings			August 1, 1978	Odell & Associates

ENC 3



# ARCH

The S.C. Department of Mental Health requests submission of resumes from professional architects, engineers, or planners duly licensed in the State of South Carolina and interested in providing professional services for the following projects:

1. A study of existing S.C. State Hospital facilities for future use, especially for compliance with Medicaid requirements.
2. A study of existing Crafts-Farrow State Hospital facilities for future use, especially for compliance with Medicaid requirements.
3. The design of a three hundred bed Intermediate Care Facility.
4. The design of a recreational facility for the S.C. State Hospital, William S. Hall Psychiatric Institute, and the C. M. Tucker, Jr. Human Resources Center.

Interested firms may submit on any or all of the above listed projects. Resumes and/or inquiries should be directed to the attention of Mr. Robert B. Price, P.E., Director of Engineering and Planning, S.C. Department of Mental Health, P.O. Box 485, Columbia, S.C. 29202 (803-758-8924). Resumes shall be received by C.O.B. September 8, 1978. Firms submitting resumes shall include a list of all State of South Carolina contracts including construction cost or estimates executed the past two years.

## NOTICE TO ARCHITECTS/ENGINEERS

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## IMBIA NEWSPAPERS, INC.

Columbia, South Carolina

Publishers of

AND

**The Columbia Record**

Evenings except Sunday

INA

me Carl M. Regal, Retail Advertising Manager

of THE STATE, and makes oath that the advertisement,

Notice to Architects/Engineers

a clipping of which is attached hereto, was printed in THE STATE, a daily newspaper of general circulation published in the City of Columbia, State and County aforesaid, in the issues of

August 24, 27, 1978

Carl M. Regal

Subscribed and sworn to before me  
this 28th day of August 19 78.

Emma Lu Sudder Notary Public

AUG 29 1978

Finance DIVISION

ENCL 4



## South Carolina Department of Mental Health

P.O. Box 485 / 2414 Bull Street / Columbia, South Carolina 29202 / (803) 758-8090

William S. Hall, M.D.  
State Commissioner of Mental Health

December 11, 1978

Mr. John A. McPherson, Jr., P. E.  
Chief Engineer-Finance Division  
S. C. Budget and Control Board  
P. O. Box 11333  
Columbia, SC 29211

RE: Study of Existing Facilities  
South Carolina State Hospital

Dear Mr. McPherson:

In compliance with Article 1 of Chapter 5 of the Code of Laws, I am enclosing the Mental Health Commission's selection of Architectural Consultant for the above referenced project for review and approval by the Budget and Control Board. The Mental Health Commission, during their meeting of November 7, 1978, selected the firm of Odell Associates, Inc., Planning/Architecture/Engineering, Greenville, South Carolina. Other firms considered by the Mental Health Commission were Renshaw-Heilman & Associates, Columbia, S. C. and LaFaye Associates, Inc., Columbia, S. C.

I am enclosing a tentative contract (AIA Document B727, October 1972 Edition) negotiated with Odell Associates, Inc., a list of all firms submitting resumes or letters of interest, a statement of construction projects undertaken in the preceding two years, and I certify that project was duly advertised requesting resumes of interested architectural, engineering or planning firms.

The following additional information that you have requested is furnished below:

A. 1. LIST OF FIRMS INTERVIEWED:

- a. McMillan Associates, Architects and Consultants
- b. Carlisle Associates, Inc.
- c. Clark Associates, Inc.
- d. Renshaw-Heilman & Associates Health Care Planners
- e. Odell Associates, Inc.
- f. McNair, Gordon, Johnson and Karasiewicz
- g. William Bailey Kauric, Architect
- h. Stevens and Wilkinson
- i. LaFaye Associates
- j. Robert Opshal Architect

RECEIVED  
DEC 18 1978  
S. C. BUDGET AND  
CONTROL BOARD

B

## 2. NAME OF FIRMS IN ORDER OF PREFERENCE

- a. Odell Associates, Inc.
  - b. Renshaw-Heilman & Associates
  - c. LaFaye Associates, Inc.
3. In selecting and recommending to the Mental Health Commission, as always, consideration was given to the amount of State projects each firm submitting a resume' had contracted in the past two years.
4. The selection of Odell Associates was based upon work done on the Feasibility Study of the Mills Building. It was felt this should be a continuous effort by Odell Associates for the S. C. State Hospital Study. Other factors considered was the professional ability, time availability, and willingness to commence work for an early completion of the Study. The strong consideration given to Renshaw-Heilman & Associates was the past experience of members of the organization in Health Care Facility Planning. The consideration given LaFaye Associates was that this organization had through the years designed many of the buildings on the campus.

B. 1. A copy of the advertisement is enclosed.

2. The following listed firms, with the amount of State work in the past two years responded to the advertisement:

Blume, Cannon, and Ott	
MBTB Architects/Engineer	\$1,308,000
McMillan Associates	\$1,100,000
Carlisle Associates, Inc.	None
Westmoreland, McGarity,	
Pitts Architects	\$2,000,000
Clark Associates, Inc.	\$ 285,000
Architectural Design	
Environmental Planning	None
Lashley, Yates & Associates	None
Renshaw-Heilman & Associates	\$ 60,000
Columbia Arch. Group, Inc.	None
Odell Associates	\$ 47,500
Architects Boudreaux, Ltd.	\$ 564,200
McNair, Gordon, Johnson &	
Karasiewicz	
Wilbur Smith & Associates	\$1,500,000
Johnson-Pace Associates	None
J. E. Sirrine Co.	\$2,300,000
William Bailey Kauric	\$1,000,000
Gill, Wilkins & Woods	\$5,640,000
Stevens & Wilkinson	None
LaFaye Associates	None
Rosenblum Architect	None
Robert Opshal Architect	None

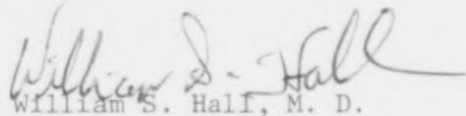


Fellers Associates	\$ 10,000
Craig, Gaulden & Davis Arch.	\$4,962,000
Pertus Engineers, Inc.	\$6,143,104
Eruch T. Tata, P. E.	

3. This being a project requiring Special Services, the AIA Document B727 was selected for use, rather than the B141. The undated Modification or Amendment establishing other conditions or Services would not be applicable to this contract.

I would appreciate your review of this request and recommending to Mr. William T. Putnam, Executive Director of the Budget and Control Board to obtain the Board's approval of the Mental Health Commission's selection of Odell Associates, Inc. for the project.

Sincerely,



William S. Hall, M. D.

State Commissioner of Mental Health

WSH:rsh

Enclosure: 4

cc: Karl V. Doskocil, M. D.  
Mr. Larry Leslie  
Mr. William A. McInnis  
Racine D. Brown, Ph.D.

THE AMERICAN INSTITUTE OF ARCHITECTS



AIA Document B727

**Standard Form of Agreement Between  
Owner and Architect  
For Special Services**

THIS DOCUMENT IS FOR USE WHEN OTHER B-SERIES DOCUMENTS DO NOT APPLY

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH  
AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION

**AGREEMENT**

made this Twenty-ninth day of November in the year of Nineteen  
Hundred and Seventy-Eight

**BETWEEN** the Owner

South Carolina Department of Mental Health  
Columbia, South Carolina

and the Architect

Odell Associates Inc.  
Planning . Architecture . Engineering  
Greenville, South Carolina

It is the intention of the Owner to assess the existing and future needs for the South Carolina State Hospital, to examine existing structures for suitability to meet these needs and then to develop a comprehensive long range plan for the facility. This study will consist of six phases of work as described in Article I of this agreement.

hereinafter referred to as the Project.

The Owner and the Architect agree as set forth below.

ENCL 1

I. THE ARCHITECT shall provide professional services for the Project in accordance with the Terms and Conditions of this Agreement.

II. THE OWNER shall compensate the Architect, in accordance with the Terms and Conditions of this Agreement, as follows:

a. FOR THE ARCHITECT'S SERVICES, as described in Paragraphs 1.1, compensation computed on one of the following bases:

1. ~~A Fixed Sum in the amount of~~ ----- dollars (\$ ----- ).

2. A Multiple of Direct Personnel as follows:

Principals' time at the fixed rate of ----- dollars (\$ 52.00 ) per hour. For the purposes of this Agreement, the Principals are:

Mr. Benjamin T. Rook, AIA

Employees' time at a multiple of two and one half ( 2.5 ) times the employees' Direct Personnel Expense as defined in Article 3.

~~Services of professional consultants at a multiple of ----- times the amount billed to the Architect for such services.~~

The rates and multiples set forth in this Paragraph IIa(2) will be subject to renegotiation if the services covered by this Agreement have not been completed within twelve ( 12 ) months of the date hereof.

3. (Here note any other method of compensation selected.)

The scope of services as described in Article I will be a team effort consisting of representatives of the S. C. Department of Mental Health, the South Carolina State Hospital, the Clemson Architectural Foundation, and Odell Associates Inc. Currently, the precise definition as to which group will conduct which tasks has not been clearly delineated. OAI will act as the team leader for the SCSH study and our estimate is that the entire effort may be completed for approximately \$100,000.00.

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9.2 The date of the demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. The demand shall

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This Agreement executed the day and year first written above.

OWNER

ARCHITECT ODELL ASSOCIATES INC.

BENJAMIN T. ROOK, AIA

WITNESS:

WITNESS:



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27. Eruch T. Tata, P. E.

PROJECT NUMBER	PROJECT	DATE OF CONSTRUCTION CONTRACT	CONSTRUCTION CONTRACT	DATE OF PROFESSIONAL CONTRACT	ARCHITECTURAL/ENGINEER
26-83	Air Conditioning Two Buildings (CFSH)	May 5, 1975	J. A. Metze & Sons, Inc. (\$439,563.00)	May 29, 1974	McMillan/Bunes/Townsend/Bowen
26-84	Air Conditioning Four Buildings (SCSH)	October 1, 1975	Poole & Kent Company (\$1,357,558.00)	May 29, 1974	McMillan/Bunes/Townsend/Bowen
26-85	Supply and Laundry Center (CFSH)	August 4, 1976	Power Construction Co. (\$456,992.00)	July 15, 1975	William Bailey Kauric
26-86	Warehouse Renovation & Addition SCDMH	June 24, 1976	George A. Creed & Son, Co. (\$1,151,682.00)	March 27, 1975	Jackson-Miller-Wilds
26-87	Upgrade Electrical Service Connections (CFSH)	August 26, 1976	Gregory Electric Co. (\$120,660.00)	November 21, 1975	Tectonics, Inc.
26-92	Additional A/C for Brynes Clinical Center	March 7, 1977	Walker Plumbing & Heating (\$84,237.00)	May 4, 1976	Bruce Flemming & Associates
26-94	Village "B"			September 9, 1976	MBTB Architects/Engineer
26-97	Thompson Building Renovation and A/C			August 22, 1977	Reed-Shealy & Associates
26-98	Mills Buildings			August 1, 1978	Odell & Associates

ENCL 3

ENCL 3

ARCH

NOTICE TO  
ARCHITECTS/ENGINEERS

The S.C. Department of Mental Health requests submission of resumes from professional architects, engineers, or planners duly licensed in the State of South Carolina and interested in providing professional services for the following projects:

1. A study of existing S.C. State Hospital facilities for future use, especially for compliance with Medicaid requirements.

2. A study of existing Crafts-Farrow State Hospital facilities for future use, especially for compliance with Medicaid requirements.

3. The design of a three hundred bed Intermediate Care Facility.

4. The design of a recreational facility for the S.C. State Hospital, William S. Hall Psychiatric Institute, and the C. M. Tucker, Jr. Human Resources Center.

Interested firms may submit on any or all of the above listed projects. Resumes and/or inquiries should be directed to the attention of Mr. Robert B. Price, P.E., Director of Engineering and Planning, S.C. Department of Mental Health, P.O. Box 485, Columbia, S.C. 29202 (803-758-8924). Resumes shall be received by C.O.B. September 8, 1978. Firms submitting resumes shall include a list of all State of South Carolina contracts including construction cost or estimates executed the past two years.

MBIA NEWSPAPERS, INC.

Columbia, South Carolina

Publishers of

AND

The Columbia Record

Evenings except Sunday

INA

me Carl M. Regal, Retail Advertising Manager

of THE STATE, and makes oath that the advertisement,

Notice to Architects/Engineers

a clipping of which is attached hereto, was printed in THE STATE, a daily newspaper of general circulation published in the City of Columbia, State and County aforesaid, in the issues of

August 24, 27, 1978

*Carl M. Regal*

Subscribed and sworn to before me  
this 28th day of August 1978.

*Constance L. Audin* Notary Public

AUG 29 1978

Finance Division

ENCL 4





STATE OF SOUTH CAROLINA

OFFICE OF THE STATE AUDITOR

P. O. BOX 11333  
COLUMBIA  
29211

EDGAR A. VAUGHN, JR., CPA  
STATE AUDITOR

Address Reply To  
CHIEF ENGINEER, FINANCE DIVISION  
STATE BUDGET AND CONTROL BOARD  
P.O. Box 11333  
Columbia, S.C. 29211

December 18, 1978

The Honorable Frank L. Roddey  
P.O. Box 129  
Lancaster, South Carolina 29720

Subject: Department of Mental Health  
(a) Study of Existing Facilities  
Crafts-Farrow State Hospital  
(b) Study of South Carolina State Hospital  
(c) 300 Bed ICF Facility

Dear Senator Roddey:

This is to confirm our telephone conversation of December 18, 1978 at which time it was agreed that Mental Health should proceed with the Studies at Crafts-Farrow (a) and State Hospital (b). On these studies they have completed their A&E selection and approval of their selection will go before the B&CB on December 21, 1978.

Also, the 300 Bed ICF Facility (c) to be held in abeyance until the studies are complete, and in particular the Crafts-Farrow Study.

Yours very truly,

*John A. McPherson, Jr.*  
John A. McPherson, Jr., P.E.  
Chief Engineer-Finance Division  
Budget Control Board

JAMcP/11h

cc: Mr. Wm. T. Putnam  
Dr. William S. Hall  
Mr. William A. McInnis ✓

TELEPHONE (AREA CODE 803)

ADMINISTRATION  
756-7755

BUDGET DIVISION  
756-7415

AUDITING DIVISION  
756-8408

GRANTS AND CONTRACTS  
756-7707

ENGINEERING  
756-2657

STATE BUDGET AND CONTROL BOARD

POLL OF December 21, 1978

POLL ITEM NUMBER 3

EXHIBIT III  
12/21/78  
3

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Agency: Department of Mental Retardation

---

Subject: A&E Selection Approval Request (Small Projects)

Commissioner Charles D. Barnett advises that, under the small A&E projects law (R.761 of 1978), after interviewing more than three firms to provide architectural services in connection with the development of a prototype design of an eight-bed intermediate care facility for the mentally retarded, Design Collaborative, Inc., has been selected for this project.

Dr. Barnett points out that the contract proposed provides that his Department will provide the mechanical, plumbing, and electrical designs.

The required selection procedure has been followed.

---

Board Action Requested:

Approve the selection of Design Collaborative, Inc., for the referenced project, as requested by the Department of Mental Retardation.

---

Vote Of Board Member: (Please indicate by initialing appropriate line below.)

\_\_\_\_\_ I approve of the above action.  
\_\_\_\_\_ I disapprove of the above action.  
\_\_\_\_\_ Hold for regular meeting.

---

Attachments:

Barnett 12/7/78 letter to Putnam, plus attachments

CHARLES D. BARNETT, Ph.D.  
Commissioner

WALTER B. TODD  
Deputy Commissioner,  
Administration

WADE C. WIETERS, Ed.D.  
Deputy Commissioner,  
Professional Services



MENTAL RETARDATION COMMISSION

R. B. Robinson, Chairman  
Vince Moseley, M.D., Vice-Chairman  
Mrs. Elizabeth P. Stall, Secretary  
James B. Berry, M.D.  
Rev. Melvin R. Hyman  
Robert H. Lovvorn  
Herbert Rudnick

STATE OF SOUTH CAROLINA  
DEPARTMENT OF MENTAL RETARDATION  
2712 MIDDLEBURG DRIVE  
P. O. BOX 4706  
COLUMBIA, SOUTH CAROLINA 29240

December 7, 1978



William T. Putnam  
Executive Director  
S.C. Budget and Control Board  
Post Office Box 11333  
Columbia, SC 29211

Dear Mr. Putnam:

In accordance with Law R761 (S295) - 1978 of the South Carolina Code of Laws I would like to request Budget and Control Board approval for our Department to retain the firm Design Collaborative, Inc., of Columbia, South Carolina to provide architectural services in the design of an eight (8) bed Intermediate Care Facility for the mentally retarded prototype. As per the attached tentative contract the Department will provide the mechanical, plumbing, and electrical design in-house.

Prior to the selection of this firm our Department interviewed the following firms:

- (1) Design Collaborative, Inc.
  - (2) Jackson, Miller, Wilds and Associates
  - (3) Gill, Wilkins and Wood
- and other firms

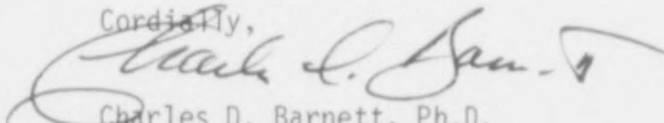
The overriding reasons for selecting Design Collaborative, Inc. are:

- (1) They have not done any prior work for the Department.
- (2) Size of the firm to obtain the type of attention required.
- (3) Assurance to complete the work within a period of six (6) weeks maximum.

Your cooperation in obtaining necessary approval of the attached contract will be appreciated.

With best regards,

Cordially,

  
Charles D. Barnett, Ph.D.  
Commissioner

CDB:ETT/d1  
Attachment - 1



# THE AMERICAN INSTITUTE OF ARCHITECTS



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AIA Document B141

## Standard Form of Agreement Between Owner and Architect

1977 EDITION

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*THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH  
AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION*

---

### AGREEMENT

made as of the   Eleventh                      day of            December                      in the year of Nineteen  
Hundred and   Seventy-eight

**BETWEEN** the Owner:            DEPARTMENT OF MENTAL RETARDATION  
   State of South Carolina  
   Columbia, South Carolina

and the Architect:            DESIGN COLLABORATIVE, INC.,  
   Columbia, South Carolina

For the following Project:

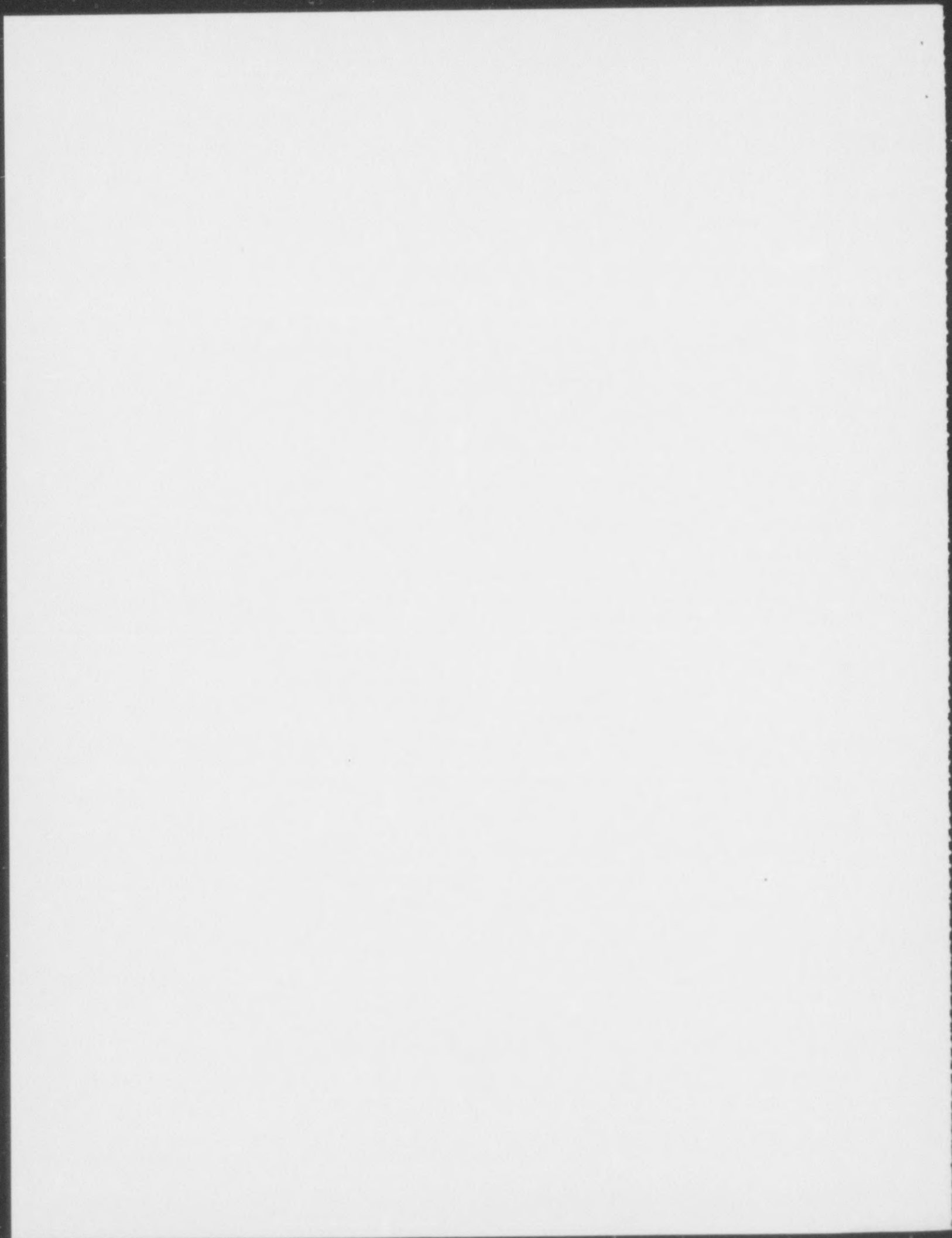
*(Include detailed description of Project location and scope.)*

Eight bed, Intermediate Care Facility for Mental Retarded (Proto-type)

The Owner and the Architect agree as set forth below.

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## TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT

### ARTICLE 1

#### ARCHITECT'S SERVICES AND RESPONSIBILITIES

##### BASIC SERVICES

The Architect's Basic Services consist of the five phases described in Paragraphs 1.1 through 1.5 and include normal structural, mechanical and electrical engineering services and any other services included in Article 15 as part of Basic Services.

##### 1.1 SCHEMATIC DESIGN PHASE

1.1.1 The Architect shall review the program furnished by the Owner to ascertain the requirements of the Project and shall review the understanding of such requirements with the Owner.

1.1.2 The Architect shall provide a preliminary evaluation of the program and the Project budget requirements, each in terms of the other, subject to the limitations set forth in Subparagraph 3.2.1.

1.1.3 The Architect shall review with the Owner alternative approaches to design and construction of the Project.

1.1.4 Based on the mutually agreed upon program and Project budget requirements, the Architect shall prepare, for approval by the Owner, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of Project components.

1.1.5 The Architect shall submit to the Owner a Statement of Probable Construction Cost based on current area, volume or other unit costs.

##### 1.2 DESIGN DEVELOPMENT PHASE

1.2.1 Based on the approved Schematic Design Documents and any adjustments authorized by the Owner in the program or Project budget, the Architect shall prepare, for approval by the Owner, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the entire Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.

1.2.2 The Architect shall submit to the Owner a further Statement of Probable Construction Cost.

##### 1.3 CONSTRUCTION DOCUMENTS PHASE

1.3.1 Based on the approved Design Development Documents and any further adjustments in the scope or quality of the Project or in the Project budget authorized by the Owner, the Architect shall prepare, for approval by the Owner, Construction Documents consisting of Drawings and Specifications setting forth in detail the requirements for the construction of the Project.

1.3.2 The Architect shall assist the Owner in the preparation of the necessary bidding information, bidding forms, the Conditions of the Contract, and the form of Agreement between the Owner and the Contractor.

1.3.3 The Architect shall advise the Owner of any adjust-

ments to previous Statements of Probable Construction Cost indicated by changes in requirements or general market conditions.

1.3.4 The Architect shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

##### 1.4 BIDDING OR NEGOTIATION PHASE

1.4.1 The Architect, following the Owner's approval of the Construction Documents and of the latest Statement of Probable Construction Cost, shall assist the Owner in obtaining bids or negotiated proposals, and assist in awarding and preparing contracts for construction.

##### 1.5 CONSTRUCTION PHASE—ADMINISTRATION OF THE CONSTRUCTION CONTRACT

1.5.1 The Construction Phase will commence with the award of the Contract for Construction and, together with the Architect's obligation to provide Basic Services under this Agreement, will terminate when final payment to the Contractor is due, or in the absence of a final Certificate for Payment or of such due date, sixty days after the Date of Substantial Completion of the Work, whichever occurs first.

1.5.2 Unless otherwise provided in this Agreement and incorporated in the Contract Documents, the Architect shall provide administration of the Contract for Construction as set forth below and in the edition of AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement.

1.5.3 The Architect shall be a representative of the Owner during the Construction Phase, and shall advise and consult with the Owner. Instructions to the Contractor shall be forwarded through the Architect. The Architect shall have authority to act on behalf of the Owner only to the extent provided in the Contract Documents unless otherwise modified by written instrument in accordance with Subparagraph 1.5.16.

1.5.4 The Architect shall visit the site at intervals appropriate to the stage of construction or as otherwise agreed by the Architect in writing to become generally familiar with the progress and quality of the Work and to determine in general if the Work is proceeding in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of such on-site observations as an architect, the Architect shall keep the Owner informed of the progress and quality of the Work, and shall endeavor to guard the Owner against defects and deficiencies in the Work of the Contractor.

1.5.5 The Architect shall not have control or charge of and shall not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, for the acts or omissions of the Contractor, Sub-



contractors or any other persons performing any of the Work, or for the failure of any of them to carry out the Work in accordance with the Contract Documents.

**1.5.6** The Architect shall at all times have access to the Work wherever it is in preparation or progress.

**1.5.7** The Architect shall determine the amounts owing to the Contractor based on observations at the site and on evaluations of the Contractor's Applications for Payment, and shall issue Certificates for Payment in such amounts, as provided in the Contract Documents.

**1.5.8** The issuance of a Certificate for Payment shall constitute a representation by the Architect to the Owner, based on the Architect's observations at the site as provided in Subparagraph 1.5.4 and on the data comprising the Contractor's Application for Payment, that the Work has progressed to the point indicated; that, to the best of the Architect's knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents (subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to the results of any subsequent tests required by or performed under the Contract Documents, to minor deviations from the Contract Documents correctable prior to completion, and to any specific qualifications stated in the Certificate for Payment); and that the Contractor is entitled to payment in the amount certified. However, the issuance of a Certificate for Payment shall not be a representation that the Architect has made any examination to ascertain how and for what purpose the Contractor has used the moneys paid on account of the Contract Sum.

**1.5.9** The Architect shall be the interpreter of the requirements of the Contract Documents and the judge of the performance thereunder by both the Owner and Contractor. The Architect shall render interpretations necessary for the proper execution or progress of the Work with reasonable promptness on written request of either the Owner or the Contractor, and shall render written decisions, within a reasonable time, on all claims, disputes and other matters in question between the Owner and the Contractor relating to the execution or progress of the Work or the interpretation of the Contract Documents.

**1.5.10** Interpretations and decisions of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in written or graphic form. In the capacity of interpreter and judge, the Architect shall endeavor to secure faithful performance by both the Owner and the Contractor, shall not show partiality to either, and shall not be liable for the result of any interpretation or decision rendered in good faith in such capacity.

**1.5.11** The Architect's decisions in matters relating to artistic effect shall be final if consistent with the intent of the Contract Documents. The Architect's decisions on any other claims, disputes or other matters, including those in question between the Owner and the Contractor, shall be subject to arbitration as provided in this Agreement and in the Contract Documents.

**1.5.12** The Architect shall have authority to reject Work which does not conform to the Contract Documents. Whenever, in the Architect's reasonable opinion, it is

necessary or advisable for the implementation of the intent of the Contract Documents, the Architect will have authority to require special inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work be then fabricated, installed or completed.

**1.5.13** The Architect shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for conformance with the design concept of the Work and with the information given in the Contract Documents. Such action shall be taken with reasonable promptness so as to cause no delay. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

**1.5.14** The Architect shall prepare Change Orders for the Owner's approval and execution in accordance with the Contract Documents, and shall have authority to order minor changes in the Work not involving an adjustment in the Contract Sum or an extension of the Contract Time which are not inconsistent with the intent of the Contract Documents.

**1.5.15** The Architect shall conduct inspections to determine the Dates of Substantial Completion and final completion, shall receive and forward to the Owner for the Owner's review written warranties and related documents required by the Contract Documents and assembled by the Contractor, and shall issue a final Certificate for Payment.

**1.5.16** The extent of the duties, responsibilities and limitations of authority of the Architect as the Owner's representative during construction shall not be modified or extended without written consent of the Owner, the Contractor and the Architect.

## **1.6 PROJECT REPRESENTATION BEYOND BASIC SERVICES**

**1.6.1** If the Owner and Architect agree that more extensive representation at the site than is described in Paragraph 1.5 shall be provided, the Architect shall provide one or more Project Representatives to assist the Architect in carrying out such responsibilities at the site.

**1.6.2** Such Project Representatives shall be selected, employed and directed by the Architect, and the Architect shall be compensated therefor as mutually agreed between the Owner and the Architect as set forth in an exhibit appended to this Agreement, which shall describe the duties, responsibilities and limitations of authority of such Project Representatives.

**1.6.3** Through the observations by such Project Representatives, the Architect shall endeavor to provide further protection for the Owner against defects and deficiencies in the Work, but the furnishing of such project representation shall not modify the rights, responsibilities or obligations of the Architect as described in Paragraph 1.5.

## **1.7 ADDITIONAL SERVICES**

The following Services are not included in Basic Services unless so identified in Article 15. They shall be provided if authorized or confirmed in writing by the Owner, and they shall be paid for by the Owner as provided in this Agreement, in addition to the compensation for Basic Services.

**1.7.1** Providing analyses of the Owner's needs, and programming the requirements of the Project.

**1.7.2** Providing financial feasibility or other special studies.

**1.7.3** Providing planning surveys, site evaluations, environmental studies or comparative studies of prospective sites, and preparing special surveys, studies and submissions required for approvals of governmental authorities or others having jurisdiction over the Project.

**1.7.4** Providing services relative to future facilities, systems and equipment which are not intended to be constructed during the Construction Phase.

**1.7.5** Providing services to investigate existing conditions or facilities or to make measured drawings thereof, or to verify the accuracy of drawings or other information furnished by the Owner.

**1.7.6** Preparing documents of alternate, separate or sequential bids or providing extra services in connection with bidding, negotiation or construction prior to the completion of the Construction Documents Phase, when requested by the Owner.

**1.7.7** Providing coordination of Work performed by separate contractors or by the Owner's own forces.

**1.7.8** Providing services in connection with the work of a construction manager or separate consultants retained by the Owner.

**1.7.9** Providing Detailed Estimates of Construction Cost, analyses of owning and operating costs, or detailed quantity surveys or inventories of material, equipment and labor.

**1.7.10** Providing interior design and other similar services required for or in connection with the selection, procurement or installation of furniture, furnishings and related equipment.

**1.7.11** Providing services for planning tenant or rental spaces.

**1.7.12** Making revisions in Drawings, Specifications or other documents when such revisions are inconsistent with written approvals or instructions previously given, are required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents or are due to other causes not solely within the control of the Architect.

**1.7.13** Preparing Drawings, Specifications and supporting data and providing other services in connection with Change Orders to the extent that the adjustment in the Basic Compensation resulting from the adjusted Construction Cost is not commensurate with the services required of the Architect, provided such Change Orders are required by causes not solely within the control of the Architect.

**1.7.14** Making investigations, surveys, valuations, inventories or detailed appraisals of existing facilities, and services required in connection with construction performed by the Owner.

**1.7.15** Providing consultation concerning replacement of any Work damaged by fire or other cause during construction, and furnishing services as may be required in connection with the replacement of such Work.

struction, and furnishing services as may be required in connection with the replacement of such Work.

**1.7.16** Providing services made necessary by the default of the Contractor, or by major defects or deficiencies in the Work of the Contractor, or by failure of performance of either the Owner or Contractor under the Contract for Construction.

**1.7.17** Preparing a set of reproducible record drawings showing significant changes in the Work made during construction based on marked-up prints, drawings and other data furnished by the Contractor to the Architect.

**1.7.18** Providing extensive assistance in the utilization of any equipment or system such as initial start-up or testing, adjusting and balancing, preparation of operation and maintenance manuals, training personnel for operation and maintenance, and consultation during operation.

**1.7.19** Providing services after issuance to the Owner of the final Certificate for Payment, or in the absence of a final Certificate for Payment, more than sixty days after the Date of Substantial Completion of the Work.

**1.7.20** Preparing to serve or serving as an expert witness in connection with any public hearing, arbitration proceeding or legal proceeding.

**1.7.21** Providing services of consultants for other than the normal architectural, structural, mechanical and electrical engineering services for the Project.

**1.7.22** Providing any other services not otherwise included in this Agreement or not customarily furnished in accordance with generally accepted architectural practice.

## **1.8 TIME**

**1.8.1** The Architect shall perform Basic and Additional Services as expeditiously as is consistent with professional skill and care and the orderly progress of the Work. Upon request of the Owner, the Architect shall submit for the Owner's approval a schedule for the performance of the Architect's services which shall be adjusted as required as the Project proceeds, and shall include allowances for periods of time required for the Owner's review and approval of submissions and for approvals of authorities having jurisdiction over the Project. This schedule, when approved by the Owner, shall not, except for reasonable cause, be exceeded by the Architect.

## **ARTICLE 2**

### **THE OWNER'S RESPONSIBILITIES**

**2.1** The Owner shall provide full information regarding requirements for the Project including a program, which shall set forth the Owner's design objectives, constraints and criteria, including space requirements and relationships, flexibility and expandability, special equipment and systems and site requirements.

**2.2** If the Owner provides a budget for the Project it shall include contingencies for bidding, changes in the Work during construction, and other costs which are the responsibility of the Owner, including those described in this Article 2 and in Subparagraph 3.1.2. The Owner shall, at the request of the Architect, provide a statement of funds available for the Project, and their source.



2.3 The Owner shall designate, when necessary, a representative authorized to act in the Owner's behalf with respect to the Project. The Owner or such authorized representative shall examine the documents submitted by the Architect and shall render decisions pertaining thereto promptly, to avoid unreasonable delay in the progress of the Architect's services.

2.4 The Owner shall furnish a legal description and a certified land survey of the site, giving, as applicable, grades and lines of streets, alleys, pavements and adjoining property; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and complete data pertaining to existing buildings, other improvements and trees; and full information concerning available service and utility lines both public and private, above and below grade, including inverts and depths.

2.5 The Owner shall furnish the services of soil engineers or other consultants when such services are deemed necessary by the Architect. Such services shall include test borings, test pits, soil bearing values, percolation tests, air and water pollution tests, ground corrosion and resistivity tests, including necessary operations for determining subsoil, air and water conditions, with reports and appropriate professional recommendations.

2.6 The Owner shall furnish structural, mechanical, chemical and other laboratory tests, inspections and reports as required by law or the Contract Documents.

2.7 The Owner shall furnish all legal, accounting and insurance counseling services as may be necessary at any time for the Project, including such auditing services as the Owner may require to verify the Contractor's Applications for Payment or to ascertain how or for what purposes the Contractor uses the moneys paid by or on behalf of the Owner.

2.8 The services, information, surveys and reports required by Paragraphs 2.4 through 2.7 inclusive shall be furnished at the Owner's expense, and the Architect shall be entitled to rely upon the accuracy and completeness thereof.

2.9 If the Owner observes or otherwise becomes aware of any fault or defect in the Project or nonconformance with the Contract Documents, prompt written notice thereof shall be given by the Owner to the Architect.

2.10 The Owner shall furnish required information and services and shall render approvals and decisions as expeditiously as necessary for the orderly progress of the Architect's services and of the Work.

### ARTICLE 3

#### CONSTRUCTION COST

##### 3.1 DEFINITION

3.1.1 The Construction Cost shall be the total cost or estimated cost to the Owner of all elements of the Project designed or specified by the Architect.

3.1.2 The Construction Cost shall include at current market rates, including a reasonable allowance for overhead and profit, the cost of labor and materials furnished by the Owner and any equipment which has been de-

signed, specified, selected or specially provided for by the Architect.

3.1.3 Construction Cost does not include the compensation of the Architect and the Architect's consultants, the cost of the land, rights-of-way, or other costs which are the responsibility of the Owner as provided in Article 2.

##### 3.2 RESPONSIBILITY FOR CONSTRUCTION COST

3.2.1 Evaluations of the Owner's Project budget, Statements of Probable Construction Cost and Detailed Estimates of Construction Cost, if any, prepared by the Architect, represent the Architect's best judgment as a design professional familiar with the construction industry. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials or equipment, over the Contractor's methods of determining bid prices, or over competitive bidding, market or negotiating conditions. Accordingly, the Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from the Project budget proposed, established or approved by the Owner, if any, or from any Statement of Probable Construction Cost or other cost estimate or evaluation prepared by the Architect.

3.2.2 No fixed limit of Construction Cost shall be established as a condition of this Agreement by the furnishing, proposal or establishment of a Project budget under Subparagraph 1.1.2 or Paragraph 2.2 or otherwise, unless such fixed limit has been agreed upon in writing and signed by the parties hereto. If such a fixed limit has been established, the Architect shall be permitted to include contingencies for design, bidding and price escalation, to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents, to make reasonable adjustments in the scope of the Project and to include in the Contract Documents alternate bids to adjust the Construction Cost to the fixed limit. Any such fixed limit shall be increased in the amount of any increase in the Contract Sum occurring after execution of the Contract for Construction.

3.2.3 If the Bidding or Negotiation Phase has not commenced within three months after the Architect submits the Construction Documents to the Owner, any Project budget or fixed limit of Construction Cost shall be adjusted to reflect any change in the general level of prices in the construction industry between the date of submission of the Construction Documents to the Owner and the date on which proposals are sought.

3.2.4 If a Project budget or fixed limit of Construction Cost (adjusted as provided in Subparagraph 3.2.3) is exceeded by the lowest bona fide bid or negotiated proposal, the Owner shall (1) give written approval of an increase in such fixed limit, (2) authorize rebidding or renegotiating of the Project within a reasonable time, (3) if the Project is abandoned, terminate in accordance with Paragraph 10.2, or (4) cooperate in revising the Project scope and quality as required to reduce the Construction Cost. In the case of (4), provided a fixed limit of Construction Cost has been established as a condition of this Agreement, the Architect, without additional charge, shall modify the Drawings and Specifications as necessary to comply



with the fixed limit. The providing of such service shall be the limit of the Architect's responsibility arising from the establishment of such fixed limit, and having done so, the Architect shall be entitled to compensation for all services performed, in accordance with this Agreement, whether or not the Construction Phase is commenced.

#### **ARTICLE 4**

##### **DIRECT PERSONNEL EXPENSE**

**4.1** Direct Personnel Expense is defined as the direct salaries of all the Architect's personnel engaged on the Project, and the portion of the cost of their mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, vacations, pensions and similar contributions and benefits.

#### **ARTICLE 5**

##### **REIMBURSABLE EXPENSES**

**5.1** Reimbursable Expenses are in addition to the Compensation for Basic and Additional Services and include actual expenditures made by the Architect and the Architect's employees and consultants in the interest of the Project for the expenses listed in the following Subparagraphs:

**5.1.1** Expense of transportation in connection with the Project; living expenses in connection with out-of-town travel; long distance communications, and fees paid for securing approval of authorities having jurisdiction over the Project.

**5.1.2** Expense of reproductions, postage and handling of Drawings, Specifications and other documents, excluding reproductions for the office use of the Architect and the Architect's consultants.

**5.1.3** Expense of data processing and photographic production techniques when used in connection with Additional Services.

**5.1.4** If authorized in advance by the Owner, expense of overtime work requiring higher than regular rates.

**5.1.5** Expense of renderings, models and mock-ups requested by the Owner.

**5.1.6** Expense of any additional insurance coverage or limits, including professional liability insurance, requested by the Owner in excess of that normally carried by the Architect and the Architect's consultants.

#### **ARTICLE 6**

##### **PAYMENTS TO THE ARCHITECT**

###### **6.1 PAYMENTS ON ACCOUNT OF BASIC SERVICES**

**6.1.1** An initial payment as set forth in Paragraph 14.1 is the minimum payment under this Agreement.

**6.1.2** Subsequent payments for Basic Services shall be made monthly and shall be in proportion to services performed within each Phase of services, on the basis set forth in Article 14.

**6.1.3** If and to the extent that the Contract Time initially established in the Contract for Construction is exceeded

or extended through no fault of the Architect, compensation for any Basic Services required for such extended period of Administration of the Construction Contract shall be computed as set forth in Paragraph 14.4 for Additional Services.

**6.1.4** When compensation is based on a percentage of Construction Cost, and any portions of the Project are deleted or otherwise not constructed, compensation for such portions of the Project shall be payable to the extent services are performed on such portions, in accordance with the schedule set forth in Subparagraph 14.2.2, based on (1) the lowest bona fide bid or negotiated proposal or, (2) if no such bid or proposal is received, the most recent Statement of Probable Construction Cost or Detailed Estimate of Construction Cost for such portions of the Project.

###### **6.2 PAYMENTS ON ACCOUNT OF ADDITIONAL SERVICES**

**6.2.1** Payments on account of the Architect's Additional Services as defined in Paragraph 1.7 and for Reimbursable Expenses as defined in Article 5 shall be made monthly upon presentation of the Architect's statement of services rendered or expenses incurred.

###### **6.3 PAYMENTS WITHHELD**

**6.3.1** No deductions shall be made from the Architect's compensation on account of penalty, liquidated damages or other sums withheld from payments to contractors, or on account of the cost of changes in the Work other than those for which the Architect is held legally liable.

###### **6.4 PROJECT SUSPENSION OR TERMINATION**

**6.4.1** If the Project is suspended or abandoned in whole or in part for more than three months, the Architect shall be compensated for all services performed prior to receipt of written notice from the Owner of such suspension or abandonment, together with Reimbursable Expenses then due and all Termination Expenses as defined in Paragraph 10.4. If the Project is resumed after being suspended for more than three months, the Architect's compensation shall be equitably adjusted.

#### **ARTICLE 7**

##### **ARCHITECT'S ACCOUNTING RECORDS**

**7.1** Records of Reimbursable Expenses and expenses pertaining to Additional Services and services performed on the basis of a Multiple of Direct Personnel Expense shall be kept on the basis of generally accepted accounting principles and shall be available to the Owner or the Owner's authorized representative at mutually convenient times.

#### **ARTICLE 8**

##### **OWNERSHIP AND USE OF DOCUMENTS**

**8.1** Drawings and Specifications as instruments of service are and shall remain the property of the Architect whether the Project for which they are made is executed or not. The Owner shall be permitted to retain copies, including reproducible copies, of Drawings and Specifications for information and reference in connection with the Owner's use and occupancy of the Project. The Drawings and Specifications shall not be used by the Owner on

other projects, for additions to this Project, or for completion of this Project by others provided the Architect is not in default under this Agreement, except by agreement in writing and with appropriate compensation to the Architect.

**8.2** Submission or distribution to meet official regulatory requirements or for other purposes in connection with the Project is not to be construed as publication in derogation of the Architect's rights.

## **ARTICLE 9**

### **ARBITRATION**

**9.1** All claims, disputes and other matters in question between the parties to this Agreement, arising out of or relating to this Agreement or the breach thereof, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. No arbitration, arising out of or relating to this Agreement, shall include, by consolidation, joinder or in any other manner, any additional person not a party to this Agreement except by written consent containing a specific reference to this Agreement and signed by the Architect, the Owner, and any other person sought to be joined. Any consent to arbitration involving an additional person or persons shall not constitute consent to arbitration of any dispute not described therein or with any person not named or described therein. This Agreement to arbitrate and any agreement to arbitrate with an additional person or persons duly consented to by the parties to this Agreement shall be specifically enforceable under the prevailing arbitration law.

**9.2** Notice of the demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. The demand shall be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

**9.3** The award rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

## **ARTICLE 10**

### **TERMINATION OF AGREEMENT**

**10.1** This Agreement may be terminated by either party upon seven days' written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.

**10.2** This Agreement may be terminated by the Owner upon at least seven days' written notice to the Architect in the event that the Project is permanently abandoned.

**10.3** In the event of termination not the fault of the Architect, the Architect shall be compensated for all services performed to termination date, together with Reimbursable Expenses then due and all Termination Expenses as defined in Paragraph 10.4.

**10.4** Termination Expenses include expenses directly attributable to termination for which the Architect is not otherwise compensated, plus an amount computed as a percentage of the total Basic and Additional Compensation earned to the time of termination, as follows:

- .1 20 percent if termination occurs during the Schematic Design Phase; or
- .2 10 percent if termination occurs during the Design Development Phase; or
- .3 5 percent if termination occurs during any subsequent phase.

## **ARTICLE 11**

### **MISCELLANEOUS PROVISIONS**

**11.1** Unless otherwise specified, this Agreement shall be governed by the law of the principal place of business of the Architect.

**11.2** Terms in this Agreement shall have the same meaning as those in AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement.

**11.3** As between the parties to this Agreement: as to all acts or failures to act by either party to this Agreement, any applicable statute of limitations shall commence to run and any alleged cause of action shall be deemed to have accrued in any and all events not later than the relevant Date of Substantial Completion of the Work, and as to any acts or failures to act occurring after the relevant Date of Substantial Completion, not later than the date of issuance of the final Certificate for Payment.

**11.4** The Owner and the Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages covered by any property insurance during construction as set forth in the edition of AIA Document A201, General Conditions, current as of the date of this Agreement. The Owner and the Architect each shall require appropriate similar waivers from their contractors, consultants and agents.

## **ARTICLE 12**

### **SUCCESSORS AND ASSIGNS**

**12.1** The Owner and the Architect, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Neither the Owner nor the Architect shall assign, sublet or transfer any interest in this Agreement without the written consent of the other.

## **ARTICLE 13**

### **EXTENT OF AGREEMENT**

**13.1** This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.

**ARTICLE 14**  
**BASIS OF COMPENSATION**

The Owner shall compensate the Architect for the Scope of Services provided, in accordance with Article 6, Payments to the Architect, and the other Terms and Conditions of this Agreement, as follows:

- 14.1 AN INITIAL PAYMENT of \_\_\_\_\_ dollars (\$ 0.00 )  
shall be made upon execution of this Agreement and credited to the Owner's account as follows:

14.2 BASIC COMPENSATION

- 14.2.1 FOR BASIC SERVICES, as described in Paragraphs 1.1 through 1.5, and any other services included in Article 15 as part of Basic Services, Basic Compensation shall be computed as follows:

*(Here insert basis of compensation, including fixed amounts, multiples or percentages, and identify Phases to which particular methods of compensation apply, if necessary.)*

Multiple of Direct Personnel Expenses:

Compensation for services rendered by Principals and employees shall be based on a multiple of Direct Personnel Expense in the same manner as described in Subparagraph 14.4.1 and for the services of professional consultants as described in Subparagraph 14.4.2. The maximum compensation to be received under this contract is four thousand dollars (\$4,000.00). The scope of services is to include Architectural Drawings only. Electrical, Mechanical, and Site Engineering services are to be furnished by the Owner.

- 14.2.2 Where compensation is based on a Stipulated Sum or Percentage of Construction Cost, payments for Basic Services shall be made as provided in Subparagraph 6.1.2, so that Basic Compensation for each Phase shall equal the following percentages of the total Basic Compensation payable:

*(Include any additional Phases as appropriate.)*

Schematic Design Phase:	percent ( %)
Design Development Phase:	percent ( %)
Construction Documents Phase:	percent ( %)
Bidding or Negotiation Phase:	percent ( %)
Construction Phase:	percent ( %)

- 14.3 FOR PROJECT REPRESENTATION BEYOND BASIC SERVICES, as described in Paragraph 1.6, Compensation shall be computed separately in accordance with Subparagraph 1.6.2.



**14.4 COMPENSATION FOR ADDITIONAL SERVICES**

- 14.4.1** FOR ADDITIONAL SERVICES OF THE ARCHITECT, as described in Paragraph 1.7, and any other services included in Article 15 as part of Additional Services, but excluding Additional Services of consultants, Compensation shall be computed as follows:

*(Here insert basis of compensation, including rates and/or multiples of Direct Personnel Expense for Principals and employees, and identify Principals and classify employees, if required. Identify specific services to which particular methods of compensation apply, if necessary.)*

Principals' and employees' time at the fixed rate of twenty-five (\$25.00) per hour.

- 14.4.2** FOR ADDITIONAL SERVICES OF CONSULTANTS, including additional structural, mechanical and electrical engineering services and those provided under Subparagraph 1.7.21 or identified in Article 15 as part of Additional Services, a multiple of one and three tenths ( 1.3 ) times the amounts billed to the Architect for such services.

*(Identify specific types of consultants in Article 15, if required.)*

- 14.5** FOR REIMBURSABLE EXPENSES, as described in Article 5, and any other items included in Article 15 as Reimbursable Expenses, a multiple of one ( 1 ) times the amounts expended by the Architect, the Architect's employees and consultants in the interest of the Project.

- 14.6** Payments due the Architect and unpaid under this Agreement shall bear interest from the date payment is due at the rate entered below, or in the absence thereof, at the legal rate prevailing at the principal place of business of the Architect.

*(Here insert any rate of interest agreed upon.)*

*(Usury laws and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's and Architect's principal places of business, the location of the Project and elsewhere may affect the validity of this provision. Specific legal advice should be obtained with respect to deletion, modification, or other requirements such as written disclosures or waivers.)*

- 14.7** The Owner and the Architect agree in accordance with the Terms and Conditions of this Agreement that:

- 14.7.1** IF THE SCOPE of the Project or of the Architect's Services is changed materially, the amounts of compensation shall be equitably adjusted.

- 14.7.2** IF THE SERVICES covered by this Agreement have not been completed within eighteen (18) months of the date hereof, through no fault of the Architect, the amounts of compensation, rates and multiples set forth herein shall be equitably adjusted.

## ARTICLE 15

### OTHER CONDITIONS OR SERVICES

In the TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT AND/OR ENGINEER add to or delete from as follows:

15.1 GENERAL:

"Where the word "ARCHITECT" appears in the TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT substitute therefor: "ARCHITECT and/or ENGINEER."

15.2 ARTICLE I - ARCHITECT AND/OR ENGINEER'S SERVICES AND RESPONSIBILITY:

Add the following subparagraph:

"1.1.5.1 Upon completion of the Schematic Design Phase, the Schematic Design Documents, including Probable Construction Cost shall be submitted to the Owner and State Engineer, and the Owner will approve the Probable Construction Cost in writing."

15.2.2 "1.2 Delete in its entirety and substitute therefor the following:

"1.2 DESIGN DEVELOPMENT PHASE

"1.2.1 Based on the Schematic Design Documents and any adjustments in the program or project budget, the Owner shall instruct the Architect, in writing, to prepare the Design Development Documents.

"1.2.2 Design Development Documents shall include sufficient material to delineate the scope of Project and to indicate the general design of the Project. Design Development Document, consisting of Drawing, Outline Specifications, Probable Construction Cost, and any other material or document necessary to prepare the Design Development Documents shall contain all architectural and/or engineering skills.

"1.2.3 Design Development Documents shall include but are not limited to the following:

"1.2.3.1 DRAWINGS:

(a) Existing topographic features and improvements affecting or relating to the proposed work. Indicate revisions to be made to existing topographic features and improvements such as grading, construction of drainage facilities, etc. Where drainage facilities are to be provided, indicate direction of flow and point of discharge by appropriate symbol or notes.

(b) Double-line drawings showing developed floor plans, proposed finished floor elevations, floor and roof framing, typical wall section, exterior elevations showing proposed floor-to-floor heights and basic details of any unusual features of construction.

(c) Basic information necessary to establish space requirements and functional arrangement.

(d) Functional layout of mechanical, electrical and electronic features, special equipment, plumbing and heating to include, where applicable:

(1) Location of evaporative coolers and/or air conditioning units.

(2) General scale layout of equipment, heater and/or boiler rooms showing space requirements and auxiliary equipment proposed.

(3) Location and approximate size of special equipment to be installed such as compressors, generators, transformers, electronic equipment racks, consoles, panels, distributing frames, hoists, cranes, etc.

(e) Location, dimension, sections, areas and capacities, as applicable to parking areas, access roads, driveways, walks, etc.

(f) Location and size of existing or proposed sanitary sewers, water mains, gas mains and electrical service in the vicinity of the proposed buildings. Size and location of transformers. Elevations of gravity lines. Location of proposed building connections with notations showing which of the necessary utility extensions or connections beyond the 5-foot building line will be provided.

(g) Provide simplified schematic electrical diagrams for each electronic or instrumentation system to show that the required system functions are being provided.

"1.2.3.2 Outline Specifications and Probable Construction Cost shall be developed to a uniform level, reflecting the material, trades, mechanical and electrical system, and specialties required to reflect the Project as a whole.

"1.2.4 Upon completion of Design Development Phase, the Design Development Documents, including Outline Specifications and Probable Construction Cost shall be submitted to the Owner and State Engineer, and the Owner will approve the Probable Construction Cost in writing."

15.2.3 Add the following subparagraph:

"1.3.4.1 Prior to advertising for bids for construction, the Architect and/or Engineer shall submit the Construction Documents and Probable Construction Cost and shall obtain written approval of the Probable Construction Cost from the Owner..

"1.3.4.2 Submission of the Construction Documents and Probable Construction Documents and Probable Construction Cost to the Owner and State Engineer and the approval of the Probable Construction Cost shall not relieve the Architect and/or Engineer of any responsibility for design deficiencies, omission or errors."



Add the following subparagraphs:

- 15.2.4 "1.5.4.1 Periodic visit by the ARCHITECT and/or ENGINEER may vary with the progress of the work and other conditions, but shall average not less than one visit by the ARCHITECT and/or ENGINEER or his representative to the project per week during the course of construction. ~~The ARCHITECT and/or ENGINEER shall submit to the OWNER a written report of his periodic visit, at least once a month, of his findings and progress of the project.~~ **OMIT**

~~"1.5.4.1.2 Should the CONTRACTOR fall behind in his construction schedule by more than four weeks, the ARCHITECT and/or ENGINEER shall notify the OWNER in writing."~~

- 15.2.5 1.5.9 Delete in its entirety and substitute therefor the following:

"1.5.9 The ARCHITECT and/or ENGINEER shall be the interpreter of the requirements of the CONTRACT DOCUMENTS and judge of the performance thereunder by both the OWNER and the CONTRACTOR. The ARCHITECT and/or ENGINEER shall render written interpretations necessary for the proper execution or progress of the work within fifteen days on written request of either the OWNER or the CONTRACTOR, unless such interpretation can only be made after testing, in which case an interpretation must be rendered within fifteen days after completion of such test, and shall render written decisions, within fifteen days, on all claims, disputes and other matters in question between the OWNER and the CONTRACTOR relating to the execution or progress of the work or the interpretation of the CONTRACT DOCUMENTS."

- 15.2.6 Add the following subparagraph:

"1.5.14.1 Where a Change Order is required due to field adjustment, design deficiency omission or error, the Change Order shall be prepared at no cost to the Owner."

- 15.2.7 Add the following Subparagraphs:

"1.5.17 Upon completion of the CONSTRUCTION PHASE, the ARCHITECT and/or ENGINEER shall correct the original drawing to "record drawings" showing all significant changes in the Work made during construction. Such changes to the drawings shall be made in a professional manner, and drawings shall be stamped and signed by the ARCHITECT and/or ENGINEER as said drawings being "record drawings", based on ~~as~~ **OMIT** ~~as~~ ~~up~~ prints, drawings and other data furnished by the CONTRACTOR and/or representative of the OWNER and/or ARCHITECT and/or ENGINEER.

"1.5.18 One month prior to the expiration of the one-year warranty period as called for in the CONSTRUCTION DOCUMENTS, the ARCHITECT and/or ENGINEER shall inspect the project for any deficiencies that may have developed under the one-year warranty. Upon completion of inspection a written report shall be furnished to the OWNER, the STATE ENGINEER and the CONTRACTOR, and the ARCHITECT and/or ENGINEER shall assist the OWNER in taking necessary action to see that the deficiencies are corrected."

15.2.8 1.7.17 Delete this Subparagraph in its entirety.

15.3 ARTICLE 2 - THE OWNER'S RESPONSIBILITY:

15.3.1 2.4 First line following Owner delete "shall furnish" and substitute therefor the following:

"will furnish, if requested, by the ARCHITECT and/or ENGINEER."

15.4 ARTICLE 3 - CONSTRUCTION COST:

15.4.1 Add the following Subparagraph:

"3.1.3.1 Compensation to the ARCHITECT and/or ENGINEER shall be as set forth in Article 14. When compensation is based on "Percentage of Construction Cost" the establishing of the percentage shall be the amount of the Construction Contract awarded. Once established, the same percentage figure shall apply to any recomputation of fee occasioned by Change Order, and only Change Orders that increase the contract amount shall be used in recomputation. Where a Change Order is required because of field adjustments, design deficiencies, omission or errors, the amount of that Change Order shall not apply toward computation of ARCHITECT and/or ENGINEER'S compensation".

15.4.2 Add the following Subparagraph:

"3.2.2.1 Fixed limit of Construction Cost shall be the Probable Construction Cost as defined in Subparagraph 1.3.4.1".

15.4.3 6.1.3 Delete in its entirety and substitute therefor the following:

"6.1.3 If the Contract Time initially established in the Construction Contract is exceeded by more than thirty days through no fault of the ARCHITECT and/or ENGINEER, compensation for Basic Services performed by Principals, employees and professional consultants required to complete the Administration of the Construction Contract beyond the thirtieth day shall be computed as set forth in Paragraph 14.4.1 and 14.4.2 for Additional Services. No additional services by the ARCHITECT and/or ENGINEER in connection with semi-final and final inspection."

15.5 ARTICLE 8: OWNERSHIP OF DOCUMENTS:

15.5.1 ARTICLE 8: Delete in its entirety and substitute therefor new ARTICLE 8 as follows:

"ARTICLE 8: OWNERSHIP OF DOCUMENTS".

8.1 The Owner shall have unlimited rights in the ownership of all drawings, designs, specifications, notes and other work developed in the performance of the AGREEMENT, including the right to use same on any other Owner's projects without additional cost to the Owner, and with respect thereto the ARCHITECT and/or ENGINEER agrees to and does hereby grant to the Owner a royalty-free

license to all such data which he may cover by copyright and to all designs as to which he may assert any rights or establish any claim under the design patent or copyright laws.

"8.2 In the case of future reuse of the documents the Owner reserves the right to negotiate with the ARCHITECT and/or ENGINEER for compensation for the acceptance of any professional liability."

"8.3 In the event the Owner does not exercise the option to negotiate with the ARCHITECT and/or ENGINEER FOR THE Architect's and/or Engineer's acceptance of any professional liability, it is understood that the ARCHITECT and/or ENGINEER is no longer liable in the reuse of the documents.

#### 15.6 ARTICLE 9 - ARBITRATION

Delete ARTICLE 9 in its entirety.

#### 15.7 ARTICLE 10 - TERMINATION OF AGREEMENT

15.7.1 10.3 Fourth line following "Expense" change comma "," to period "." and delete rest of sentence.

15.7.2 10.4 Delete in its entirety.

#### 15.8 ARTICLE 11 - MISCELLANEOUS PROVISIONS

15.8.1 11.1 Second line following "laws of" delete remaining of sentence and substitute therefor the following:

"-----South Carolina."

#### 15.9 ARTICLE 14 - BASIS OF COMPENSATION

15.9.1 14.6 Delete in its entirety and substitute therefor the following:

"14.6 Payment due the ARCHITECT and/or ENGINEER under this Agreement shall bear interest at six percent per annum commencing forty-five days after date of billing."



ARTICLE 15

OTHER CONDITIONS OR SERVICES

- A. ATTACHMENT A: Other Conditions or Services
- B. ATTACHMENT B: Progress Schedule

This Agreement entered into as of the day and year first written above.

OWNER

ARCHITECT

DEPARTMENT OF MENTAL RETARDATION

DESIGN COLLABORATIVE, INC.

State of South Carolina

for BY

Charles D. Barnett, Ph.D.  
Commissioner

BY

Don E. Golightly, AIA  
President

PROGRESS SCHEDULE

Eight Bed, Intermediate Care Facility for Mental Retarded  
DEPARTMENT OF MENTAL RETARDATION  
STATE OF SOUTH CAROLINA

Preliminary Concepts:	Ten Working Days
SCDMR First Review:	Ten Working Days
Corrections from First Review:	Five Working Days
SCDMR Second Review:	Three Working Days
Working Drawings:	Seventeen Working Days



EXHIBIT IV  
12/21/78  
4

STATE BUDGET AND CONTROL BOARD

POLL OF December 21, 1978

POLL ITEM NUMBER 4

Agency: Parks, Recreation and Tourism

Subject: A&E Selection Approval Request

PRT Engineering and Planning Coordinator Pearce Thomson advises that the following firms, listed in preference order, have been selected for the Lynches River State Park project (#4500-7-80):

<u>Firm</u>	<u>Location</u>	<u>Reported State Work in Prior Two Years</u>
(1) Wilkins-Wood & Associates	Florence	\$12,263,000
(2) Anderson Associates	Columbia	4,000 (fee)
(3) James T. Barnes Associates, Ltd.	Florence	-0-

Mr. Thomson indicates that the over-riding reason for selecting Wilkins-Wood & Associates was "...because they have an established reputable office in Florence, which is near Lynches River State Park, and they displayed knowledge of and experience with pool/bathhouse construction, and attractive use of natural materials in a rustic setting."

The required selection procedure has been followed.

Board Action Requested:

Approve the selection of Wilkins-Wood & Associates for the referenced project, as requested by PRT.

Vote Of Board Member: (Please indicate by initialing appropriate line below.)

\_\_\_\_\_ I approve of the above action.  
\_\_\_\_\_ I disapprove of the above action.  
\_\_\_\_\_ Hold for regular meeting.

Attachments:

Thomson 11/6/78 letter to McPherson, plus attachments



November 6, 1978

Mr. John A. McPherson, Jr., Chief Engineer  
S. C. State Budget and Control Board  
P. O. Box 11333  
Columbia, South Carolina 29211

Re: Architect Selection/Lynches River State Park/Project 45-00-7-80

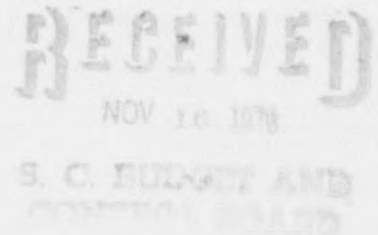
Dear Mr. McPherson:

The attached advertisement was placed in the Columbia STATE and the FLORENCE MORNING NEWS on the following dates:

1. Wednesday, September 20, 1978
2. Thursday, September 21, 1978
3. Sunday, October 1, 1978

Resumes from seventeen architectural firms were received in response and of those, the following three firms were interviewed and are listed in order of preference:

1. Wilkins-Wood & Associates  
Florence, S. C.
2. Anderson Associates  
Columbia, S. C.
3. James P. Barnes Associates, Ltd.  
Florence, S. C.



In selection of these firms, consideration was given to the amount of State work done by each firm in the past two years.

Wilkins-Wood and Associates was selected as first choice because they have an established reputable office in Florence, which is near Lynches River State Park, and they displayed knowledge of and experience with pool/bathhouse construction, and attractive use of natural materials in a rustic setting.

South Carolina Department of Parks, Recreation & Tourism

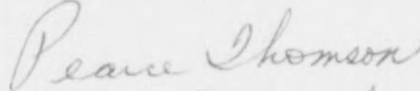
Suite 113, Edgar A. Brown Building • 1205 Pendleton Street • Columbia, South Carolina 29201

Mr. John A. McPherson, Jr.  
November 6, 1978  
Page 2

The South Carolina Parks, Recreation and Tourism Commission at their November 4, 1978 meeting approved the staff selection of Wilkins-Wood and Associates for this project and recommends that the Budget and Control Board also approve this choice.

Should there be any questions, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Pearce Thomson".

Pearce Thomson *rb*  
Engineering & Planning Coordinator

BPT/rcb  
Attachment

cc: Mr. Fred Brinkman, Executive Director



**NOTICE TO ARCHITECTS**

Submitters of a resume of qualifications. Firms submitting resumes will be received by the South Carolina Department of Parks, Recreation and Tourism, Division of State Parks, 1205 Pendleton Street, Columbia, S. C. 29201 until 5:00 P.M. EDT, Wednesday, October 11, 1978 for the design development and construction phases necessary to fully complete a swimming pool/bathhouse complex to be located at Lynches River State Park, Florence County, South Carolina. Resumes and/or inquiries should be directed to Pearce Thomson at the above address (telephone 803/755-3634).

Firms submitting resume of qualifications shall include a list of all contracts, including construction cost, the firm has executed on State work in the past two years. PEARCE THOMSON ENGINEERING & PLANNING COORDINATOR S.C. DEPARTMENT OF PARKS, RECREATION AND TOURISM

**COLUMBIA NEWSPAPERS, INC.**

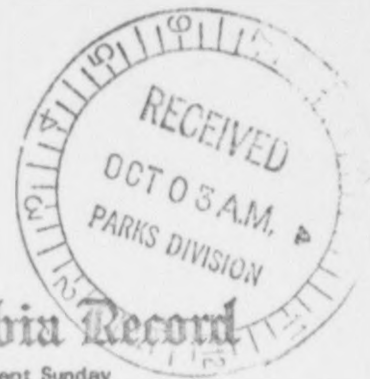
Columbia, South Carolina

Publishers of

**The State**  
Mornings and Sunday

AND

**The Columbia Record**  
Evenings except Sunday



STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND

Personally appeared before me Carl M. Regal, Retail Advertising Manager  
of THE STATE, and makes oath that the advertisement,

Notice to Architects - Lynches River State Park  
Swimming Pool and Bath House

a clipping of which is attached hereto, was printed in THE STATE,  
a daily newspaper of general circulation published in the City  
of Columbia, State and County aforesaid, in the issues of

September 20, 1978 and October 1, 1978

Carl M. Regal

Subscribed and sworn to before me  
this 2nd day of October 1978.

Emma Lee Audlin Notary Public

# THE AMERICAN INSTITUTE OF ARCHITECTS



AIA Document B141

## Standard Form of Agreement Between Owner and Architect

*THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH  
AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION*

### AGREEMENT

made this Fifteenth day of November in the year of Nineteen  
Hundred and Seventy-Eight.

**BETWEEN** the Owner: South Carolina Department of  
Parks, Recreation & Tourism  
Columbia, South Carolina

and the Architect: Wilkins, Wood & Associates  
Florence, South Carolina

For the following Project:  
(Include detailed description of Project location and scope)

Lynches River Pool/Bathhouse Complex  
Lynches River State Park  
Florence County, South Carolina

The Owner and the Architect agree as set forth below.

## FIXED FEE

- I. THE ARCHITECT shall provide professional services for the Project in accordance with the Terms and Conditions of this Agreement.
- II. THE OWNER shall compensate the Architect, in accordance with the Terms and Conditions of this Agreement.
  - A. FOR BASIC SERVICES, as described in Paragraph 1.1, Basic Compensation shall be computed on the basis of a FIXED FEE  
TWENTY-FIVE THOUSAND and no/100-----dollars (\$ 25,000.00-----).
  - B. FOR ADDITIONAL SERVICES, as described in Paragraph 1.3, compensation computed as follows:
    1. Principals' time at the fixed rate of Thirty-Five dollars (\$35.00----) per hour.  
For the purpose of this Agreement, the Principals are:  
Richard I. Wilkins
    2. Employees' time (other than Principals) at a multiple of \$20.00 per hour  
(-----) times the employees' Direct Personnel Expense as defined in Article 4.
    3. Services of professional consultants at a multiple of one and four-tenths  
( 1.4 ) times the amount billed to the Architect for such services.
  - C. AN INITIAL PAYMENT of none required  
dollars (\$ )  
shall be made upon the execution of this Agreement and credited to the Owner's account.
  - D. FOR REIMBURSABLE EXPENSES, amounts expended as defined in Article 5.
- III. THE OWNER AND ARCHITECT agree in accordance with the Terms and Conditions of this Agreement that:
  - A. IF SCOPE of the Project is changed materially, compensation shall be the subject to renegotiation.
  - B. IF THE SERVICES covered by this Agreement have not been completed within-----  
----- (-----) months of the date hereof, the amounts of compensation, rates and multiples set forth in Paragraph II shall be subject to renegotiation.
- IV. FEE ADJUSTMENT
  - A. The above quotation is based upon the assumption that the cost of construction will be \$375,000.00, with the understanding that if the scope of the project varies one way or the other by more than 5%, then the compensation would be appropriately adjusted.



## TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT

### ARTICLE 1

#### ARCHITECT'S SERVICES

##### 1.1 BASIC SERVICES

The Architect's Basic Services consist of the five phases described below and include normal structural, mechanical and electrical engineering services and any other services included in Article 14 as Basic Services.

##### SCHEMATIC DESIGN PHASE

1.1.1 The Architect shall review the program furnished by the Owner to ascertain the requirements of the Project and shall confirm such requirements to the Owner.

1.1.2 Based on the mutually agreed upon program, the Architect shall prepare Schematic Design Studies consisting of drawings and other documents illustrating the scale and relationship of Project components for approval by the Owner.

1.1.3 The Architect shall submit to the Owner a Statement of Probable Construction Cost based on current area, volume or other unit costs.

##### DESIGN DEVELOPMENT PHASE

1.1.4 The Architect shall prepare from the approved Schematic Design Studies, for approval by the Owner, the Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the entire Project as to structural, mechanical and electrical systems, materials and such other essentials as may be appropriate.

1.1.5 The Architect shall submit to the Owner a further Statement of Probable Construction Cost.

##### CONSTRUCTION DOCUMENTS PHASE

1.1.6 The Architect shall prepare from the approved Design Development Documents, for approval by the Owner, Drawings and Specifications setting forth in detail the requirements for the construction of the entire Project including the necessary bidding information, and shall assist in the preparation of bidding forms, the Conditions of the Contract, and the form of Agreement between the Owner and the Contractor.

1.1.7 The Architect shall advise the Owner of any adjustments to previous Statements of Probable Construction Cost indicated by changes in requirements or general market conditions.

1.1.8 The Architect shall assist the Owner in filing the required documents for the approval of governmental authorities having jurisdiction over the Project.

##### BIDDING OR NEGOTIATION PHASE

1.1.9 The Architect, following the Owner's approval of the Construction Documents and of the latest Statement

of Probable Construction Cost, shall assist the Owner in obtaining bids or negotiated proposals, and in awarding and preparing construction contracts.

##### CONSTRUCTION PHASE—ADMINISTRATION OF THE CONSTRUCTION CONTRACT

1.1.10 The Construction Phase will commence with the award of the Construction Contract and will terminate when the final Certificate for Payment is issued to the Owner.

1.1.11 The Architect shall provide Administration of the Construction Contract as set forth in AIA Document A201, General Conditions of the Contract for Construction, and the extent of his duties and responsibilities and the limitations of his authority as assigned thereunder shall not be modified without his written consent.

1.1.12 The Architect, as the representative of the Owner during the Construction Phase, shall advise and consult with the Owner and all of the Owner's instructions to the Contractor shall be issued through the Architect. The Architect shall have authority to act on behalf of the Owner to the extent provided in the General Conditions unless otherwise modified in writing.

1.1.13 The Architect shall at all times have access to the Work wherever it is in preparation or progress.

1.1.14 The Architect shall make periodic visits to the site to familiarize himself generally with the progress and quality of the Work and to determine in general if the Work is proceeding in accordance with the Contract Documents. On the basis of his on-site observations as an architect, he shall endeavor to guard the Owner against defects and deficiencies in the Work of the Contractor. The Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. The Architect shall not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, and he shall not be responsible for the Contractor's failure to carry out the Work in accordance with the Contract Documents.

1.1.15 Based on such observations at the site and on the Contractor's Applications for Payment, the Architect shall determine the amount owing to the Contractor and shall issue Certificates for Payment in such amounts. The issuance of a Certificate for Payment shall constitute a representation by the Architect to the Owner, based on the Architect's observations at the site as provided in Subparagraph 1.1.14 and the data comprising the Application for Payment, that the Work has progressed to the point indicated; that to the best of the Architect's knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents (subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to the results of any subsequent tests required by the Contract

Documents, to minor deviations from the Contract Documents correctable prior to completion, and to any specific qualifications stated in the Certificate for Payment); and that the Contractor is entitled to payment in the amount certified. By issuing a Certificate for Payment, the Architect shall not be deemed to represent that he has made any examination to ascertain how and for what purpose the Contractor has used the moneys paid on account of the Contract Sum.

**1.1.16** The Architect shall be, in the first instance, the interpreter of the requirements of the Contract Documents and the impartial judge of the performance thereunder by both the Owner and Contractor. The Architect shall make decisions on all claims of the Owner or Contractor relating to the execution and progress of the Work and on all other matters or questions related thereto. The Architect's decisions in matters relating to artistic effect shall be final if consistent with the intent of the Contract Documents.

**1.1.17** The Architect shall have authority to reject Work which does not conform to the Contract Documents. Whenever, in his reasonable opinion, he considers it necessary or advisable to insure the proper implementation of the intent of the Contract Documents, he will have authority to require special inspection or testing of any Work in accordance with the provisions of the Contract Documents whether or not such Work be then fabricated, installed or completed.

**1.1.18** The Architect shall review and approve shop drawings, samples, and other submissions of the Contractor only for conformance with the design concept of the Project and for compliance with the information given in the Contract Documents.

**1.1.19** The Architect shall prepare Change Orders.

**1.1.20** The Architect shall conduct inspections to determine the Dates of Substantial Completion and final completion, shall receive and review written guarantees and related documents assembled by the Contractor, and shall issue a final Certificate for Payment.

**1.1.21** The Architect shall not be responsible for the acts or omissions of the Contractor, or any Subcontractors, or any of the Contractor's or Subcontractors' agents or employees, or any other persons performing any of the Work.

## **1.2 PROJECT REPRESENTATION BEYOND BASIC SERVICES**

**1.2.1** If more extensive representation at the site than is described under Subparagraphs 1.1.10 through 1.1.21 inclusive is required, and if the Owner and Architect agree, the Architect shall provide one or more Full-Time Project Representatives to assist the Architect.

**1.2.2** Such Full-Time Project Representatives shall be selected, employed and directed by the Architect, and the Architect shall be compensated therefor as mutually agreed between the Owner and the Architect as set forth in an exhibit appended to this Agreement.

**1.2.3** The duties, responsibilities and limitations of authority of such Full-Time Project Representatives shall be set forth in an exhibit appended to this Agreement.

**1.2.4** Through the on-site observations by Full-Time Project Representatives of the Work in progress, the Architect shall endeavor to provide further protection for the Owner against defects in the Work, but the furnishing of such project representation shall not make the Architect responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs, or for the Contractor's failure to perform the Work in accordance with the Contract Documents.

## **1.3 ADDITIONAL SERVICES**

The following Services shall be provided when authorized in writing by the Owner, and they shall be paid for by the Owner as hereinbefore provided.

**1.3.1** Providing analyses of the Owner's needs, and programming the requirements of the Project.

**1.3.2** Providing financial feasibility or other special studies.

**1.3.3** Providing planning surveys, site evaluations, environmental studies or comparative studies of prospective sites.

**1.3.4** Providing design services relative to future facilities, systems and equipment which are not intended to be constructed as part of the Project.

**1.3.5** Providing services to investigate existing conditions or facilities or to make measured drawings thereof, or to verify the accuracy of drawings or other information furnished by the Owner.

**1.3.6** Preparing documents for alternate bids or out-of-sequence services requested by the Owner.

**1.3.7** Providing Detailed Estimates of Construction Cost or detailed quantity surveys or inventories of material, equipment and labor.

**1.3.8** Providing interior design and other services required for or in connection with the selection of furniture and furnishings.

**1.3.9** Providing services for planning tenant or rental spaces.

**1.3.10** Making revisions in Drawings, Specifications or other documents when such revisions are inconsistent with written approvals or instructions previously given and are due to causes beyond the control of the Architect.

**1.3.11** Preparing supporting data and other services in connection with Change Orders if the change in the Basic Compensation resulting from the adjusted Contract Sum is not commensurate with the services required of the Architect.

**1.3.12** Making investigations involving detailed appraisals and valuations of existing facilities, and surveys or inventories required in connection with construction performed by the Owner.

**1.3.13** Providing consultation concerning replacement of any Work damaged by fire or other cause during construction, and furnishing professional services of the type

set forth in Paragraph 1.1 as may be required in connection with the replacement of such Work.

1.3.14 Providing professional services made necessary by the default of the Contractor or by major defects in the Work of the Contractor in the performance of the Construction Contract.

1.3.15 Preparing a set of reproducible record prints of drawings showing significant changes in the Work made during the construction process, based on marked-up prints, drawings and other data furnished by the Contractor to the Architect.

1.3.16 Providing extensive assistance in the utilization of any equipment or system such as initial start-up or testing, adjusting and balancing, preparation of operation and maintenance manuals, training personnel for operation and maintenance, and consultation during operation.

1.3.17 Providing services after issuance to the Owner of the final Certificate for Payment.

1.3.18 Preparing to serve or serving as an expert witness in connection with any public hearing, arbitration proceeding or legal proceeding.

1.3.19 Providing services of professional consultants for other than the normal structural, mechanical and electrical engineering services for the Project.

1.3.20 Providing any other services not otherwise included in this Agreement or not customarily furnished in accordance with generally accepted architectural practice.

## **ARTICLE 2**

### **THE OWNER'S RESPONSIBILITIES**

2.1 The Owner shall provide full information, including a complete program, regarding his requirements for the Project.

2.2 The Owner shall designate, when necessary, a representative authorized to act in his behalf with respect to the Project. The Owner shall examine documents submitted by the Architect and shall render decisions pertaining thereto promptly, to avoid unreasonable delay in the progress of the Architect's services.

2.3 The Owner shall furnish a certified land survey of the site giving, as applicable, grades and lines of streets, alleys, pavements and adjoining property; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and complete data pertaining to existing buildings, other improvements and trees; and full information concerning available service and utility lines both public and private, above and below grade, including inverts and depths.

2.4 The Owner shall furnish the services of a soils engineer or other consultant when such services are deemed necessary by the Architect, including reports, test borings, test pits, soil bearing values, percolation tests, air and water pollution tests, ground corrosion and resistivity tests and other necessary operations for determining sub-soil, air and water conditions, with appropriate professional recommendations.

2.5 The Owner shall furnish structural, mechanical, chemical and other laboratory tests, inspections and reports as required by law or the Contract Documents.

2.6 The Owner shall furnish such legal, accounting, and insurance counseling services as may be necessary for the Project, and such auditing services as he may require to ascertain how or for what purposes the Contractor has used the moneys paid to him under the Construction Contract.

2.7 The services, information, surveys and reports required by Paragraphs 2.3 through 2.6 inclusive shall be furnished at the Owner's expense, and the Architect shall be entitled to rely upon the accuracy and completeness thereof.

2.8 If the Owner becomes aware of any fault or defect in the Project or non-conformance with the Contract Documents, he shall give prompt written notice thereof to the Architect.

2.9 The Owner shall furnish information required of him as expeditiously as necessary for the orderly progress of the Work.

## **ARTICLE 3**

### **CONSTRUCTION COST**

3.1 If the Construction Cost is to be used as the basis for determining the Architect's Compensation for Basic Services, it shall be the total cost or estimated cost to the Owner of all Work designed or specified by the Architect. The Construction Cost shall be determined as follows, with precedence in the order listed:

3.1.1 For completed construction, the cost of all such Work, including costs of managing construction;

3.1.2 For Work not constructed, (1) the lowest bona fide bid received from a qualified bidder for any or all of such Work, or (2) if the Work is not bid, the bona fide negotiated proposal submitted for any or all of such Work; or

3.1.3 For Work for which no such bid or proposal is received, (1) the latest Detailed Estimate of Construction Cost if one is available, or (2) the latest Statement of Probable Construction Cost.

3.2 Construction Cost does not include the compensation of the Architect and his consultants, the cost of the land, rights-of-way, or other costs which are the responsibility of the Owner as provided in Paragraphs 2.3 through 2.6 inclusive.

3.3 The cost of labor, materials and equipment furnished by the Owner for the Project shall be included in the Construction Cost at current market rates including a reasonable allowance for overhead and profit.

3.4 Statements of Probable Construction Cost and Detailed Cost Estimates prepared by the Architect represent his best judgment as a design professional familiar with the construction industry. It is recognized, however, that neither the Architect nor the Owner has any control over the cost of labor, materials or equipment, over the contractors' methods of determining bid prices, or over competitive bidding or market conditions. Accordingly, the



Architect cannot and does not guarantee that bids will not vary from any Statement of Probable Construction Cost or other cost estimate prepared by him.

3.5 When a fixed limit of Construction Cost is established as a condition of this Agreement, it shall be in writing signed by the parties and shall include a bidding contingency of ten percent unless another amount is agreed upon in writing. When such a fixed limit is established, the Architect shall be permitted to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents, and to make reasonable adjustments in the scope of the Project to bring it within the fixed limit. The architect may also include in the Contract Documents alternate bids to adjust the Construction Cost to the fixed limit.

3.5.1 If the Bidding or Negotiating Phase has not commenced within six months after the Architect submits the Construction Documents to the Owner, any fixed limit of Construction Cost established as a condition of this Agreement shall be adjusted to reflect any change in the general level of prices which may have occurred in the construction industry for the area in which the Project is located. The adjustment shall reflect changes between the date of submission of the Construction Documents to the Owner and the date on which proposals are sought.

3.5.2 When a fixed limit of Construction Cost, including the Bidding contingency (adjusted as provided in Subparagraph 3.5.1, if applicable), is established as a condition of this Agreement and is exceeded by the lowest bona fide bid or negotiated proposal, the Detailed Estimate of Construction Cost or the Statement of Probable Construction cost, the Owner shall (1) give written approval of an increase in such fixed limit, (2) authorize rebidding the Project within a reasonable time, or (3) cooperate in revising the Project scope and quality as required to reduce the Probable Construction Cost. In the case of (3) the Architect, without additional charge, shall modify the Drawings and Specifications as necessary to bring the Construction Cost within the fixed limit. The providing of such service shall be the limit of the Architect's responsibility in this regard, and having done so, the Architect shall be entitled to compensation in accordance with this Agreement.

#### ARTICLE 4

##### DIRECT PERSONNEL EXPENSE

Direct Personnel Expense is defined as the salaries of professional, technical and clerical employees engaged on the Project by the Architect, and the cost of their mandatory and customary benefits such as statutory employee benefits, insurance, sick leave, holidays, vacations, pensions and similar benefits.

#### ARTICLE 5

##### REIMBURSABLE EXPENSES

5.1 Reimbursable Expenses are in addition to the Compensation for Basic and Additional Services and include actual expenditures made by the Architect, his employ-

ees, or his professional consultants in the interest of the Project for the expenses listed in the following Subparagraphs:

5.1.1 Expense of transportation and living when traveling in connection with the Project; long distance calls and telegrams; and fees paid for securing approval of authorities having jurisdiction over the Project.

5.1.2 Expense of reproductions, postage and handling of Drawings and Specifications excluding duplicate sets at the completion of each Phase for the Owner's review and approval.

5.1.3 If authorized in advance by the Owner, expense of overtime work requiring higher than regular rates and expense of renderings or models for the Owner's use.

5.1.4 Expense of computer time for professional services when included in Paragraph II.

5.1.5 Expense of computer time when used in connection with Additional Services.

#### ARTICLE 6

##### PAYMENTS TO THE ARCHITECT

6.1 Payments on account of the Architect's Basic Services shall be made as follows:

6.1.1 An initial payment as set forth in Paragraph II is the minimum payment under this Agreement.

6.1.2 Subsequent payments for Basic Services shall be made monthly in proportion to services performed so that the compensation at the completion of each Phase, except when the compensation is on the basis of a Multiple of Direct Personnel Expense, shall equal the following percentages of the total Basic Compensation:

Schematic Design Phase .....	15%
Design Development Phase .....	35%
Construction Documents Phase ...	75%
Bidding or Negotiation Phase ....	80%
Construction Phase .....	100%

6.1.3 If the Contract Time initially established in the Construction Contract is exceeded by more than thirty days through no fault of the Architect, compensation for Basic Services performed by Principals, employees and professional consultants required to complete the Administration of the Construction Contract beyond the thirtieth day shall be computed as set forth in Paragraph II for Additional Services.

6.2 Payments for Additional Services of the Architect as defined in Paragraph 1.3, and for Reimbursable Expenses as defined in Article 5, shall be made monthly upon presentation of the Architect's statement of services rendered.

6.3 No deductions shall be made from the Architect's compensation on account of penalty, liquidated damages, or other sums withheld from payments to contractors.

6.4 If the Project is suspended for more than three months or abandoned in whole or in part, the Architect

shall be paid his compensation for services performed prior to receipt of written notice from the Owner of such suspension or abandonment, together with Reimbursable Expenses then due and all termination expenses as defined in Paragraph 8.3 resulting from such suspension or abandonment. If the Project is resumed after being suspended for more than three months, the Architect's compensation shall be subject to renegotiation.

6.5 Payments due the Architect under this Agreement shall bear interest at the legal rate commencing sixty days after the date of billing.

#### **ARTICLE 7**

##### **ARCHITECT'S ACCOUNTING RECORDS**

Records of Reimbursable Expenses and expenses pertaining to Additional Services on the Project and for services performed on the basis of a Multiple of Direct Personnel Expense shall be kept on a generally recognized accounting basis and shall be available to the Owner or his authorized representative at mutually convenient times.

#### **ARTICLE 8**

##### **TERMINATION OF AGREEMENT**

8.1 This Agreement may be terminated by either party upon seven days' written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.

8.2 In the event of termination due to the fault of parties other than the Architect, the Architect shall be paid his compensation for services performed to termination date, including Reimbursable Expenses then due and all termination expenses.

8.3 Termination Expenses are defined as Reimbursable Expenses directly attributable to termination, plus an amount computed as a percentage of the total compensation earned to the time of termination, as follows:

- 20 percent if termination occurs during the Schematic Design Phase; or
- 10 percent if termination occurs during the Design Development Phase; or
- 5 percent if termination occurs during any subsequent phase.

#### **ARTICLE 9**

##### **OWNERSHIP OF DOCUMENTS**

Drawings and Specifications as instruments of service are and shall remain the property of the Architect whether the Project for which they are made is executed or not. They are not to be used by the Owner on other projects or extensions to this Project except by agreement in writing and with appropriate compensation to the Architect.

#### **ARTICLE 10**

##### **SUCCESSORS AND ASSIGNS**

The Owner and the Architect each binds himself, his partners, successors, assigns and legal representatives to

the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Neither the Owner nor the Architect shall assign, sublet or transfer his interest in this Agreement without the written consent of the other.

#### **ARTICLE 11**

##### **ARBITRATION**

11.1 All claims, disputes and other matters in question between the parties to this Agreement, arising out of, or relating to this Agreement or the breach thereof, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. No arbitration, arising out of, or relating to this Agreement, shall include, by consolidation, joinder or in any other manner, any additional party not a party to this Agreement except by written consent containing a specific reference to this Agreement and signed by all the parties hereto. Any consent to arbitration involving an additional party or parties shall not constitute consent to arbitration of any dispute not described therein or with any party not named or described therein. This Agreement to arbitrate and any agreement to arbitrate with an additional party or parties duly consented to by the parties hereto shall be specifically enforceable under the prevailing arbitration law.

11.2 Notice of the demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. The demand shall be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

11.3 The award rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

#### **ARTICLE 12**

##### **EXTENT OF AGREEMENT**

This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.

#### **ARTICLE 13**

##### **GOVERNING LAW**

Unless otherwise specified, this Agreement shall be governed by the law of the principal place of business of the Architect.

ARTICLE 14  
OTHER CONDITIONS OR SERVICES

SEE ATTACHED ARTICLE 14

This Agreement executed the day and year first written above.

OWNER South Carolina Department of  
Parks, Recreation & Tourism

ARCHITECT Wilkins, Wood & Associates



Richard I. Wilkins, AIA, Partner



## ARTICLE 14

### OTHER CONDITIONS OR SERVICES

In the TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT add to or delete from as follows:

14.1 Add new Subparagraph 1.1.3.1 as follows:

"1.1.3.1 Upon completion of SCHEMATIC DESIGN PHASE, the DESIGN, OUTLINE SPECIFICATIONS, and PROBABLE CONSTRUCTION COST shall be approved by the OWNER in writing."

14.2 Add new Subparagraph 1.1.5.1 as follows:

"1.1.5.2 Upon completion of DESIGN DEVELOPMENT PHASE, the DESIGN and PROBABLE CONSTRUCTION COST shall be approved by the OWNER in writing."

14.3 Add new Subparagraph 1.1.8.1 as follows:

"Prior to advertising for bids for construction, the Architect shall obtain written approval from the OWNER of the PROJECT DESIGN AND PROBABLE CONSTRUCTION COST."

14.4 Following Subparagraph 1.1.9 add the following:

"ADDITIONAL BASIC SERVICES

"1.1.9 Review Documents as required by OWNER in Subparagraphs 1.1.3.1, 1.1.5.1 and 1.1.8.1 shall also be submitted to the State Engineer's Office for approval.

"1.1.9.1 Prior to advertising for bids for construction, the Architect shall obtain written approval of the PROJECT DESIGN from the STATE ENGINEER.

"1.1.9.2 Ownership of Documents shall be as described in Article 9.

"1.1.9.2.1 Upon completion of the CONSTRUCTION PHASE, the ARCHITECT shall correct the original drawing to "record drawings" showing all significant changes in the Work made during construction. Such changes to the drawings shall be made in a professional manner, and drawings shall be stamped and signed by the ARCHITECT as said drawings being "record drawings", based on marked-up prints, drawings and other data furnished by the CONTRACTOR and/or representative of the OWNER and/or ARCHITECT.

"1.1.9.3 One month prior to the expiration of the one-year warranty period as called for in the CONSTRUCTION DOCUMENTS, the ARCHITECT shall inspect the project for any deficiencies that may have developed under the one-year warranty. Upon completion of inspection a written report shall be furnished to the OWNER, the STATE ENGINEER and the CONTRACTOR, and the ARCHITECT shall assist the OWNER in taking necessary action to see that the deficiencies are corrected."

- 14.5 In Subparagraph 1.1.12 first line following "The ARCHITECT," delete "as a representative of the OWNER."
- 14.6 In Subparagraph 1.1.14, fifth line following "---on site" delete "observations" and substitute therefor "inspections".
- 14.7 Add new Subparagraph 1.1.14.1 and 1.1.14.2 as follows:
- "1.1.14.1 Periodic visit by the ARCHITECT may vary with the progress of the work and other conditions, but shall average not less than one visit by the ARCHITECT or his representative to the project per week during the course of construction. The ARCHITECT shall submit to the OWNER a written report of his periodic visit with his findings and progress of the project.
- "1.1.14.2 Should the CONTRACTOR fall behind in his construction schedule by more than four weeks, the ARCHITECT shall notify the OWNER in writing.
- 14.8 In Subparagraph 1.1.15, first line following "based on such" delete "observations" and substitute therefor "inspections."
- 14.8.1 In Subparagraph 1.1.15, seventh line following "Architects" delete "observations" and substitute therefor "inspections".
- 14.9 Delete Subparagraph 1.1.16 in its entirety and substitute therefor new Subparagraph 1.1.16 as follows:
- "1.1.16 The ARCHITECT shall be the interpreter of the requirements of the CONTRACT DOCUMENTS and judge of the performance thereunder by both the OWNER and the CONTRACTOR. The ARCHITECT shall render written interpretations necessary for the proper execution or progress of the work within fifteen days on written request of either the OWNER or the CONTRACTOR, unless such interpretation can only be made after testing, in which case an interpretation must be rendered within fifteen days after completion of such test, and shall render written decisions, within fifteen days, on all claims, disputes, and other matters in question between the OWNER and the CONTRACTOR relating to the execution or progress of the work or the interpretation of the CONTRACT DOCUMENTS.
- 14.10 In Subparagraph 1.1.18, following "---Contract Documents" add new sentence:
- "Such action shall be taken with reasonable promptness so as not to delay the project.
- 14.11 Under Paragraph 1.3, delete Sub-paragraph 1.3.7 and 1.3.15 in their entirety.
- 14.12 Add new Subparagraph 3.1.3.1 as follows:
- "3.1.3.1 Compensation to the Architect shall be as set forth in Paragraph II. When compensation is based on "Percentage of Construction Cost," the establishing of the percentage shall be the amount of the Construction Contract awarded. Once established, the same percentage figure shall apply to any recomputation of fee occasioned by Change Order, and only Change Orders that increase the contract amount shall be used in recomputation. Where a Change Order is required because of a design error, the amount of that Change Order shall not apply toward computation of Architects compensation."

- 14.13 Add new Subparagraph 3.5.0.1 as follows:  
"Fixed limit of Construction Cost shall be the Probable Construction Cost as defined in Subparagraph 1.1.8.1"
- 14.14 In Subparagraph 6.1.3 third line following "-----days" add the following:  
", except by Change Order approved by the Architect, and---".
- 14.15 In Paragraph 6.4, page 7, fourth line following-----then due add"."(period) and delete remaining of sentence.
- 14.15.1 In Paragraph 6.4, page 7, delete last line in its entirety and substitute therefor the following:  
"Compensation may be subject to negotiation at the option of the OWNER."
- 14.16 Delete Paragraph 6.5 in its entirety.
- 14.17 In Paragraph 8.2 in fourth line following Reimbursable Expense add "." (period) and delete remaining of sentence.
- 14.18 Delete Paragraph 8.3 in its entirety.
- 14.19 In Article 9 - OWNERSHIP OF DOCUMENTS delete in its entirety and add new Article 9 as follows:

"ARTICLE 9"

"OWNERSHIP OF DOCUMENTS"

"9.1 The Owner shall have unlimited rights in the ownership of all drawings, designs, specifications, notes and other work developed in the performance of the AGREEMENT, including the right to use same on any other Owner's projects without additional cost to the Owner, and with respect thereto the Architect agrees to and does hereby grant to the Owner a royalty-free license to all such data which he may cover by copyright and to all designs as to which he may assert any rights or establish any claim under the design patent or copyright laws.

"9.2 In the case of future reuse of the documents the Owner reserves the right to negotiate with the Architect for compensation for the acceptance of any professional liability."

"9.3 In the event the Owner does not exercise the option to negotiate with the Architect for the Architect's acceptance of any professional liability, it is understood that the Architect is no longer liable in the reuse of the documents.

- 14.20 Delete Article 11 - Arbitration in its entirety.
- 14.21 Under Article 13 - Governing Laws second line following "----law of", delete remaining of sentence and substitute therefor the following:  
"-----South Carolina."



ATTACHMENT III

LIST OF FIRMS RESPONDING TO ADVERTISEMENT AND THE  
TOTAL AMOUNT OF STATE WORK EACH HAS DONE IN THE PAST TWO YEARS

- |   |   |
|---|---|
| 1. Paul E. Allen<br>Columbia, S. C.<br>No State Work  | 13. Odell Associates, Inc.<br>Greenville, S. C.<br>\$47,500.00                        |
| 2. Anderson Associates<br>Columbia, S. C.<br>\$4,000.00 fee   | 14. Prather, Thomas, Campbell,<br>Pridgeon, Inc<br>Spartanburg, S. C.<br>\$550,338.00 |
| 3. Archizign Architects/Planners<br>Columbia, S. C.<br>No State Work  | 15. Thomas & Denzinger, Architects<br>Beaufort, S. C.<br>No State Work                |
| 4. James Paul Barnes Assocs., Ltd.<br>Florence, S. C.<br>No State Work  | 16. Wilkins-Wood Associates<br>Florence, S. C.<br>\$12,263,000.00                     |
| 5. Marshall Clarke Architects, Inc.<br>Greenville, S. C.<br>No State Work   | 17. Avery Wood Associates<br>Greenville, S. C.<br>No State Work                       |
| 6. Columbia Architectural Group, Inc.<br>Columbia, S. C.<br>No State Work   |   |
| 7. Ben G. Compton<br>West Columbia, S. C.<br>\$850,000.00   |   |
| 8. Johnson-Pace Associates<br>Columbia, S. C.<br>No State Work  |   |
| 9. Lee & Partners, Architects<br>Hilton Head Island, S. C.<br>Under current contract,<br>construction budget undetermined |   |
| 10. Robert E. Marvin & Associates<br>Walterboro, S. C.<br>\$210,000.00  |   |
| 11. McDuffie & Associates, Inc.<br>Orangeburg, S. C.<br>No State Work   |   |
| 12. W. Powers McElveen & Assocs.<br>Columbia, S. C.<br>\$828,708.38   |   |

ATTACHMENT IV

LIST OF ALL ARCHITECTURAL & ENGINEERING CONTRACTS  
AWARDED IN THE PAST THREE YEARS

1. September 1976

Alexander-Moormann & Associates  
Aiken, S. C.

Renovation of community building  
Barnwell State Park  
Construction cost - \$215,000

2. March 1976

Johnny T. Johnson & Associates  
West Columbia, S. C.

Upgrading sewage treatment facilities at  
four state parks  
Construction cost - \$330,000

3. October 1978

Neal Architects  
Greenville, S. C.

Community Building  
Table Rock State Park  
\$250,000

4. October 1978

Wilbur Smith & Associates  
Columbia, S. C.

Advise and consult on the planning for  
development and use of Hampton Plantation  
Architectural fee - \$7,500.00  
Contract not yet signed

## STATE BUDGET AND CONTROL BOARD

EXHIBIT V  
12/21/78  
5POLL OF December 21, 1978POLL ITEM NUMBER 5Agency: State Ports AuthoritySubject: A&E Selection Approval Request

Ports Authority Director of Management Services Larry E. Beldner advises that the following firms, listed in preference order, have been selected to perform the following work in connection with the Wando Terminal (Project Nos. 814-005 and Y14-006): (1-A) Detailed site planning, including but not limited to the location of roads, railroads, buildings, and parking areas; and the establishment of grade elevations for drainage control, with special emphasis on run-off control. (1-B) The design and preparation of contract plans and specifications for storm drainage, internal roads, open storage and parking areas, internal railroad tracks, and landscaping for incorporating run-off control. (1-C) The overall coordination of all other planning and design contracts with other firms.

	<u>Firm</u>	<u>Location</u>	<u>Reported State Work in Prior Two Years</u>
(1)	Wilbur Smith & Associates	Charleston	\$ 8,300,000 and 419,537 in fees
(2)	Carlisle Associates and Harwood Beebe/C. E. Maguire	Columbia	35,165,000
(3)	J. E. Sirrine Company and Century Southern, Inc.	Greenville	2,000,000

Mr. Beldner indicates that the Wilbur Smith and Associates firm was selected as the Ports Authority's first choice because:

- "1. Their knowledge of the project, terminal design, and container operations was greater than the other firms interviewed.
2. A majority of the work would be performed out of the Charleston office, reducing the overall expenses for the engineering work.
3. All project managers for the work are presently located in Charleston, allowing them to better communicate with the Authority, contractors, and other engineering firms.
4. Their presentation during the interview more adequately represented the Authority's requirements for the overall coordination of the other engineering firms selected for other work."

The required selection procedure has been followed.

Board Action Requested:

Approve the selection of Wilbur Smith & Associates for the referenced project, as requested by the State Ports Authority.

Vote Of Board Member: (Please indicate by initialing appropriate line below.)

\_\_\_\_\_ I approve of the above action.  
\_\_\_\_\_ I disapprove of the above action.  
\_\_\_\_\_ Hold for regular meeting.

Attachments:

Beldner 12/13/78 letter to McPherson, plus attachments



W. W. Johnson, Chairman  
Columbia  
James C. Hair, Vice Chairman  
Rock Hill  
Joseph P. Riley, Secretary  
Charleston  
James C. Todd, Jr., Treasurer  
Laurens  
James B. Moore  
Georgetown  
Harold E. Trask  
Beaufort  
John T. Welch, Jr.  
Charleston  
W. Don Welch, Executive Director  
Charleston

SOUTH CAROLINA STATE PORTS AUTHORITY

P.O. BOX 817 CHARLESTON, SOUTH CAROLINA 29402  
TELEPHONE 803 723-8651



December 12, 1978

The Honorable William T. Putnam  
Executive Director  
State Budget and Control Board  
Post Office Box 11333  
Columbia, South Carolina 29211

Dear Bill:

I am enclosing Engineering Agreement between the South Carolina State Ports Authority and Wilbur Smith and Associates, Inc., of Columbia, South Carolina, covering the engineering work for the initial phases of the Wando Project. Don Welch has informed me of his conversation with you about the agreement and presenting it to the Budget and Control Board for their consideration. I am sure you are aware of the urgent need to move ahead with the Wando Project. I would greatly appreciate whatever you can do to help us expedite approval of this agreement.

As mentioned earlier, we agree to hold expenditure of funds to a minimum until we receive a favorable report on the Wando Environmental Lawsuit which we hope will be received in the early part of the new year. In connection with this commitment, the agreement provides in Article VI for termination and suspension of services by the State Budget and Control Board, should this be necessary.

Thank you for all your assistance, and should you require additional information, please let me know.

Sincerely,

W. W. Johnson

WWJ/br

Encl.

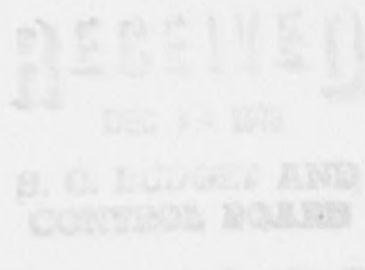


SOUTH CAROLINA STATE PORTS AUTHORITY

P.O. BOX 817 CHARLESTON, SOUTH CAROLINA 29402  
TELEPHONE 803/723-8651

13 December 1978

Mr. John A. McPherson, Jr., P.E.  
Chief Engineer  
State Auditor's Office  
Post Office Box 11333  
Columbia, South Carolina 29211



Dear Mr. McPherson:

We request the State Budget & Control Board's approval to award a contract for the following work in connection with our Wando Terminal (State Projects Y14-005 and Y14-006):

(1-A) Detailed site planning, including but not limited to the location of roads, railroads, buildings, and parking areas; and the establishment of grade elevations for drainage control, with special emphasis on run-off control. (1-B) The design and preparation of contract plans and specifications for storm drainage, internal roads, open storage and parking areas, internal railroad tracks, and landscaping for incorporating run-off control. (1-C) The overall coordination of all other planning and design contracts with other firms.

Of the 20 firms that responded to the newspaper advertisement, 8 firms were selected for interview. They were:

- (1) Carlisle Associates and Harwood Beebe/C. E. Maguire
- (2) Enwright Associates and Sverdrup & Parcel Associates
- (3) Arthur D. Little, Inc.
- (4) Lockwood Greene Engineers, Inc.
- (5) Palmer & Baker Engineers, Inc.
- (6) J. E. Sirrine Company and Century Southern, Inc.
- (7) Wilbur Smith and Associates
- (8) David Volkert and Associates

(more)

Mr. John A. McPherson, Jr.  
13 December 1978  
Page Two

Our preference of firms is as follows:

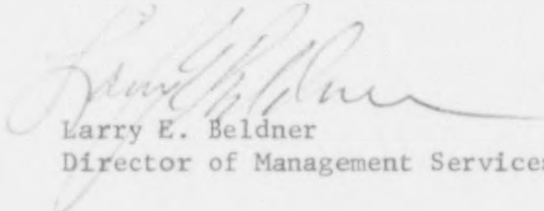
- (1) Wilbur Smith and Associates
- (2) Carlisle Associates and Harwood Beebe/C. E. Maguire
- (3) J. E. Serrine Company and Century Southern, Inc.

Wilbur Smith and Associates was selected as our first choice because:

1. Their knowledge of the project, terminal design, and container operations was greater than the other firms interviewed.
2. A majority of the work would be performed out of the Charleston office, reducing the overall expenses for the engineering work.
3. All project managers for the work are presently located in Charleston, allowing them to better communicate with the Authority, contractors, and other engineering firms.
4. Their presentation during the interview more adequately represented the Authority's requirements for the overall coordination of the other engineering firms selected for other work.

In selecting these firms, consideration was given to the amount of architectural and engineering work they have done for the State of South Carolina in the past two years (see Exhibit "A").

Very truly yours,



Larry E. Beldner  
Director of Management Services

LEB/jm

Enclosures:

1. Contract with Wilbur Smith & Associates
2. Newspaper advertisements (Charleston, Columbia & Greenville)
3. List of Firms Responding, including amount of A & E Work in the State for Past Two Years (Exhibit "A")
4. List of A & E Contracts by SPA in past three years.



☒ The News and Courier

☐ CHARLESTON EVENING POST

State of South Carolina }

County of Charleston }

Personally appeared before me

the undersigned advertising Clerk of the  
above indicated newspaper(s), published  
in the City of Charleston, County and  
State aforesaid, who, being duly sworn,  
says that the advertisement of

(copy attached)

appeared in the issues of said newspaper(s)

on the following day(s):

JUNE 11, 18, 1978

at a cost of \$141.70

Acct. #72954

Subscribed and sworn to

before me this 23rd day

of JUNE

A.D. 1978.

*James W. Rife*  
NOTARY PUBLIC, S.C.

NOTARY PUBLIC FOR SOUTH CAROLINA  
My Commission expires September 9, 1984

#### REQUEST FOR A&E SERVICES

The South Carolina State Ports Authority, over the next several years, will be undertaking a capital improvement program to construct a new marine terminal facility on the Wando River in the Port of Charleston, South Carolina.

This notice requests expressions of interest from qualified firms, to perform professional services for design and services during construction; however, final selection and negotiations may be delayed until some time in the future.

The work will consist of the following items, with the Owner reserving the right to award a separate contract for each item or any combination of items, and to incorporate time limitations in the contracts:

(1-A) Detailed site planning, including but not limited to the location of roads, railroads, buildings, and parking areas; and the establishment of grade elevations for drainage control, with special emphasis on run-off control. (B) The design and preparation of contract plans and specifications for storm drainage, internal roads, open storage and parking areas, internal railroad tracks, and landscaping for incorporating run-off control. (C) The overall coordination of all other planning and design contracts with other firms.

(2) Design and prepare contract plans and specifications for the terminal access road and bridges.

(3) Design and prepare contract plans and specifications for the water distribution system, including water tank and fire pumps, and the sewerage collection system, including pump stations.

(4) Design and prepare contract plans and specifications for the electrical distribution system, including exterior lighting.

(5) Design and prepare contract plans and specifications for the concrete wharf, including crane rails, fender system, and bulkhead.

(6) Design and prepare contract plans and specifications for the equipment maintenance shop, cargo consolidation building, and miscellaneous required service buildings, including electrical and mechanical systems.

To be considered for this project respondent must furnish the following information as a separate expression of interest for each of the above six items of interest to him: (A) The firm's qualification to carry out the project. (B) The firm's availability of staff to carry out the work. Resumes should be included. (C) The firm's experience in similar projects. (D) If a joint venture, the areas of responsibility of member firm including the approximate percentage of work to be completed by each firm. (E) Complete GSA Standard Forms 254 and 255. (F) A list of all contracts including construction costs and A&E costs, the firm has executed on State of South Carolina work in the past two years.

Interested firms are advised that this public notice is not a request for proposals, but is intended to be used as an initial screening procedure. Selection of firms will be in accordance with the guidelines governing selection for professional services. A letter of interest with above required information should be received in this office on or before July 11, 1978.

Larry E. Beld  
Director of Management Services  
S.C. STATE PORTS AUTHORITY  
Charleston, South Carolina

C-78-151-300  
714-003

The South Carolina State Ports Authority, over the next several years, will be undertaking a capital improvement program to construct a new marine terminal facility on the Wando River in the Port of Charleston, South Carolina.

This notice requests expressions of interest from qualified firms to perform professional services for design and services during construction; however, final selection and negotiations may be delayed until some time in the future.

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(4) Design and prepare contract plans and specifications for the electrical distribution system, including exterior lighting.

(5) Design and prepare contract plans and specifications for the concrete wharf, including crane rails, tender system, and bulkhead.

(6) Design and prepare contract plans and specifications for the equipment maintenance shop, cargo consolidation building, and miscellaneous required service buildings, including electrical and mechanical systems.

To be considered for this project, respondent must furnish the following information as a separate expression of interest for each of the above six items of interest to him: (A) The firm's qualification to carry out the project. (B) The firm's availability of staff to carry out the work. Resumes should be included. (C) The firm's experience in similar projects. (D) If a joint venture, the areas of responsibility of member firms, including the approximate percentage of work to be completed by each firm. (E) Completed GSA Standard Forms 254 and 255. (F) A list of all contracts, including construction costs and A&E costs, the firm has executed on State of South Carolina work in the past two years.

Interested firms are advised that this public notice is not a request for proposals, but is intended to be used as an initial screening procedure. Selection of firms will be in accordance with State guidelines governing selection for professional services. Your letter of interest with above required information should be received in this office on or before July 11, 1978.

Larry E. Beldner  
Director of Management Services  
S.C. STATE PORTS AUTHORITY

## COLUMBIA NEWSPAPERS, INC.

Columbia, South Carolina

Publishers of

**The State**

Mornings and Sunday

AND

**The Columbia Record**

Evenings except Sunday

**' SOUTH CAROLINA  
OF RICHLAND**

appeared before me Robert D. Kaminer, Assistant Retail Advertising Manager  
STATE, and makes oath that the advertisement,

Request for A & E Services - Marine Terminal, Wando River

of which is attached hereto, was printed in THE STATE, newspaper of general circulation published in the City of Columbia, State and County aforesaid, in the issues of

June 14, 18, 1978

*Robert D. Kaminer*

Subscribed and sworn to before me  
this 19th day of June 1978.

*Emma Lu Sandler* Notary Public

**THE GREENVILLE NEWS—PIEDMONT COMPANY**

POST OFFICE BOX 1688

GREENVILLE, SOUTH CAROLINA 29602

**AFFIDAVIT**

Allen Dedwyler, being duly sworn, says that he is the legal ad-

vertising representative of { **THE GREENVILLE NEWS** a  
~~GREENVILLE PIEDMONT~~

newspaper printed and published in the City of Greenville, in

the State of South Carolina. That the attached advertisement

appearing in 8 inches in the issue

of June 14, 18, 1978

*Allen Dedwyler*

Sworn to and subscribed before me

this 19th day of June 1978.

*Robert P. Huff*  
Notary Public for State of S. C.

Total Due \$           

GNP-81016-R-12/77

The South Carolina State Ports Authority, over the next several years, will be undertaking a capital improvement program to construct a new marine terminal facility on the Wando River in the Port of Charleston, South Carolina.

This notice requests expressions of interest from qualified firms to perform professional services for design and services during construction. However, final selection and negotiations may be delayed until some time in the future.

The work will consist of the following items, with the Owner reserving the right to award a separate contract for each item or any combination of items, and to incorporate modifications in the contracts.

(1A) Detailed site planning, including but not limited to the location of roads, railroads, buildings, and parking areas; and the establishment of grade elevations for drainage control, with special emphasis on run-off control. (B) The design and preparation of contract plans and specifications for storm drainage, internal roads, open storage and parking areas, internal railroad tracks, and landscaping for incorporation into the contract. (C) The overall coordination of all other planning and design contracts with other firms.

(2) Design and prepare contract plans and specifications for the terminal access road and bridges.

(3) Design and prepare contract plans and specifications for the water distribution system, including water tank and fire pumps; and the sewerage collection system, including pump stations.

(4) Design and prepare contract plans and specifications for the electrical distribution system, including exterior lighting.

(5) Design and prepare contract plans and specifications for the concrete wharf, including crane rails, fender system, and bulkhead.

(6) Design and prepare contract plans and specifications for the equipment maintenance shop, cargo consolidation building, and miscellaneous required service buildings, including electrical and mechanical systems.

To be considered for this project, respondent must furnish the following information as a separate expression of interest for each of the above six items of interest to him.

(A) The firm's qualification to carry out the project. (B) The firm's availability of staff to carry out the work. Resumes should be included. (C) The firm's experience in similar projects. (D) If a joint venture, the areas of responsibility of member firms, including the approximate percentage of work to be completed by each firm. (E) Completed GSA Standard Forms 254 and 255. (F) A list of all contracts, including construction costs and A&E costs, the firm has executed on State of South Carolina work in the past two years.

Interested firms are advised that this public notice is not a request for proposals, but is intended to be used as an initial screening procedure. Selection of firms will be in accordance with State guidelines governing selection for professional services. Your letter of interest with above required information should be received in this office on or before July 11, 1978.

Larry E. Beldner, Director of Management Services, S. C. State Ports Authority, Charleston, South Carolina, 29413



## EXHIBIT "A"

FIRMS RESPONDING, INCLUDING A & E WORK  
IN STATE OF SOUTH CAROLINA FOR PAST 2 YEARS

	<u>Amount of Construction in South Carolina</u>	<u>A &amp; E Amount (for studies)**</u>
1. Architects Boudreaux, Ltd.	\$ 175,000.00	
2. Baker, Michael, Jr., Inc.	- 0 -	
3. Barber, B. P., & Associates	Not Listed	**22,350.00 5 projects
4. Barrett, Daffin & Figg and Lohr, G. E., Company	- 0 -	**65,325.00 1 project
* 5. Carlisle Associates and Harwood Beebe/C. E. Maguire	\$ 35,165,000.00	
6. Cummings & McCrady, Inc., and Seabrook, E. M., Jr., Inc.	Did not furnish	
7. DeKalb Associates	- 0 -	
* 8. Enwright Associates and Sverdrup & Parcel Associates	\$ 4,500,000.00	**3 projects, but no amounts listed
9. Harris, Frederic R., Inc.	Did not furnish	
10. Henningson, Durham & Richardson Parsons, Brinckerhoff, Quade & Douglas Lafaye Associates, Inc.	- 0 -	
* 11. Little, Arthur D., Inc.	\$ 16,700.00	**17,633.00 1 project
* 12. Lockwood Greene Engineers, Inc.	\$ 286,000.00	**17,725.00 1 project
13. Mayes, Sudderth & Etheredge, Inc. Parsons, Ralph M., Company	- 0 -	
* 14. Palmer & Baker Engineers, Inc.	- 0 -	
15. Patchen, Mingledorff & Assoc., Inc.	Not listed	**51,902.00 1 project
16. Simmons, Kenneth B., Associates	5,127,600.00	**26,850.00 1 project
* 17. Sirrine, J. E., Company and Century Southern, Inc.	2,000,000.00	
* 18. Smith, Wilbur, & Associates	8,300,000.00	**419,537.00 8 projects
* 19. Volkert, David, & Associates	- 0 -	
20. Weston Environmental Con- sultants/Designers	Did not furnish	

\*Interviewed

\*\*No construction involved

Listed below are the names of engineering-type firms and the work which those firms have done for the State Ports Authority during past three years.

1. Davis & Floyd Engineers, Inc., Greenwood, SC, revised a previous property plat prepared by them for transfer of the portion of the Victoria Bluff property to the S. C. Wildlife and Marine Resources Department. This work began in August 1977. The cost was \$2,290.
2. Arthur D. Little Company, Inc., Cambridge, Massachusetts, assisted the Ports Authority in the preparation of a spoil disposal study for Charleston, Georgetown, and Port Royal Harbors and the Intra-Coastal Waterway. This work began in April 1976. The cost was \$24,912.
3. Poplin Engineers, Inc., Charleston, SC, designed electrical and mechanical systems for Union Pier Warehouse, State Pier 2, Charleston, SC. This work began in April 1978. The cost is 4.2% of electrical and mechanical portions of construction contract (not to exceed \$4000.00).

AGREEMENT

The State of South Carolina

This agreement, made and entered into this 13th day of December, 1978, by and between the SOUTH CAROLINA STATE PORTS AUTHORITY, Charleston, South Carolina, an agency of the State of South Carolina created by 1942 Act No. 626 of the South Carolina General Assembly and hereinafter called the Authority, and WILBUR SMITH AND ASSOCIATES, INC., a \_\_\_\_\_ DELAWARE corporation, of Columbia, S. C., hereinafter called the Engineer.

Whereas, the Authority requires Architectural and Engineering Services for the construction of its Wando River Terminal; and

Whereas, on or about June 11, 1978, the Authority, acting under the procedures prescribed by the South Carolina Budget and Control Board, issued and published a Request for A & E Services; and

Whereas, the Engineer made an expression of interest in response to said Request, and in accordance with the procedures of said Budget and Control Board made proposals for such work; and

Whereas, the Authority selected the Engineer's proposals and this agreement is negotiated under the said regulations of the said Budget and Control Board.



### PROJECT DESCRIPTION

The Authority plans to construct a marine terminal facility on the east bank of the Wando River in Charleston County, South Carolina. This Project will consist of a 5,000 foot concrete wharf for 7 berths, a barge slip and railroad trestle and tracks, a 5,600 foot dredged dock, an access road, internal roads, terminal facilities such as transit sheds and staging areas, 10 cranes, an industrial park, and other associated facilities. This Project is prescribed by permit number 74-SC-275 issued by the U.S. Corps of Engineers December 27, 1977, and by a permit (bearing the same number) issued by South Carolina Budget and Control Board dated February 5, 1976. The parties recognize that the Project will be constructed in two or more phases and the Authority will enter into several other contracts for engineering, planning, and supervisory services in connection with this Project, such as those generally described in the "Request for A & E Services" issued by the Authority.

NOW THEREFORE the parties to this agreement do mutually agree that the Engineer will render the services hereinafter set forth and will be reimbursed for such services as hereinafter provided.

#### I. ENGINEER'S PROFESSIONAL SERVICES

A. Master Planning. The Engineer agrees to perform the Master Planning work for this Project which will

include detailed site planning, including but not limited to the location of roads, railroads, buildings, and parking areas; and the establishment of grade elevations for drainage control, with special emphasis on run-off control.

After written authorization to proceed, Engineer shall:

1. Prepare a detailed site plan for the Project in accordance with the requirements for the Project, review the permits under which this Project is constructed, and the available data, including the final Environmental Impact Statement.
2. Advise Authority as to the necessity of its providing or obtaining from others data or services of the types described in the "Request for A & E Services," and act as Authority's representative in connection with any such services.
3. Prepare specifications for Authority approval and direct the performance of a detailed topographic survey of the Project.
4. Prepare specifications for Authority approval and direct the performance of hydrographic surveys to supplement Project data previously obtained by the Authority.
5. Prepare specifications for Authority approval and direct the performance of geotechnical investigations, including hydro-geological investigations, as may be necessary

to supplement data from prior subsurface investigations now in the possession of the Authority.

6. Perform detailed investigations, studies, and analyses to determine and define the functional, operational, and spatial requirements of the Marine Terminal. These will include the wharf, bulkhead, storage and parking areas, supporting buildings and structures, cranes and other major equipment items, and other pertinent areas, facilities or features essential to the Marine Terminal.

7. Based upon the topographic surveys, geotechnical investigations and Project requirements, prepare a preliminary grading plan for the Project site, and perform hydrologic analyses.

8. Prepare a preliminary stormwater drainage and contaminant disposal plan for the Project to include provision for control of erosion and stormwater runoff during construction.

9. Prepare preliminary plan for access to and alignment of the internal road network of the Marine Terminal which will include a plan for transport and handling of goods and containers.

10. Prepare preliminary internal railroad network plan to include marshalling yard for eastern rail ferry terminus.



11. Prepare a preliminary plan for utility corridors for the Marine Terminal.

12. Prepare a preliminary landscape plan which shall specifically address Project erosion and runoff controls, Project buffer zones, and landscaping of the Marine Terminal.

13. Prepare a detailed, fully documented Marine Terminal Master Plan, depicting the recommended design, location and configuration of all Marine Terminal elements and features, and delineating the recommended boundaries of the Marine Terminal.

14. Prepare a report setting forth recommended preliminary guidelines for Architectural and Engineering designers with respect to design procedures, scope, and criteria for the Project.

15. Based upon the Terminal Master Plan approved by the Authority, prepare a Master Plan for development of an industrial park for port-oriented industry.

16. Prepare a plan for construction access and staging areas for the various Marine Terminal components and construction phases.

17. Furnish a report compiling, reviewing, and commenting upon current Authority cost estimates, construction schedules, and construction sequences.

18. Document considerations involved and alternatives available to the Authority in preparing all findings, recommendations, and plans.

19. Furnish the original and one copy of all plans and reports generated by the Engineer in the performance of this agreement.

20. Perform such Additional Services as may be expressly authorized by the Authority and mutually agreed upon in writing by the Authority and Engineer.

B. Design of Facilities. Upon completion or nearing completion, of the Master Plan, when a more definitive scope of work can then be determined, the Engineer also agrees to perform the design and preparation of contract plans and specifications for storm drainage, internal roads and railroads, open storage and parking areas, and landscaping. The Authority and Engineer shall mutually agree upon a scope of work and other arrangements for the performance of the Engineering Design (Task I-B) for the initial construction phase of the Marine Terminal. Engineer shall then proceed with Design upon written authorization of the Authority. Engineer's services shall include design development, preparation of construction documents, and assistance to the Authority in the bidding and award of construction contracts for site formation, internal roads, internal railroad tracks, storm drainage and contaminant control, storage and parking areas, and landscaping required for the initial construction phase, at a construction cost estimated by the Authority to not exceed the sum of \$5,000,000.

1. Schematic Design Phase

a. The Engineer shall review the program furnished by the Authority to ascertain the requirements of the Project and shall review the understanding of such requirements with the Authority.

b. The Engineer shall provide a preliminary evaluation of the program and the Project budget requirements, each in terms of the other.

c. The Engineer shall review with the Authority alternative approaches to design and construction of the Project.

d. Based on the mutually agreed upon program and Project budget requirements, the Engineer shall prepare, for approval by the Authority, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of Project components.

e. The Engineer shall submit to the Authority a Statement of Probable Construction Cost at time of construction based on area, volume, or other unit costs.

f. Upon completion of the Schematic Design Phase, the Schematic Design Documents, including Probable Construction Cost, shall be submitted to the Authority and State Engineer, and the Authority will approve the Probable Construction Cost in writing.



## 2. Design Development Phase

a. Based on the Schematic Design Documents and any adjustments in the program or Project budget, the Authority shall instruct the Engineer, in writing, to prepare the Design Development Documents.

b. Design Development Documents shall include sufficient material to delineate the scope of Project and to indicate the general design of the Project. Design Development Documents consisting of Drawings, Outline Specifications, Probable Construction Cost, and any other material or documents necessary to complete the Design Development Documents, and shall utilize all engineering skills necessary for this purpose.

c. Design Development Documents shall include, but are not limited to, the following:

### (1) Drawings

(a) Existing topographic features and improvements affecting or relating to the proposed work. Indicate revisions to be made to existing topographic features and improvements such as grading, construction of drainage facilities, etc. Where drainage facilities are to be provided, indicate direction of flow and point of discharge by appropriate symbol or notes.

(b) Basic information necessary to establish space requirements and functional arrangement.

(c) Location, dimension, sections, areas and capacities, as applicable to parking areas, access roads, driveways, walks, etc.

(d) Location and size of existing or proposed storm and contaminant sewers. Elevations of gravity lines.

(2) Specifications

Outline Specifications and Probable Construction Cost shall be developed to a uniform level, reflecting the material, trades, and specialties required to reflect the Project as a whole.

d. Upon completion of Design Development Phase, the Design Development Documents, including Outline Specifications and Probable Construction Cost, shall be submitted to the Authority and State Engineer, and the Authority will approve the Probable Construction Cost, as above, in writing.

3. Construction Documents Phase

a. Based on the approved Design Development Documents and any further adjustments in the scope or quality of the Project or in the Project budget authorized by the Authority, the Engineer shall prepare, for approval by the Authority, Construction Documents consisting of Drawings and Specifications setting forth in detail the requirements for the construction of the Project.

b. The Engineer shall assist the Authority in the preparation of the necessary bidding information, bidding forms, the Conditions of the Contract, and the form of Agreement between the Authority and the Contractor.

c. The Engineer shall advise the Authority of any adjustments to previous Statements of Probable Construction Cost indicated by changes in requirements or general market conditions.

d. The Engineer shall assist the Authority in connection with the Authority's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

e. Prior to advertising for bids for construction, the Engineer shall submit the Construction Documents and Probable Construction Cost and shall obtain written approval of the Probable Construction Cost from the Authority.

f. Submission of the Construction Documents and Probable Construction Cost to the Authority and State Engineer and the approval of the Documents and/or Probable Construction Cost shall not relieve the Engineer of any responsibility for design deficiencies, omissions, or errors.

4. Bidding or Negotiation Phase

a. The Engineer, following the Authority's approval of the Construction Documents and of the latest Statement of Probable Construction Cost, shall assist the Authority



in obtaining bids or negotiated proposals, and assist in awarding and preparing contracts for construction.

b. The Engineer shall consult with and advise Authority as to the acceptability of subcontractors and other persons and organizations proposed by the prime contractor(s) (hereinafter called "Contractor(s)") for those portions of the work as to which such acceptability is required by the Contract Documents.

C. Coordination of Planning and Design. Upon completion, or nearing completion, of the Master Plan (I-A), when a more definitive scope of work can then be determined, the Engineer also agrees to perform the overall coordination of other Project consultants and contractors under other planning and design contracts pertaining to Phase A of this Project. Authority and Engineer shall mutually agree upon a scope of work and other arrangements for the performance of the Coordination of other design consultants of the Authority and administration of the construction. The Engineer shall then proceed upon written authorization of the Authority.

1. Construction Administration of the I-B construction contract based on an Authority cost estimate of \$5,000,000.

a. The Construction Phase will commence with the award of the Contract for Construction and, together

with the Engineer's obligation to provide Basic Services under this Agreement, will terminate when final payment to the Contractor is due.

b. Unless otherwise provided in this Agreement and incorporated in the Contract Documents, the Engineer shall provide administration of the Contract for Construction as set forth below.

c. The Engineer shall be a representative of the Authority during the Construction Phase, and shall advise and consult with the Authority. Instructions to the Contractor shall be forwarded through the Engineer. The Engineer shall have authority to act on behalf of the Authority only to the extent expressly and specifically provided in this Agreement unless otherwise modified by written instrument in accordance with Subparagraph "p" below.

d. The Engineer shall visit the site at intervals appropriate to the stage of construction or as otherwise agreed by the Engineer in writing to become generally familiar with the progress and quality of the Work and to determine in general if the Work is proceeding in accordance with the Contract Documents. On the basis of such on-site observations as an engineer, the Engineer shall keep the Authority informed of the progress and quality of the Work, and shall endeavor to guard the Authority against defects and deficiencies in the Work of the Contractor.

(1) Periodic visits by the Engineer may vary with the progress of the work and other conditions, but shall average not less than one visit by the Engineer or his representative to the Project per week during the course of construction. The Engineer shall submit to the Authority a written report of his periodic visits, at least once a month, setting forth his findings as to the progress of the Project.

(2) If the Contractor, in the opinion of the Engineer, is falling behind in his construction schedule, the Engineer shall notify the Authority in writing immediately.

e. The Engineer shall not have control or charge of and shall not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, for the acts or omissions of the Contractor, Subcontractors, or any other persons performing any of the Work, or for the failure of any of them to carry out the Work in accordance with the Contract Documents. However, the Engineer will be responsible for notifying the Authority and Contractor immediately in writing of any known violations of the above.

f. The Engineer shall at all times have access to the Work wherever it is in preparation or progress.

g. The Engineer shall determine the amounts owing to the Contractor based on observations at the site and on evaluations of the Contractor's Applications for



Payment, and shall issue Certificates for Payment in such amounts, as provided in the Contract Documents.

h. The issuance of a Certificate for Payment shall constitute a representation by the Engineer to the Authority, based on the Engineer's observations at the site as provided in Subparagraph "d" above and on the data comprising the Contractor's Application for Payment, that the Work has progressed to the point indicated; that, to the best of the Engineer's knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents (subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to the results of any subsequent tests required by or performed under the Contract Documents, to minor deviations from the Contract Documents correctable prior to completion, and to any specific qualifications stated in the Certificate for Payment); and that the Contractor is entitled to payment in the amount certified. However, the issuance of a Certificate for Payment shall not be a representation that the Engineer has made any examination to ascertain how and for what purpose the Contractor has used the moneys paid on account of the Contract Sum.

i. The Engineer shall be the interpreter of the requirements of the Contract Documents and judge of the performance thereunder by both the Authority and the Contractor. The Engineer shall render written interpretations necessary for

the proper execution or progress of the Work within five days on written request of either the Authority or the Contractor, unless such interpretation can only be made after testing, in which case an interpretation must be rendered within five days after completion of such test, and shall render written decisions, within five days, on all claims, disputes and other matters in question between the Authority and the Contractor relating to the execution or progress of the Work or the interpretation of the Contract Documents.

j. Interpretations and decisions of the Engineer shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in written or graphic form. In the capacity of interpreter and judge, the Engineer shall endeavor to secure faithful performance by both the Authority and the Contractor, and shall not show partiality to either.

k. The Engineer's decisions in matters relating to aesthetic effect shall be final if consistent with the intent of the Contract Documents. The Engineer's decisions on any other claims, disputes or other matters, including those in question between the Authority and the Contractor, shall be subject to the conditions in the Contract Documents.

l. The Engineer, with the approval of the Authority, shall have authority to reject Work which does not

conform to the Contract Documents. Whenever, in the Engineer's reasonable opinion, it is necessary or advisable for the implementation of the intent of the Contract Documents, the Engineer, with the approval of the Authority, will have authority to require special inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work be then fabricated, installed or completed.

m. The Engineer shall review and approve Shop Drawings (as that term is defined in the aforesaid Contract Documents) and samples, the results of tests and inspections and other data which any Contractor is required to submit, but only for conformance with the design concept of the Project and compliance with the information given in the Contract Documents; determine the acceptability of substitute materials and equipment proposed by Contractor(s); and receive and review (for general content as required by the Specifications) maintenance and operating instructions, schedules, guarantees, bonds, and certificates of inspection which are to be assembled by Contractor(s) in accordance with the Contract Documents. Such action shall be taken within 10 days after receipt so as to cause no delay. The Engineer's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

n. The Engineer shall prepare Change Orders for the Authority's approval and execution in accordance



with the Contract Documents, and shall have authority to order minor changes in the Work not involving an adjustment in the Contract Sum or an extension of the Contract Time which are not inconsistent with the intent of the Contract Documents.

Where a Change Order is required due to field adjustments required of the Engineer due to design deficiency, omission or error, the Change Order shall be prepared at no cost to the Authority. No such Change Order shall involve additional cost or delay to the Authority unless approved in writing by the Authority before work begins on such Change Order.

o. The Engineer shall conduct inspections to determine the Dates of Substantial Completion and final completion, shall receive and forward to the Authority for the Authority's review written warranties and related documents required by the Contract Documents and assembled by the Contractor, and shall issue a final Certificate for Payment.

p. The extent of the duties, responsibilities and limitations of authority of the Engineer as the Authority's representative during construction shall not be modified or extended without written consent of the Authority and the Engineer.

q. Upon completion of the Construction Phase, the Engineer shall correct the original drawings to "Record Drawings" showing all significant changes in the Work

made during construction. Such changes to the drawings shall be made in a professional manner, and drawings shall be stamped and signed by the Engineer as said drawings being "Record Drawings", based on marked-up prints, drawings and other data furnished by the Contractor and/or representative of the Authority and/or Engineer.

r. Upon completion of the Construction Phase, the Engineer shall furnish the Authority two sets of approved shop drawings, manufacturers brochures, operating instructions, parts lists, warranties, and all other documents required by the Contract Documents.

s. Engineer shall not be responsible for the acts or omissions of any Contractor, any subcontractor or any of the Contractor(s)' or subcontractors' agents or employees or any other persons (except his own employees and agents) at the Project site or otherwise performing any of the work of the Project.

## 2. Engineering Coordination Phase

After written authorization, the Engineer shall proceed with the overall coordination of all other project planning and design contractors and consultants of the Authority for the initial phase (Phase A) of the Project. A precise scope of work shall be prepared by the Authority based upon the approved plans and recommendations developed by the Engineer under article I-A (Engineer's Professional Services for Master

Planning). The level of Engineer's services required by the Authority is estimated at two professional engineers and one technical analyst, full-time, for an initial period of one year, renewable at the same or reduced rate at the option of the Authority.

II. THE AUTHORITY'S RESPONSIBILITIES

A. The Authority shall provide available information regarding requirements for the Project, including the permits and the Environmental Impact Statement, and a program, which shall set forth the Authority's design objectives, constraints and criteria, including space requirements and relationships, flexibility and expandability, special equipment and systems and site requirements.

B. The Authority will provide a budget for the Project that shall include contingencies for bidding, changes in the Work during construction, and other costs which are the responsibility of the Authority. The Authority shall, at the request of the Engineer, provide a statement of funds available for the Project, and their source.

C. The Authority shall designate a representative authorized to act in the Authority's behalf with respect to the Project. The Authority or such authorized representative shall examine the documents submitted by the Engineer and shall render decisions pertaining thereto promptly, to avoid unreasonable delay in the progress of the Engineer's services.



D. The Authority shall furnish structural, mechanical, chemical and other laboratory tests, inspections and reports as required by law or the Contract Documents.

E. The Authority shall furnish all legal, accounting and insurance counseling services as may be necessary at any time for the Project, including such auditing services as the Engineer may require to verify the Contractor's Applications for Payment or to ascertain how or for what purposes the Contractor uses the moneys paid by or on behalf of the Authority.

F. If the Authority observes or otherwise becomes aware of any fault or defect in the Project or nonconformance with the Contract Documents, prompt written notice thereof shall be given by the Authority to the Engineer.

G. The Authority shall furnish required information and services and shall render approvals and decisions as expeditiously as necessary for the orderly progress of the Engineer's services and of the Work. No approval by the Authority shall be construed as relieving the Engineer of any responsibility for the Engineer's performance or products.

### III. ENGINEER'S GENERAL RESPONSIBILITIES

A. The Engineer's books will be open to audit by Authority in connection with any charges incurred hereunder. Records of Reimbursable Expenses and expenses pertaining to Additional Services and services performed on the basis of a

Multiple of Direct Personnel Expense shall be kept on the basis of generally accepted accounting principles and shall be available to the Authority or the Authority's authorized representative at mutually convenient times.

B. The Engineer hereby certifies that he is carrying Workman's Compensation insurance as described in Title 72 of the Code of Laws of South Carolina 1976. Engineer further certifies that he is carrying comprehensive general liability insurance to an amount not less than \$500,000.00 for each person for bodily injury liability; and not less than \$1,000,000.00 for each accident for bodily injury liability; and not less than \$50,000.00 for property damage for each accident; and not less than \$100,000.00 for property damage liability for aggregate operations. The Engineer will also carry automobile liability insurance in such amounts. All insurance required by this article shall be with companies authorized to do business in South Carolina and with agents in this state. The Engineer also agrees to furnish the Authority with certificates properly executed by the insurance carriers, showing all such insurance in force, and permitting cancellation of such policies only after ten days' written notice to the Authority.

C. The Engineer shall indemnify and hold harmless the Authority, its agents, servants, and employees, from any

and all losses, expenses, damages, demands, and claims asserted against or sustained by the Authority, its agents, servants, and employees as the result of or alleged to be the result of the negligent acts or omissions of the Engineer, its agents and/or employees (including any costs incurred by the Authority for correction of Engineer's work); and to pay all damages, costs, and expenses, including attorneys' fees, in connection therewith or resulting therefrom.

D. The Engineer shall carry Professional Liability Insurance (Errors and Omissions) with limits of liability of \$5,000,000.00, \$50,000.00 deductible for the duration of this agreement.

E. The Engineer must see that all plans prepared must conform to and incorporate the requirements of the permits issued by the U.S. Corps of Engineers, the Coast Guard, and the State of South Carolina. All plans must also incorporate the Best Management Practices for Non-Point Source Control Plan attached hereto and marked Exhibit A (it is understood and agreed that this Plan may be revised from time to time hereafter to comply with requirements of the Authority and appropriate Federal and State agencies). All plans shall also undertake to minimize any adverse impact of the work on fish, wildlife, and environmental values and to minimize the degradation of water quality. It is understood that the work under this contract can be summarily suspended by the District Engineer of the U.S.



Corps of Engineers, the South Carolina Budget and Control Board, or of other property authority.

IV. CONSTRUCTION COST

The Construction Cost shall be the total cost or estimated cost to the Authority of all elements of the Project designed or specified by the Engineer.

A. The Construction Cost shall be at current market rates at time of estimated construction, including a reasonable allowance for overhead and profit, the cost of labor and materials furnished by the Authority, and any equipment which has been designed, specified, selected or specially provided for by the Engineer.

B. Construction Cost does not include the compensation of the Engineer and the Engineer's consultants, the cost of the land, rights-of-way, or other costs which are the responsibility of the Authority.

C. Based on the cost estimate of the Engineer made at the end of the Construction Documents Phase, the Engineer shall be permitted to include contingencies for design, bidding and price escalation, to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents, to make reasonable adjustments in the scope of the Project and to include in the Contract Documents alternate bids to adjust the Construction Cost to the fixed

limit. Any such fixed limit shall be increased in the amount of any increase in the Contract Sum occurring after execution of the Contract for Construction only for Authority approved changes in the scope of the Construction Contract.

D. If the Bidding Phase has not commenced within three months after the Engineer submits the Construction Documents to the Authority, any Project budget or fixed limit of Construction Cost shall be adjusted to reflect any change in the general level of prices in the construction industry between the date of submission of the Construction Documents to the Authority and the date on which proposals are sought.

E. After bids are received, if the Construction Cost as based on the final estimate of the Engineer made at the end of the Construction Document Phase, or modified as noted above, is exceeded, the Engineer may be required by the Authority, without additional charge, to modify the Drawings and Specification as necessary to comply with the fixed limit. The providing of such service shall be the limit of the Engineer's responsibility arising from the establishment of such fixed limit.

V. ENGINEER'S COMPENSATION

The Authority will compensate the Engineer, for services provided under this agreement:

A. For Basic Services, compensation shall be computed on the basis of a Professional Fee plus Reimbursable Expenses as follows:

1. The Authority shall compensate the Engineer based on a multiplier of 1.85 times salary cost. Salary Cost is defined as the cost of salaries (including sick leave, vacation and holiday pay, unemployment, excise and payroll taxes; and contributions for Social Security, employment compensation insurance, retirement, disability, medical and insurance benefits applicable thereto) of engineers, draftsmen, technicians, surveyors, clerks, technical typists, etc., for time directly chargeable to the projects. Salaries of principals, to the extent that they perform technical or advisory services directly applicable to the Project, will be included in salary cost.

2. The Authority shall reimburse the Engineer or pay directly the reimbursable expenses as described herein which include actual expenditures made by the Engineer and the Engineer's employees and consultants in the interest of the Project. The Reimbursable Expenses shall be actual out-of-pocket non-salary expenses expended and approved in advance by the Authority, and will include:

a. Expense of transportation in connection with the Project; living expenses in connection with out-of-town travel; long distance communications, and fees paid for securing approval of authorities having jurisdiction over the Project.



b. Expense of reproductions, postage and handling of Drawings, Specifications and other documents, excluding reproductions for the office use of the Engineer and the Engineer's consultants.

c. Expense of data processing and photographic reproductions, excepting and excluding data processing which is an element of Engineer's normal overhead as defined by Engineer's letter to Authority dated October 27, 1978.

d. If authorized in advance by the Authority, expense of overtime work requiring higher than regular rates.

e. Expense of renderings, models and mock-ups requested by the Authority.

f. Services of professional consultants (approved in advance by the Authority).

B. The amounts provided in A-1 and A-2 above shall be paid monthly upon receipt by the Authority of detailed substantiation of said professional fees and reimbursable expenses.

C. Charleston area facilities will be utilized where practical to save time and expense. This will apply particularly to survey parties, soil boring and investigative agencies.

D. The Authority will make payment directly to the persons or firms providing such service for surveys, soil

borings, and sub-surface investigations, foundation test loadings, and other testings and investigations upon approval and certification of the Engineer and approval by the Authority.

E. Retainage.

1. The Authority shall deduct from each payment for work performed under I-A and I-C above (except the final payment) an amount equal to 10% of such payment and retain, pending final satisfactory completion of Engineer's services and satisfaction of all claims hereunder. If Engineer's work under this Agreement is suspended (see article VI B) for a prolonged time, the Authority will pay the interim retainage to Engineer.

2. The Authority will make full monthly payment for expenses defined in A above for work performed under I-B, provided the total amount paid does not exceed the following limits for work performed:

- a. 15% of the not-to-exceed contract price before completion of the Schematic Design Phase.
- b. 50% of the not-to-exceed contract price before completion of the Design Development Phase.
- c. 75% of the not-to-exceed contract price before completion of the Construction Documents Phase.
- d. 100% of the not-to-exceed contract price before completion of the Bidding or Negotiation Phase.

F. Payment due the Engineer under this Agreement shall bear interest at 6% per annum commencing 45 days after date of billing.

G. The total compensation to the Engineer for Basic Services for work under this Agreement shall not exceed the following sums without prior written approval of the Authority:

Task I-A	\$147,450.00
Task I-B	\$215,000.00
Task I-C1	\$ 50,000.00
Task I-C2	\$150,000.00

H. The Engineer shall complete the services generally described in I-A, 1-12, above within 90 days after authorization to proceed is issued by the Authority; and the services generally described in I-A, 13-20, within 120 days after authorization to proceed is issued by the Authority; and the services generally described in I-B above through preparation of all bidding documents, within 215 days after completion of I-A, 1-12. Such time limits may be extended by and to the extent of any suspension of the work. The parties agree that time is of the essence and work must be completed as expeditiously as practical.

VI. TERMINATION AND SUSPENSION OF SERVICES

A. This agreement may be terminated for any one of the following reasons:



1. The work hereunder has been completed and the Engineer's charges paid in full.

2. By mutual consent.

3. Through the failure of either party hereto to discharge their obligations as set forth in this Agreement.

B. This Agreement may also summarily be suspended or terminated by Order of the District Engineer, U. S. Corps of Engineers, of the South Carolina Budget and Control Board, or of other appropriate authority.

C. If the Project is suspended under B above, or through a restriction of funds, the Agreement shall be resumed as soon as the suspension is lifted.

VII. OWNERSHIP OF DOCUMENTS

A. The Authority shall have unlimited rights in the ownership of all drawings, designs, specifications, notes and other work developed in the performance of the agreement, including the right to use same on any other Authority projects without additional cost to the Authority, and with respect thereto the Engineer agrees to and does hereby grant to the Authority a royalty-free license to all such data which he may cover by copy-right and to all designs as to which he may assert any rights or establish any claim under the design patent or copyright laws.

B. In the case of future reuse of the documents the Authority reserves the right to negotiate with the Engineer for compensation for the acceptance of any professional liability.

C. In the event the Authority does not exercise the option to negotiate with the Engineer for the Engineer's acceptance of any professional liability, it is understood that the Engineer is no longer liable in the reuse of the documents.

VIII. MISCELLANEOUS PROVISIONS

A. This Agreement shall be governed by the laws of the State of South Carolina.

B. As between the parties to this Agreement: as to all acts or failures to act by either party to this Agreement any applicable statute of limitations shall commence to run and any alleged cause of action shall be deemed to have accrued in any and all events not later than the relevant Date of Substantial Completion of the Work, and as to any acts or failures to act occurring after the relevant Date of Substantial Completion, not later than the date of issuance of the final Certificate for Payment.

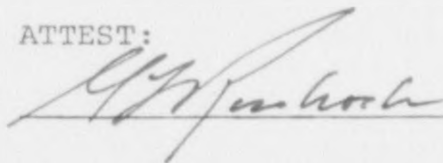
C. The Authority and the Engineer, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement.

The Engineer can assign, sublet or transfer its interest in this Agreement only with the prior written consent of the Authority.

D. This Agreement represents the entire and integrated agreement between the Authority and the Engineer and supersedes all prior negotiations, representations or agreements either written or oral. This Agreement may be amended only by written instrument signed by both Authority and Engineer.

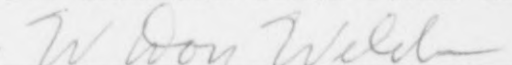
IN WITNESS WHEREOF, the Authority and the Engineer have executed this agreement in duplicate, the original of which is to remain with the Authority and the other to be delivered to the Engineer.

ATTEST:

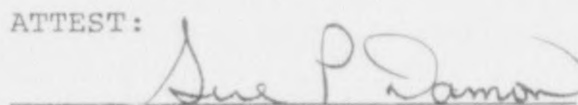


SOUTH CAROLINA STATE PORTS AUTHORITY

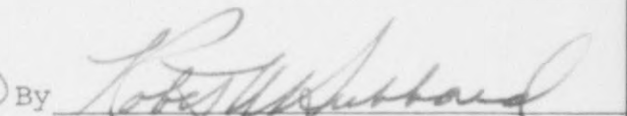
By

  
EXECUTIVE DIRECTOR

ATTEST:



By

  
SENIOR EXECUTIVE VICE-PRES.



BEST MANAGEMENT PRACTICES  
FOR NON-POINT SOURCE CONTROL  
WANDO RIVER TERMINAL

In order to minimize non-point sources of pollution to protect the aquatic ecosystem relative to the South Carolina State Ports Authority Wando River Terminal, certain Best Management Practices for Non-point Source Control will be implemented in compliance with Special Condition "b." of the U.S. Army Corps of Engineers permit dated December 27, 1977, for construction of the terminal. Implementation will be insured through contract language specifying the types of practices to be employed and schedules for carrying them out. Practices to be implemented include the following:

I. SITE PREPARATION

1. The site plan of the facility will include a 200 to 300 foot deep natural hardwood and softwood buffer zone along substantially all of the southern edge of the development adjacent to Hobcaw Creek.
2. The elevated backup land behind the wharf will be contoured for drainage.
3. The width of the wharf will be established to minimize dredging requirements, and to reduce any possibility of the wharf pile supports or ships alongside from interfering with the natural flow of the Wando River, with the added benefit of reducing shoaling at the mouth of Hobcaw Creek.

Exhibit A

4. The bulkhead at the rear of the wharf for all berths will be installed initially as a containment barrier to prevent the loss of surplus material excavated during construction.

5. The water supply furnished to the facility by the Mount Pleasant Waterworks will be metered, and pass through a back-flow prevention device, before being pumped to an elevated tank.

6. Underground sewers located in areas of potential settlement, or in shallow cuts beneath roads or rail facilities, will be made of ductile iron. In addition, all sewers suspended from or attached to the wharf will be made of ductile iron piped with mechanical joints. Gravity sewers will be installed on a gradient which will provide a proper cleaning velocity. All elements of the sewage pumping station will be constructed of salt-water corrosion-resistant materials, and will be of the wet-well/dry-well type designed for ready access for maintenance and inspection.

7. The terminal site will be graded in such a fashion as to allow drainage from impervious surfaces such as rooftops, parking lots, marshalling areas and roadways to flow in a westerly direction toward the Wando River.

8. Storm water or inadvertent spills of liquid substances will enter the drainage system through inlets and be transported through a piping system, which will provide for interception and containment of truck spills and initial rain flow. In this manner, the drainage system will direct surface

storm water runoff away from Hobcaw Creek toward the Wando River, while at the same time intercepting and containing any accidentally spilled liquids which might otherwise drain through the storm drains and into the waterway.

9. Interception and containment of accidentally spilled liquids will be accomplished through a series of sumps, coupled with a holding tank. The design of this feature is such that a spill of liquid contaminate within the terminal will enter the drainage system, but rather than flowing into the river, would flow to the sumps which will be fitted with automatic pumps to transfer the contaminate material to a holding tank of at least 15,000 gallon capacity. This feature also serves the dual purpose of containing the first flush of storm water runoff, preventing the most contaminated portion from reaching the Wando River.

10. All liquid spilled contaminates will be removed from the site by private tank truck services and properly disposed of.

11. Lighting for the site will be accomplished with high-mast lights with cutoff shielding to prevent stray light from affecting surrounding residents or navigation.

## II. FACILITY CONSTRUCTION

1. Construction of the access road to the terminal site will be accomplished without significant damage to marshes



Exhibit A

of Hobcaw Creek. The bridge spans will be short, in order that pile driving may be accomplished from bridge structure previously built.

2. Contract specifications will specifically prohibit any dredging in Hobcaw Creek in connection with the access road and bridge.

3. Gaps occurring in the buffer zone bordering the south side of the site on Hobcaw Creek (see I, 1., above) will be planted with transplants of fast growing species of trees and undergrowth to further screen the port facility from Hobcaw Creek.

4. After all marketable pulpwood has been removed from the site, the remaining timber waste will be burned on site in accordance with all federal, state and local air pollution regulations.

5. Site grading and drainage will be accomplished as soon as possible after clearing and grubbing to prevent soil erosion, and to enable other construction activity to proceed.

6. Soil compaction will be accomplished at an optimum moisture content, which will be generally sufficient to prevent dusting of the material as it is being worked. In excavation and hauling areas, dust formation will be controlled by the use of dust palliatives.

7. During wharf construction, no back fill will be placed until the bulkhead top has been anchored in the deck,

in order to leave the bulkhead to form an impoundment for the runoff from freshly grated areas.

8. Internal roads will include inlets and underground pipe culverts to conduct storm water runoff to drainage channels.

9. Storage areas of the terminal will be drained by an underground system, capable of separating low volume initial storm runoff and washdown water from the high volume intense storm runoff. (The initial storm runoff and washdown water will be piped to a holding tank, whereas the high volume storm runoff will drain into normal drainage channels.)

10. Manholes will be placed at all points required to facilitate inspection, maintenance and repair. In addition, valves will be placed in appropriate locations of all pressure pipelines to adequately sectionalize the system and permit shutoff and isolation of any section where rupture or leaks may occur. All underground utilities will be adequately separated as required to prevent contamination by ruptures or leaks.

11. Restoration of disturbed areas will be undertaken during and after the completion of construction. Restoration and cleanup provision will be included in contract plans and specifications.

12. Landscaping will be planned and supervised by a qualified landscaper or landscape architect under contracts which will specify the requirement of Best Management Practices.

Exhibit A

13. Erosion and silting will be controlled during all phases of construction by seeding, mulching, matting, or netting of erodible areas as soon as finished grade has been obtained.

14. Drainage pipe and ditches will be held to flat slopes with non-erodible velocities where possible.

15. Open drainage channels will be seeded and mulched, and where erodible velocities may occur, the channel bottom and sides will be paved.

16. Energy dissipators will be placed at all points of high velocity discharge to prevent scour of downstream areas.

17. Temporary dikes with weirs to form sedimentation ponds will be placed at points of drainage discharge into existing waterways where indicated until such time as newly graded areas and protective vegetative cover has been stabilized. All hydraulically dredged material will be placed within dike disposal areas, or will be used for own site fill.

III. TERMINAL OPERATION

1. Ship fueling facilities will not be provided at the Wando River Terminal; however, those ships desiring to take on fuel from commercial barges will be required to comply with applicable pollution control regulations.

2. The terminal will be equipped with adequate fire-fighting capabilities, and arrangements will be made with



the Mount Pleasant Fire Department and the U.S. Coast Guard for backup fire fighting support.

3. Accidental onshore spills will be locally contained by a contaminate interception system, which will be integrated with the storm water drainage system so as to intercept both floatables and settleables, which can then be properly disposed of.

4. Supervision and personnel will be available at all times from the Industrial Commission of Liquid Spill Control, which is a mutual aid group formed to control spills within Charleston Harbor. This group owns, and is trained in the operation of, liquid spill control equipment, including booms, skimmers, Sorbent blanket cobweb, Ekoperl pellets, as well as numerous boats and other equipment.

Requirments of Best Management Practices will be incorporated in construction contracts, drawings and plans, as well as advertisements for bids. Contractors, architects, and engineers will be required to incorporate these Practices into all phases of the design and construction of the facility, and the Ports Authority will monitor all phases of construction to assure the continued application and effectiveness of Best Management Practices.

## STATE BUDGET AND CONTROL BOARD

EXHIBIT VI  
12/21/78  
6POLL OF December 21, 1978

POLL ITEM NUMBER \_\_\_\_\_

Agency: South Carolina State CollegeSubject: A&E Selection Approval Request

State College Vice President for Business and Finance Harold A. Jenkins advises that the following firms, listed in preference order, have been selected to provide the planning services related to a Physical Plant Facilities Complex:

<u>Firm</u>	<u>Location</u>	<u>Reported State Work in Prior Two Years</u>
(1) McNair, Gordon, Johnson & Karasiewicz Architects	Columbia	\$ 8,900,000
(2) McDuffie & Associates	Orangeburg	-0-
(3) Lucas & Stubbs	Charleston	970,477

Mr. Jenkins states that the firm selected first in order of preference was chosen for the following reasons:

1. The firm has recent experience in similar facilities.
2. The firm has proven ability to produce large scale projects on schedule and within the construction budget in the current market.
3. The firm's principals and staff have many years of outstanding experience. All phases of work will be directly supervised by an experienced firm principal, responsible to the owner at all times.
4. The principals have had previous experience with projects at this agency.
5. The firm has experience with State projects and is familiar with required procedures and criteria.

The required selection procedure has been followed.

Board Action Requested:

Approve the selection of McNair, Gordon, Johnson & Karasiewicz Architects for the referenced project, as requested by South Carolina State College.

Vote Of Board Member: (Please indicate by initialing appropriate line below.)

- \_\_\_\_\_ I approve of the above action.
- \_\_\_\_\_ I disapprove of the above action.
- \_\_\_\_\_ Hold for regular meeting.

Attachments:

Jenkins 11/30/78 letter to Putnam, plus attachments

SOUTH CAROLINA STATE COLLEGE  
Orangeburg, South Carolina 29117

OFFICE OF THE DIRECTOR  
FOR BUSINESS AND FINANCE

November 30, 1978

Mr. William T. Putnam, Executive Director  
State Budget and Control Board  
Post Office Box 12444  
Columbia, South Carolina 29211

B. G. BUDGET AND  
CONTROL BOARD

Dear Mr. Putnam:

In accordance with current directions, request is made to the Board for authorization to enter into an A & E Contract with McNair, Gordon Johnson & Karasiewicz Architects Engineers/Planners for the purpose of planning a Physical Plant Complex as authorized by item (f) of Section 3 of Act 1377 of 1968, as amended on July 25, 1978.

The following firms, listed in order of preference, were interviewed:

1. McNair, Gordon, Johnson & Karasiewicz Architects  
Engineers/Planners, Columbia, South Carolina
2. McDuffie & Associates, Orangeburg, South Carolina
3. Lucas & Stubbs, Charleston, South Carolina

In selecting these firms, consideration was given to the amount of State projects the firms have had in the past two years.

The firm selected first in order of preference was chosen for the following reasons:

1. The firm has recent experience in similar facilities.
2. The firm has proven ability to produce large scale projects on schedule and within the construction budget in the current market.
3. The firm's principals and staff have many years of outstanding experience. All phases of work will be directly supervised by an experienced firm principal, responsible to the owner at all times.
4. The principals have had previous experience with projects at this agency.
5. The firm has experience with State projects and is familiar with required procedures and criteria.

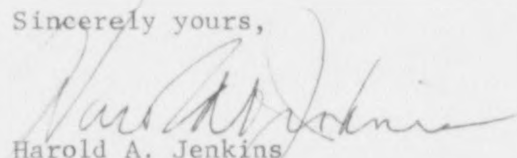


The following attachments are included, as required:

1. Copy of contract that has been negotiated with the No. 1 firm (attachment #1).
2. Copy of newspaper advertisement (attachment #2).
3. List of firms responding to the advertisement with the total amount of contracts they reported as having been executed on State work in the past two years (attachment #3).
4. List of all A & E Contracts awarded by this agency in the past three years (attachment #4).

Favorable consideration of this request will be appreciated.

Sincerely yours,



Harold A. Jenkins  
Vice President for  
Business and Finance

HAI/pmw

Enclosures

# THE AMERICAN INSTITUTE OF ARCHITECTS



AIA Document B141

## Standard Form of Agreement Between Owner and Architect

1977 EDITION

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH  
AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION

### AGREEMENT

made as of the        fourth        day of        December        in the year of Nineteen  
Hundred and        seventy-eight

**BETWEEN** the Owner: South Carolina State College  
Orangeburg, South Carolina

and the Architect:        McNair, Gordon, Johnson & Karasiewicz, Inc.

For the following Project:

*(Include detailed description of Project location and scope.)*

Physical Plant Facilities, South Carolina State College  
Orangeburg, South Carolina

The Owner and the Architect agree as set forth below.

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B141-1977 1

INCLOSURE #1

Sp. 13  
12/21

## TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT

### ARTICLE 1

#### ARCHITECT'S SERVICES AND RESPONSIBILITIES

##### BASIC SERVICES

The Architect's Basic Services consist of the five phases described in Paragraphs 1.1 through 1.5 and include normal structural, mechanical and electrical engineering services and any other services included in Article 15 as part of Basic Services.

##### 1.1 SCHEMATIC DESIGN PHASE

1.1.1 The Architect shall review the program furnished by the Owner to ascertain the requirements of the Project and shall review the understanding of such requirements with the Owner.

1.1.2 The Architect shall provide a preliminary evaluation of the program and the Project budget requirements, each in terms of the other, subject to the limitations set forth in Subparagraph 3.2.1.

1.1.3 The Architect shall review with the Owner alternative approaches to design and construction of the Project.

1.1.4 Based on the mutually agreed upon program and Project budget requirements, the Architect shall prepare, for approval by the Owner, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of Project components.

1.1.5 The Architect shall submit to the Owner a Statement of Probable Construction Cost based on current area, volume or other unit costs.

##### 1.2 DESIGN DEVELOPMENT PHASE

1.2.1 Based on the approved Schematic Design Documents and any adjustments authorized by the Owner in the program or Project budget, the Architect shall prepare, for approval by the Owner, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the entire Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.

1.2.2 The Architect shall submit to the Owner a further Statement of Probable Construction Cost.

##### 1.3 CONSTRUCTION DOCUMENTS PHASE

1.3.1 Based on the approved Design Development Documents and any further adjustments in the scope or quality of the Project or in the Project budget authorized by the Owner, the Architect shall prepare, for approval by the Owner, Construction Documents consisting of Drawings and Specifications setting forth in detail the requirements for the construction of the Project.

1.3.2 The Architect shall assist the Owner in the preparation of the necessary bidding information, bidding forms, the Conditions of the Contract, and the form of Agreement between the Owner and the Contractor.

1.3.3 The Architect shall advise the Owner of any adjust-

ments to previous Statements of Probable Construction Cost indicated by changes in requirements or general market conditions.

1.3.4 The Architect shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

##### 1.4 BIDDING OR NEGOTIATION PHASE

1.4.1 The Architect, following the Owner's approval of the Construction Documents and of the latest Statement of Probable Construction Cost, shall assist the Owner in obtaining bids or negotiated proposals, and assist in awarding and preparing contracts for construction.

##### 1.5 CONSTRUCTION PHASE—ADMINISTRATION OF THE CONSTRUCTION CONTRACT

1.5.1 The Construction Phase will commence with the award of the Contract for Construction and, together with the Architect's obligation to provide Basic Services under this Agreement, will terminate when final payment to the Contractor is due, or in the absence of a final Certificate for Payment or of such due date, sixty days after the Date of Substantial Completion of the Work, whichever occurs first.

1.5.2 Unless otherwise provided in this Agreement and incorporated in the Contract Documents, the Architect shall provide administration of the Contract for Construction as set forth below and in the edition of AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement.

1.5.3 The Architect shall be a representative of the Owner during the Construction Phase, and shall advise and consult with the Owner. Instructions to the Contractor shall be forwarded through the Architect. The Architect shall have authority to act on behalf of the Owner only to the extent provided in the Contract Documents unless otherwise modified by written instrument in accordance with Subparagraph 1.5.16.

1.5.4 The Architect shall visit the site at intervals appropriate to the stage of construction or as otherwise agreed by the Architect in writing to become generally familiar with the progress and quality of the Work and to determine in general if the Work is proceeding in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of such on-site observations as an architect, the Architect shall keep the Owner informed of the progress and quality of the Work, and shall endeavor to guard the Owner against defects and deficiencies in the Work of the Contractor.

1.5.5 The Architect shall not have control or charge of and shall not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, for the acts or omissions of the Contractor, Sub-



contractors or any other persons performing any of the Work, or for the failure of any of them to carry out the Work in accordance with the Contract Documents.

**1.5.6** The Architect shall at all times have access to the Work wherever it is in preparation or progress.

**1.5.7** The Architect shall determine the amounts owing to the Contractor based on observations at the site and on evaluations of the Contractor's Applications for Payment, and shall issue Certificates for Payment in such amounts, as provided in the Contract Documents.

**1.5.8** The issuance of a Certificate for Payment shall constitute a representation by the Architect to the Owner, based on the Architect's observations at the site as provided in Subparagraph 1.5.4 and on the data comprising the Contractor's Application for Payment, that the Work has progressed to the point indicated; that, to the best of the Architect's knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents (subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to the results of any subsequent tests required by or performed under the Contract Documents, to minor deviations from the Contract Documents correctable prior to completion, and to any specific qualifications stated in the Certificate for Payment); and that the Contractor is entitled to payment in the amount certified. However, the issuance of a Certificate for Payment shall not be a representation that the Architect has made any examination to ascertain how and for what purpose the Contractor has used the moneys paid on account of the Contract Sum.

**1.5.9** The Architect shall be the interpreter of the requirements of the Contract Documents and the judge of the performance thereunder by both the Owner and Contractor. The Architect shall render interpretations necessary for the proper execution or progress of the Work with reasonable promptness on written request of either the Owner or the Contractor, and shall render written decisions, within a reasonable time, on all claims, disputes and other matters in question between the Owner and the Contractor relating to the execution or progress of the Work or the interpretation of the Contract Documents.

**1.5.10** Interpretations and decisions of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in written or graphic form. In the capacity of interpreter and judge, the Architect shall endeavor to secure faithful performance by both the Owner and the Contractor, shall not show partiality to either, and shall not be liable for the result of any interpretation or decision rendered in good faith in such capacity.

**1.5.11** The Architect's decisions in matters relating to artistic effect shall be final if consistent with the intent of the Contract Documents. The Architect's decisions on any other claims, disputes or other matters, including those in question between the Owner and the Contractor, shall be subject to arbitration as provided in this Agreement and in the Contract Documents.

**1.5.12** The Architect shall have authority to reject Work which does not conform to the Contract Documents. Whenever, in the Architect's reasonable opinion, it is

necessary or advisable for the implementation of the intent of the Contract Documents, the Architect will have authority to require special inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work be then fabricated, installed or completed.

**1.5.13** The Architect shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for conformance with the design concept of the Work and with the information given in the Contract Documents. Such action shall be taken with reasonable promptness so as to cause no delay. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

**1.5.14** The Architect shall prepare Change Orders for the Owner's approval and execution in accordance with the Contract Documents, and shall have authority to order minor changes in the Work not involving an adjustment in the Contract Sum or an extension of the Contract Time which are not inconsistent with the intent of the Contract Documents.

**1.5.15** The Architect shall conduct inspections to determine the Dates of Substantial Completion and final completion, shall receive and forward to the Owner for the Owner's review written warranties and related documents required by the Contract Documents and assembled by the Contractor, and shall issue a final Certificate for Payment.

**1.5.16** The extent of the duties, responsibilities and limitations of authority of the Architect as the Owner's representative during construction shall not be modified or extended without written consent of the Owner, the Contractor and the Architect.

## **1.6 PROJECT REPRESENTATION BEYOND BASIC SERVICES**

**1.6.1** If the Owner and Architect agree that more extensive representation at the site than is described in Paragraph 1.5 shall be provided, the Architect shall provide one or more Project Representatives to assist the Architect in carrying out such responsibilities at the site.

**1.6.2** Such Project Representatives shall be selected, employed and directed by the Architect, and the Architect shall be compensated therefor as mutually agreed between the Owner and the Architect as set forth in an exhibit appended to this Agreement, which shall describe the duties, responsibilities and limitations of authority of such Project Representatives.

**1.6.3** Through the observations by such Project Representatives, the Architect shall endeavor to provide further protection for the Owner against defects and deficiencies in the Work, but the furnishing of such project representation shall not modify the rights, responsibilities or obligations of the Architect as described in Paragraph 1.5.

## **1.7 ADDITIONAL SERVICES**

The following Services are not included in Basic Services unless so identified in Article 15. They shall be provided if authorized or confirmed in writing by the Owner, and they shall be paid for by the Owner as provided in this Agreement, in addition to the compensation for Basic Services.

**1.7.1** Providing analyses of the Owner's needs, and programming the requirements of the Project.

**1.7.2** Providing financial feasibility or other special studies.

**1.7.3** Providing planning surveys, site evaluations, environmental studies or comparative studies of prospective sites, and preparing special surveys, studies and submissions required for approvals of governmental authorities or others having jurisdiction over the Project.

**1.7.4** Providing services relative to future facilities, systems and equipment which are not intended to be constructed during the Construction Phase.

**1.7.5** Providing services to investigate existing conditions or facilities or to make measured drawings thereof, or to verify the accuracy of drawings or other information furnished by the Owner.

**1.7.6** Preparing documents of alternate, separate or sequential bids or providing extra services in connection with bidding, negotiation or construction prior to the completion of the Construction Documents Phase, when requested by the Owner.

**1.7.7** Providing coordination of Work performed by separate contractors or by the Owner's own forces.

**1.7.8** Providing services in connection with the work of a construction manager or separate consultants retained by the Owner.

**1.7.9** Providing Detailed Estimates of Construction Cost, analyses of owning and operating costs, or detailed quantity surveys or inventories of material, equipment and labor.

**1.7.10** Providing interior design and other similar services required for or in connection with the selection, procurement or installation of furniture, furnishings and related equipment.

**1.7.11** Providing services for planning tenant or rental spaces.

**1.7.12** Making revisions in Drawings, Specifications or other documents when such revisions are inconsistent with written approvals or instructions previously given, are required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents or are due to other causes not solely within the control of the Architect.

**1.7.13** Preparing Drawings, Specifications and supporting data and providing other services in connection with Change Orders to the extent that the adjustment in the Basic Compensation resulting from the adjusted Construction Cost is not commensurate with the services required of the Architect, provided such Change Orders are required by causes not solely within the control of the Architect.

**1.7.14** Making investigations, surveys, valuations, inventories or detailed appraisals of existing facilities, and services required in connection with construction performed by the Owner.

**1.7.15** Providing consultation concerning replacement of any Work damaged by fire or other cause during construction, and furnishing services as may be required in connection with the replacement of such Work.

struction, and furnishing services as may be required in connection with the replacement of such Work.

**1.7.16** Providing services made necessary by the default of the Contractor, or by major defects or deficiencies in the Work of the Contractor, or by failure of performance of either the Owner or Contractor under the Contract for Construction.

**1.7.17** Preparing a set of reproducible record drawings showing significant changes in the Work made during construction based on marked-up prints, drawings and other data furnished by the Contractor to the Architect.

**1.7.18** Providing extensive assistance in the utilization of any equipment or system such as initial start-up or testing, adjusting and balancing, preparation of operation and maintenance manuals, training personnel for operation and maintenance, and consultation during operation.

**1.7.19** Providing services after issuance to the Owner of the final Certificate for Payment, or in the absence of a final Certificate for Payment, more than sixty days after the Date of Substantial Completion of the Work.

**1.7.20** Preparing to serve or serving as an expert witness in connection with any public hearing, arbitration proceeding or legal proceeding.

**1.7.21** Providing services of consultants for other than the normal architectural, structural, mechanical and electrical engineering services for the Project.

**1.7.22** Providing any other services not otherwise included in this Agreement or not customarily furnished in accordance with generally accepted architectural practice.

## **1.8 TIME**

**1.8.1** The Architect shall perform Basic and Additional Services as expeditiously as is consistent with professional skill and care and the orderly progress of the Work. Upon request of the Owner, the Architect shall submit for the Owner's approval, a schedule for the performance of the Architect's services which shall be adjusted as required as the Project proceeds, and shall include allowances for periods of time required for the Owner's review and approval of submissions and for approvals of authorities having jurisdiction over the Project. This schedule, when approved by the Owner, shall not, except for reasonable cause, be exceeded by the Architect.

## **ARTICLE 2**

### **THE OWNER'S RESPONSIBILITIES**

**2.1** The Owner shall provide full information regarding requirements for the Project including a program, which shall set forth the Owner's design objectives, constraints and criteria, including space requirements and relationships, flexibility and expandability, special equipment and systems and site requirements.

**2.2** If the Owner provides a budget for the Project it shall include contingencies for bidding, changes in the Work during construction, and other costs which are the responsibility of the Owner, including those described in this Article 2 and in Subparagraph 3.1.2. The Owner shall, at the request of the Architect, provide a statement of funds available for the Project, and their source.



2.3 The Owner shall designate, when necessary, a representative authorized to act in the Owner's behalf with respect to the Project. The Owner or such authorized representative shall examine the documents submitted by the Architect and shall render decisions pertaining thereto promptly, to avoid unreasonable delay in the progress of the Architect's services.

2.4 The Owner shall furnish a legal description and a certified land survey of the site, giving, as applicable, grades and lines of streets, alleys, pavements and adjoining property; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and complete data pertaining to existing buildings, other improvements and trees; and full information concerning available service and utility lines both public and private, above and below grade, including inverts and depths.

2.5 The Owner shall furnish the services of soil engineers or other consultants when such services are deemed necessary by the Architect. Such services shall include test borings, test pits, soil bearing values, percolation tests, air and water pollution tests, ground corrosion and resistivity tests, including necessary operations for determining subsoil, air and water conditions, with reports and appropriate professional recommendations.

2.6 The Owner shall furnish structural, mechanical, chemical and other laboratory tests, inspections and reports as required by law or the Contract Documents.

2.7 The Owner shall furnish all legal, accounting and insurance counseling services as may be necessary at any time for the Project, including such auditing services as the Owner may require to verify the Contractor's Applications for Payment or to ascertain how or for what purposes the Contractor uses the moneys paid by or on behalf of the Owner.

2.8 The services, information, surveys and reports required by Paragraphs 2.4 through 2.7 inclusive shall be furnished at the Owner's expense, and the Architect shall be entitled to rely upon the accuracy and completeness thereof.

2.9 If the Owner observes or otherwise becomes aware of any fault or defect in the Project or nonconformance with the Contract Documents, prompt written notice thereof shall be given by the Owner to the Architect.

2.10 The Owner shall furnish required information and services and shall render approvals and decisions as expeditiously as necessary for the orderly progress of the Architect's services and of the Work.

### ARTICLE 3

#### CONSTRUCTION COST

##### 3.1 DEFINITION

3.1.1 The Construction Cost shall be the total cost or estimated cost to the Owner of all elements of the Project designed or specified by the Architect.

3.1.2 The Construction Cost shall include at current market rates, including a reasonable allowance for overhead and profit, the cost of labor and materials furnished by the Owner and any equipment which has been de-

signed, specified, selected or specially provided for by the Architect.

3.1.3 Construction Cost does not include the compensation of the Architect and the Architect's consultants, the cost of the land, rights-of-way, or other costs which are the responsibility of the Owner as provided in Article 2.

##### 3.2 RESPONSIBILITY FOR CONSTRUCTION COST

3.2.1 Evaluations of the Owner's Project budget, Statements of Probable Construction Cost and Detailed Estimates of Construction Cost, if any, prepared by the Architect, represent the Architect's best judgment as a design professional familiar with the construction industry. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials or equipment, over the Contractor's methods of determining bid prices, or over competitive bidding, market or negotiating conditions. Accordingly, the Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from the Project budget proposed, established or approved by the Owner, if any, or from any Statement of Probable Construction Cost or other cost estimate or evaluation prepared by the Architect.

3.2.2 No fixed limit of Construction Cost shall be established as a condition of this Agreement by the furnishing, proposal or establishment of a Project budget under Subparagraph 1.1.2 or Paragraph 2.2 or otherwise, unless such fixed limit has been agreed upon in writing and signed by the parties hereto. If such a fixed limit has been established, the Architect shall be permitted to include contingencies for design, bidding and price escalation, to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents, to make reasonable adjustments in the scope of the Project and to include in the Contract Documents alternate bids to adjust the Construction Cost to the fixed limit. Any such fixed limit shall be increased in the amount of any increase in the Contract Sum occurring after execution of the Contract for Construction.

3.2.3 If the Bidding or Negotiation Phase has not commenced within three months after the Architect submits the Construction Documents to the Owner, any Project budget or fixed limit of Construction Cost shall be adjusted to reflect any change in the general level of prices in the construction industry between the date of submission of the Construction Documents to the Owner and the date on which proposals are sought.

3.2.4 If a Project budget or fixed limit of Construction Cost (adjusted as provided in Subparagraph 3.2.3) is exceeded by the lowest bona fide bid or negotiated proposal, the Owner shall (1) give written approval of an increase in such fixed limit, (2) authorize rebidding or renegotiating of the Project within a reasonable time, (3) if the Project is abandoned, terminate in accordance with Paragraph 10.2, or (4) cooperate in revising the Project scope and quality as required to reduce the Construction Cost. In the case of (4), provided a fixed limit of Construction Cost has been established as a condition of this Agreement, the Architect, without additional charge, shall modify the Drawings and Specifications as necessary to comply



with the fixed limit. The providing of such service shall be the limit of the Architect's responsibility arising from the establishment of such fixed limit, and having done so, the Architect shall be entitled to compensation for all services performed, in accordance with this Agreement, whether or not the Construction Phase is commenced.

#### **ARTICLE 4**

##### **DIRECT PERSONNEL EXPENSE**

**4.1** Direct Personnel Expense is defined as the direct salaries of all the Architect's personnel engaged on the Project, and the portion of the cost of their mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, vacations, pensions and similar contributions and benefits.

#### **ARTICLE 5**

##### **REIMBURSABLE EXPENSES**

**5.1** Reimbursable Expenses are in addition to the Compensation for Basic and Additional Services and include actual expenditures made by the Architect and the Architect's employees and consultants in the interest of the Project for the expenses listed in the following Subparagraphs:

**5.1.1** Expense of transportation in connection with the Project; living expenses in connection with out-of-town travel; long distance communications, and fees paid for securing approval of authorities having jurisdiction over the Project.

**5.1.2** Expense of reproductions, postage and handling of Drawings, Specifications and other documents, excluding reproductions for the office use of the Architect and the Architect's consultants.

**5.1.3** Expense of data processing and photographic production techniques when used in connection with Additional Services.

**5.1.4** If authorized in advance by the Owner, expense of overtime work requiring higher than regular rates.

**5.1.5** Expense of renderings, models and mock-ups requested by the Owner.

**5.1.6** Expense of any additional insurance coverage or limits, including professional liability insurance, requested by the Owner in excess of that normally carried by the Architect and the Architect's consultants.

#### **ARTICLE 6**

##### **PAYMENTS TO THE ARCHITECT**

###### **6.1 PAYMENTS ON ACCOUNT OF BASIC SERVICES**

**6.1.1** An initial payment as set forth in Paragraph 14.1 is the minimum payment under this Agreement.

**6.1.2** Subsequent payments for Basic Services shall be made monthly and shall be in proportion to services performed within each Phase of services, on the basis set forth in Article 14.

**6.1.3** If and to the extent that the Contract Time initially established in the Contract for Construction is exceeded

or extended through no fault of the Architect, compensation for any Basic Services required for such extended period of Administration of the Construction Contract shall be computed as set forth in Paragraph 14.4 for Additional Services.

**6.1.4** When compensation is based on a percentage of Construction Cost, and any portions of the Project are deleted or otherwise not constructed, compensation for such portions of the Project shall be payable to the extent services are performed on such portions, in accordance with the schedule set forth in Subparagraph 14.2.2, based on (1) the lowest bona fide bid or negotiated proposal or, (2) if no such bid or proposal is received, the most recent Statement of Probable Construction Cost or Detailed Estimate of Construction Cost for such portions of the Project.

###### **6.2 PAYMENTS ON ACCOUNT OF ADDITIONAL SERVICES**

**6.2.1** Payments on account of the Architect's Additional Services as defined in Paragraph 1.7 and for Reimbursable Expenses as defined in Article 5 shall be made monthly upon presentation of the Architect's statement of services rendered or expenses incurred.

###### **6.3 PAYMENTS WITHHELD**

**6.3.1** No deductions shall be made from the Architect's compensation on account of penalty, liquidated damages or other sums withheld from payments to contractors, or on account of the cost of changes in the Work other than those for which the Architect is held legally liable.

###### **6.4 PROJECT SUSPENSION OR TERMINATION**

**6.4.1** If the Project is suspended or abandoned in whole or in part for more than three months, the Architect shall be compensated for all services performed prior to receipt of written notice from the Owner of such suspension or abandonment, together with Reimbursable Expenses then due and all Termination Expenses as defined in Paragraph 10.4. If the Project is resumed after being suspended for more than three months, the Architect's compensation shall be equitably adjusted.

#### **ARTICLE 7**

##### **ARCHITECT'S ACCOUNTING RECORDS**

**7.1** Records of Reimbursable Expenses and expenses pertaining to Additional Services and services performed on the basis of a Multiple of Direct Personnel Expense shall be kept on the basis of generally accepted accounting principles and shall be available to the Owner or the Owner's authorized representative at mutually convenient times.

#### **ARTICLE 8**

##### **OWNERSHIP AND USE OF DOCUMENTS**

**8.1** Drawings and Specifications as instruments of service are and shall remain the property of the Architect whether the Project for which they are made is executed or not. The Owner shall be permitted to retain copies, including reproducible copies, of Drawings and Specifications for information and reference in connection with the Owner's use and occupancy of the Project. The Drawings and Specifications shall not be used by the Owner on

other projects, for additions to this Project, or for completion of this Project by others provided the Architect is not in default under this Agreement, except by agreement in writing and with appropriate compensation to the Architect.

8.2 Submission or distribution to meet official regulatory requirements or for other purposes in connection with the Project is not to be construed as publication in derogation of the Architect's rights.

## **ARTICLE 9**

### **ARBITRATION**

9.1 All claims, disputes and other matters in question between the parties to this Agreement, arising out of or relating to this Agreement or the breach thereof, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. No arbitration, arising out of or relating to this Agreement, shall include, by consolidation, joinder or in any other manner, any additional person not a party to this Agreement except by written consent containing a specific reference to this Agreement and signed by the Architect, the Owner, and any other person sought to be joined. Any consent to arbitration involving an additional person or persons shall not constitute consent to arbitration of any dispute not described therein or with any person not named or described therein. This Agreement to arbitrate and any agreement to arbitrate with an additional person or persons duly consented to by the parties to this Agreement shall be specifically enforceable under the prevailing arbitration law.

9.2 Notice of the demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. The demand shall be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

9.3 The award rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

## **ARTICLE 10**

### **TERMINATION OF AGREEMENT**

10.1 This Agreement may be terminated by either party upon seven days' written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.

10.2 This Agreement may be terminated by the Owner upon at least seven days' written notice to the Architect in the event that the Project is permanently abandoned.

10.3 In the event of termination not the fault of the Architect, the Architect shall be compensated for all services performed to termination date, together with Reimbursable Expenses then due and all Termination Expenses as defined in Paragraph 10.4.

10.4 Termination Expenses include expenses directly attributable to termination for which the Architect is not otherwise compensated, plus an amount computed as a percentage of the total Basic and Additional Compensation earned to the time of termination, as follows:

- .1 20 percent if termination occurs during the Schematic Design Phase; or
- .2 10 percent if termination occurs during the Design Development Phase; or
- .3 5 percent if termination occurs during any subsequent phase.

## **ARTICLE 11**

### **MISCELLANEOUS PROVISIONS**

11.1 Unless otherwise specified, this Agreement shall be governed by the law of the principal place of business of the Architect.

11.2 Terms in this Agreement shall have the same meaning as those in AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement.

11.3 As between the parties to this Agreement: as to all acts or failures to act by either party to this Agreement, any applicable statute of limitations shall commence to run and any alleged cause of action shall be deemed to have accrued in any and all events not later than the relevant Date of Substantial Completion of the Work, and as to any acts or failures to act occurring after the relevant Date of Substantial Completion, not later than the date of issuance of the final Certificate for Payment.

11.4 The Owner and the Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages covered by any property insurance during construction as set forth in the edition of AIA Document A201, General Conditions, current as of the date of this Agreement. The Owner and the Architect each shall require appropriate similar waivers from their contractors, consultants and agents.

## **ARTICLE 12**

### **SUCCESSORS AND ASSIGNS**

12.1 The Owner and the Architect, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Neither the Owner nor the Architect shall assign, sublet or transfer any interest in this Agreement without the written consent of the other.

## **ARTICLE 13**

### **EXTENT OF AGREEMENT**

13.1 This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.

**ARTICLE 14**  
**BASIS OF COMPENSATION**

The Owner shall compensate the Architect for the Scope of Services provided, in accordance with Article 6, Payments to the Architect, and the other Terms and Conditions of this Agreement, as follows:

- 14.1** AN INITIAL PAYMENT of                      None                      dollars (\$ 0 )  
shall be made upon execution of this Agreement and credited to the Owner's account as follows:

**14.2** BASIC COMPENSATION

- 14.2.1** FOR BASIC SERVICES, as described in Paragraphs 1.1 through 1.5, and any other services included in Article 15 as part of Basic Services, Basic Compensation shall be computed as follows:

*(Here insert basis of compensation, including fixed amounts, multiples or percentages, and identify Phases to which particular methods of compensation apply, if necessary.)*

For basic services through the Design Development Phase (including topographic survey, soils investigation and report and programming), the amount of Ninety Thousand and 00/100 Dollars (\$90,000.00). A separate fixed amount will be negotiated for services during the remaining phases when funds become available.

- 14.2.2** Where compensation is based on a Stipulated Sum or Percentage of Construction Cost, payments for Basic Services shall be made as provided in Subparagraph 6.1.2, so that Basic Compensation for each Phase shall equal the following percentages of the total Basic Compensation payable:

*(Include any additional Phases as appropriate.)*

Topographic Survey and Soils Investigation	percent ( 3%)
Programming	percent (15%)
Schematic Design Phase:	percent ( 37%)
Design Development Phase:	percent ( 45%)
Construction Documents Phase:	percent (   %)
Bidding or Negotiation Phase:	percent (   %)
Construction Phase:	percent (   %)

- 14.3** FOR PROJECT REPRESENTATION BEYOND BASIC SERVICES, as described in Paragraph 1.6, Compensation shall be computed separately in accordance with Subparagraph 1.6.2.



#### 14.4 COMPENSATION FOR ADDITIONAL SERVICES

- 14.4.1 FOR ADDITIONAL SERVICES OF THE ARCHITECT, as described in Paragraph 1.7, and any other services included in Article 15 as part of Additional Services, but excluding Additional Services of consultants, Compensation shall be computed as follows:

*(Here insert basis of compensation, including rates and/or multiples of Direct Personnel Expense for Principals and employees, and identify Principals and classify employees, if required. Identify specific services to which particular methods of compensation apply, if necessary.)*

Principals' time at the fixed rate of Thirty Dollars (\$30.00) per hour. For the purposes of this agreement, the principals are: L. L. McNair, J. O. Gordon, W. R. Karasiewicz, and W. L. Johnson.

Employees' time (other than principals) at a multiple of two and one half (2.5) times the employees' Direct Personal Expense as defined in Article 4.

- 14.4.2 FOR ADDITIONAL SERVICES OF CONSULTANTS, including additional structural, mechanical and electrical engineering services and those provided under Subparagraph 1.7.21 or identified in Article 15 as part of Additional Services, a multiple of one ( 1.0 ) times the amounts billed to the Architect for such services.

*(Identify specific types of consultants in Article 15, if required.)*

- 14.5 FOR REIMBURSABLE EXPENSES, as described in Article 5, and any other items included in Article 15 as Reimbursable Expenses, a multiple of one ( 1.0 ) times the amounts expended by the Architect, the Architect's employees and consultants in the interest of the Project.

- 14.6 Payments due the Architect and unpaid under this Agreement shall bear interest from the date payment is due at the rate entered below, or in the absence thereof, at the legal rate prevailing at the principal place of business of the Architect.

*(Here insert any rate of interest agreed upon.)*

*(Usury laws and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's and Architect's principal places of business, the location of the Project and elsewhere may affect the validity of this provision. Specific legal advice should be obtained with respect to deletion, modification, or other requirements such as written disclosures or waivers.)*

- 14.7 The Owner and the Architect agree in accordance with the Terms and Conditions of this Agreement that:

- 14.7.1 IF THE SCOPE of the Project or of the Architect's Services is changed materially, the amounts of compensation shall be equitably adjusted.

- 14.7.2 IF THE SERVICES covered by this Agreement have not been completed within

( ) months of the date hereof, through no fault of the Architect, the amounts of compensation, rates and multiples set forth herein shall be equitably adjusted.

ARTICLE 15  
OTHER CONDITIONS OR SERVICES

See attached pages 1 through 5.

## ARTICLE 15

### OTHER CONDITIONS OR SERVICES

In the TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT AND/OR ENGINEER add to or delete from as follows:

15.1 GENERAL:

"Where the word "ARCHITECT" appears in the TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT substitute therefor: "ARCHITECT and/or ENGINEER."

15.2 ARTICLE I - ARCHITECT AND/OR ENGINEER'S SERVICES AND RESPONSIBILITY:

Add the following subparagraph:

"1.1.5.1 Upon completion of the Schematic Design Phase, the Schematic Design Documents, including Probable Construction Cost shall be submitted to the Owner and State Engineer, and the Owner will approve the Probable Construction Cost in writing."

15.2.2 "1.2 Delete in its entirety and substitute therefor the following:

"1.2 DESIGN DEVELOPMENT PHASE

"1.2.1 Based on the Schematic Design Documents and any adjustments in the program or project budget, the Owner shall instruct the Architect, in writing, to prepare the Design Development Documents.

"1.2.2 Design Development Documents shall include sufficient material to delineate the scope of Project and to indicate the general design of the Project. Design Development Document, consisting of Drawing, Outline Specifications, Probable Construction Cost, and any other material or document necessary to prepare the Design Development Documents shall contain all architectural and/or engineering skills.

"1.2.3 Design Development Documents shall include but are not limited to the following:

"1.2.3.1 DRAWINGS:

(a) Existing topographic features and improvements affecting or relating to the proposed work. Indicate revisions to be made to existing topographic features and improvements such as grading, construction of drainage facilities, etc. Where drainage facilities are to be provided, indicate direction of flow and point of discharge by appropriate symbol or notes.

(b) Double-line drawings showing developed floor plans, proposed finished floor elevations, floor and roof framing, typical wall section, exterior elevations showing proposed floor-to-floor heights and basic details of any unusual features of construction.



(c) Basic information necessary to establish space requirements and functional arrangement.

(d) Functional layout of mechanical, electrical and electronic features, special equipment, plumbing and heating to include, where applicable:

(1) Location of evaporative coolers and/or air conditioning units.

(2) General scale layout of equipment, heater and/or boiler rooms showing space requirements and auxiliary equipment proposed.

(3) Location and approximate size of special equipment to be installed such as compressors, generators, transformers, electronic equipment racks, consoles, panels, distributing frames, hoists, cranes, etc.

(e) Location, dimension, sections, areas and capacities, as applicable to parking areas, access roads, driveways, walks, etc.

(f) Location and size of existing or proposed sanitary sewers, water mains, gas mains and electrical service in the vicinity of the proposed buildings. Size and location of transformers. Elevations of gravity lines. Location of proposed building connections with notations showing which of the necessary utility extensions or connections beyond the 5-foot building line will be provided.

(g) Provide simplified schematic electrical diagrams for each electronic or instrumentation system to show that the required system functions are being provided.

"1.2.3.2 Outline Specifications and Probable Construction Cost shall be developed to a uniform level, reflecting the material, trades, mechanical and electrical system, and specialties required to reflect the Project as a whole.

"1.2.4 Upon completion of Design Development Phase, the Design Development Documents, including Outline Specifications and Probable Construction Cost shall be submitted to the Owner and State Engineer, and the Owner will approve the Probable Construction Cost in writing."

15.2.3 Add the following subparagraph:

"1.3.4.1 Prior to advertising for bids for construction, the Architect and/or Engineer shall submit the Construction Documents and Probable Construction Cost and shall obtain written approval of the Probable Construction Cost from the Owner..

"1.3.4.2 Submission of the Construction Documents and Probable Construction Documents and Probable Construction Cost to the Owner and State Engineer and the approval of the Probable Construction Cost shall not relieve the Architect and/or Engineer of any responsibility for design deficiencies, omission or errors."

Add the following subparagraphs:

- 15.2.4 "1.5.4.1 Periodic visit by the ARCHITECT and/or ENGINEER may vary with the progress of the work and other conditions, but shall average not less than one visit by the ARCHITECT and/or ENGINEER or his representative to the project per week during the course of construction. The ARCHITECT and/or ENGINEER shall submit to the OWNER a written report of his periodic visit, at least once a month, of his findings and progress of the project.

"1.5.4.1.2 Should the CONTRACTOR fall behind in his construction schedule by more than four weeks, the ARCHITECT and/or ENGINEER shall notify the OWNER in writing."

- 15.2.5 1.5.9 Delete in its entirety and substitute therefor the following:

"1.5.9 The ARCHITECT and/or ENGINEER shall be the interpreter of the requirements of the CONTRACT DOCUMENTS and judge of the performance thereunder by both the OWNER and the CONTRACTOR. The ARCHITECT and/or ENGINEER shall render written interpretations necessary for the proper execution or progress of the work within fifteen days on written request of either the OWNER or the CONTRACTOR, unless such interpretation can only be made after testing, in which case an interpretation must be rendered within fifteen days after completion of such test, and shall render written decisions, within fifteen days, on all claims, disputes and other matters in question between the OWNER and the CONTRACTOR relating to the execution or progress of the work or the interpretation of the CONTRACT DOCUMENTS."

- 15.2.6 Add the following subparagraph:

"1.5.14.1 Where a Change Order is required due to field adjustment, design deficiency omission or error, the Change Order shall be prepared at no cost to the Owner."

- 15.2.7 Add the following Subparagraphs:

"1.5.17 Upon completion of the CONSTRUCTION PHASE, the ARCHITECT and/or ENGINEER shall correct the original drawing to "record drawings" showing all significant changes in the Work made during construction. Such changes to the drawings shall be made in a professional manner, and drawings shall be stamped and signed by the ARCHITECT and/or ENGINEER as said drawings being "record drawings", based on marked-up prints, drawings and other data furnished by the CONTRACTOR and/or representative of the OWNER and/or ARCHITECT and/or ENGINEER.

"1.5.18 One month prior to the expiration of the one-year warranty period as called for in the CONSTRUCTION DOCUMENTS, the ARCHITECT and/or ENGINEER shall inspect the project for any deficiencies that may have developed under the one-year warranty. Upon completion of inspection a written report shall be furnished to the OWNER, the STATE ENGINEER and the CONTRACTOR, and the ARCHITECT and/or ENGINEER shall assist the OWNER in taking necessary action to see that the deficiencies are corrected."

15.2.8 1.7.17 Delete this Subparagraph in its entirety.

15.3 ARTICLE 2 - THE OWNER'S RESPONSIBILITY:

15.3.1 2.4 First line following Owner delete "shall furnish" and substitute therefor the following:

"will furnish, if requested, by the ARCHITECT and/or ENGINEER."

15.4 ARTICLE 3 - CONSTRUCTION COST:

15.4.1 Add the following Subparagraph:

"3.1.3.1 Compensation to the ARCHITECT and/or ENGINEER shall be as set forth in Article 14. When compensation is based on "Percentage of Construction Cost" the establishing of the percentage shall be the amount of the Construction Contract awarded. Once established, the same percentage figure shall apply to any recomputation of fee occasioned by Change Order, and only Change Orders that increase the contract amount shall be used in recomputation. Where a Change Order is required because of field adjustments, design deficiencies, omission or errors, the amount of that Change Order shall not apply toward computation of ARCHITECT and/or ENGINEER'S compensation".

15.4.2 Add the following Subparagraph:

"3.2.2.1 Fixed limit of Construction Cost shall be the Probable Construction Cost as defined in Subparagraph 1.3.4.1".

15.4.3 6.1.3 Delete in its entirety and substitute therefor the following:

"6.1.3 If the Contract Time initially established in the Construction Contract is exceeded by more than thirty days through no fault of the ARCHITECT and/or ENGINEER, compensation for Basic Services performed by Principals, employees and professional consultants required to complete the Administration of the Construction Contract beyond the thirtieth day shall be computed as set forth in Paragraph 14.4.1 and 14.4.2 for Additional Services. No additional services by the ARCHITECT and/or ENGINEER in connection with semi-final and final inspection."

15.5 ARTICLE 8: OWNERSHIP OF DOCUMENTS:

15.5.1 ARTICLE 8: Delete in its entirety and substitute therefor new ARTICLE 8 as follows:

"ARTICLE 8: OWNERSHIP OF DOCUMENTS".

8.1 The Owner shall have unlimited rights in the ownership of all drawings, designs, specifications, notes and other work developed in the performance of the AGREEMENT, including the right to use same on any other Owner's projects without additional cost to the Owner, and with respect thereto the ARCHITECT and/or ENGINEER agrees to and does hereby grant to the Owner a royalty-free



license to all such data which he may cover by copyright and to all designs as to which he may assert any rights or establish any claim under the design patent or copyright laws.

"8.2 In the case of future reuse of the documents the Owner reserves the right to negotiate with the ARCHITECT and/or ENGINEER for compensation for the acceptance of any professional liability."

"8.3 In the event the Owner does not exercise the option to negotiate with the ARCHITECT and/or ENGINEER FOR THE Architect's and/or Engineer's acceptance of any professional liability, it is understood that the ARCHITECT and/or ENGINEER is no longer liable in the reuse of the documents.

15.6 ARTICLE 9 - ARBITRATION

Delete ARTICLE 9 in its entirety.

15.7 ARTICLE 10 - TERMINATION OF AGREEMENT

15.7.1 10.3 Fourth line following "Expense" change comma "," to period "." and delete rest of sentence.

15.7.2 10.4 Delete in its entirety.

15.8 ARTICLE 11 - MISCELLANEOUS PROVISIONS

15.8.1 11.1 Second line following "laws of" delete remaining of sentence and substitute therefor the following:

"-----South Carolina."

15.9 ARTICLE 14 - BASIS OF COMPENSATION

15.9.1 14.6 Delete in its entirety and substitute therefor the following:

"14.6 Payment due the ARCHITECT and/or ENGINEER under this Agreement shall bear interest at six percent per annum commencing forty-five days after date of billing."

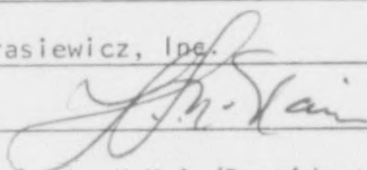
This Agreement entered into as of the day and year first written above.

OWNER South Carolina State College

ARCHITECT McNair, Gordon, Johnson &

Karasiewicz, Inc.

BY \_\_\_\_\_

  
BY L. L. McNair/President





SOUTH CAROLINA STATE COLLEGE  
Orangeburg, South Carolina 29117

OFFICE OF THE DIRECTOR  
FOR BUSINESS AND FINANCE

<u>NAME OF FIRM</u>	<u>TOTAL AMT. OF STATE WORK, PAST 2 YRS.</u>
Alexander, Moormann & Associates Aiken, South Carolina	4,500,000
Anderson Associates Columbia, South Carolina	4,000,000
Archizign Architect/Planners Columbia, South Carolina	-
Architect Boudreaux, Ltd., Coulter Gasque Assoc. Columbia, South Carolina	-
Architectural Design Environmental Planning Clover, South Carolina	-
Bennett-Thomas & Associates Augusta, Georgia	-
Blume, Cannon & Ott Columbia, South Carolina	160,000
Bon Compton Architects Columbia, South Carolina	850,000
Carlisle & Associates Columbia, South Carolina	1,676,777
Clark & Associates Anderson, South Carolina	285,000
Craig & Gaulden Architects Greenville, South Carolina	4,860,000
Cummings & McCrady, Inc. Charleston, South Carolina	7,766,000
David L. Parrott Architects Charleston, South Carolina	-
Demetrios C. Loillio Architects & Associates Charleston, South Carolina	48,000
Demosthenes, McCreight & Riley, AIA Sumter, South Carolina	2,259,000
Drafts & Jumper Architects West Columbia, South Carolina	-

INCL<sup>d</sup> 3-1

<u>NAME OF FIRM</u>	<u>TOTAL AMT. OF STATE WORK, PAST 2 YRS.</u>
Engineer Planners Columbia, South Carolina	8,900,000
Fellers & Associates Columbia, South Carolina	9,000,000
Fred J. Parrish Architectural Associates Columbia, South Carolina	-
Gilliland-Bell Associates Greenwood, South Carolina	-
Harold Adler Charleston, South Carolina	60,000
James Parrish Brown Architects Interior Designers Charleston, South Carolina	-
J. Alison Lee AIA Architects Greenwood, South Carolina	-
J. E. Sirrine Company Greenville, South Carolina (no information furnished)	
Johnson-Pace Associates Orangeburg, South Carolina	-
LaFaye Associates Columbia, South Carolina	-
Lashley, Yates & Associates Clemson, South Carolina	-
Leroy J. H. Brown, AIA & Associates Washington, D. C.	-
Lee & Partners Architects Hilton Head, South Carolina (one project, not amount listed)	
Lucas & Stubbs Charleston, South Carolina	970,477
MBTB Architects-Engineers Greenville, South Carolina	-
McDuffie & Associates Orangeburg, South Carolina	-
McNair, Gordon, Johnson & Karasiewicz Architects Engineers/Planners Columbia, South Carolina	8,900,000

<u>NAME OF FIRM</u>	<u>TOTAL AMT. OF STATE WORK, PAST 2 YRS.</u>
McMillan Associates, Architects & Consultants Greenville, South Carolina	1,150,000
Odell Associates Greenville, South Carolina	47,000
Patchen, Mingledorff & Associates Aiken, South Carolina	55,000
Peritus Engineers Greenville, South Carolina	931,104
Piedmont Engineering Architects/Planners Greenville, South Carolina	2,014,900
Stevens & Wilkinson Architects, Engineers/Planners Columbia, S.C., & Atlanta, GA	-
Summers & Gardner Architects Orangeburg, South Carolina	600,00
Thomas & Denzinger Architects Beaufort, South Carolina	-
W. E. Gilbert & Associates Greenwood, South Carolina	750,000
Westmoreland, McGarity & Pitts Architects Spartanburg, South Carolina	3,800,000
Wilbur Smith & Associates Columbia, South Carolina (state contract not listed)	
William Bailey & Kauric Architects Columbia, South Carolina	1,000,000



## STATE BUDGET AND CONTROL BOARD

POLL OF December 21, 1978

POLL ITEM NUMBER

EXHIBIT VII  
12/21/78  
7Agency: University of South Carolina - AikenSubject: A&E Selection Approval Request

USC - Aiken Dean of Administration George A. Gibson advises that the following firms, listed in preference order, have been selected for Project H31-002, Adaptation of General Purpose Building:

	<u>Firm</u>	<u>Location</u>	<u>Reported State Work in Prior Two Years</u>
(1)	Wells, Fleetwood & Hutchison	Aiken	\$ -0-
(2)	William-Bailey-Kauric, Architects	Columbia	-0-
(3)	Anderson Associates	Columbia	-0-

The required selection procedure has been followed.

Board Action Requested:

Approve the selection of Wells, Fleetwood & Hutchison for the referenced project, as requested by USC - Aiken.

Vote Of Board Member: (Please indicate by initialing appropriate line below.)

\_\_\_\_\_ I approve of the above action.  
\_\_\_\_\_ I disapprove of the above action.  
\_\_\_\_\_ Hold for regular meeting.

Attachments:

Gibson 12/13/78 letter to McPherson, plus attachments



UNIVERSITY OF SOUTH CAROLINA  
AT AIKEN  
171 UNIVERSITY PARKWAY  
AIKEN, SOUTH CAROLINA 29801

BUSINESS AFFAIRS  
(803) 648-6851

December 13, 1978

RECEIVED

DEC 14 1978

S. C. BUDGET AND  
CONTROL BOARD

Mr. John A. McPherson, Jr. P.E.  
Chief Engineer, Finance Division  
State Budget and Control Board  
P. O. Box 11333  
Columbia, South Carolina 29211

SUBJECT: Request for Budget and Control Board Approval for  
Architectural Contract for State Project H31-002  
(Adaptation of General Purpose Building, USC at  
Aiken Campus)

Dear Mr. McPherson:

In response to an advertisement in the State (Enclosure 1),  
resumes were received from architectural firms during the period  
September 10, 1978 to September 27, 1978.

A total of ten firms responded and, on the basis of resume  
evaluation, three firms were selected for an on-site interview  
and examination of architectural facilities by the Dean of  
Administration of USC at Aiken. At a meeting of the Aiken County  
Commission for Higher Education held on October 23, 1978, a report  
on the three firms was considered and resulted in the Commission  
unanimously agreeing to the following recommendation:

<u>Preference</u>	<u>Firm</u>
1	Wells, Fleetwood & Hutchison (Aiken)
2	William - Bailey - Kauric (Columbia)
3	Anderson Associates (Columbia)

A worksheet is attached as Enclosure 2 which indicates that  
consideration was given to the amount of State Projects each firm  
has executed contracts for in the past two years prior to date  
this project was first advertised.

Rationale for Recommendation. There will be considerable  
initial appraisal work to ensure the very best possible conversions  
considering both existing and future requirements. Also, once  
conversions start to occur there will be a critical need for on-  
the-spot solutions to problems which are peculiar to discovered  
situations. These factors were evident when a conversion of some  
5,000 sq. ft. occurred in the same building approximately two years ago.

December 13, 1978

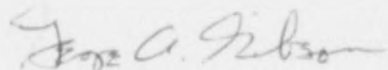
Thus, it appears logical that a firm which has had considerable conversion/renovation experience should be selected, and from the resumes submitted by the ten firms which responded the three listed above most closely fit the criteria. The firm of Wells, Fleetwood & Hutchison has had no State work; however, most of the Commission members were familiar with some very excellent private and municipal renovations which the firm has done in Edgefield and Aiken Counties. The firm of William-Bailey-Kauric has been involved with State work at Whitten Village and the USC Columbia Campus. The firm of Anderson Associates has had one state contract with a fee of \$4,000. I would note that the USC at Aiken Staff and Vice President fully support the Aiken County Commission for Higher Education's recommendations. Lastly, I would advise that the USC Board of Trustees confirmed the aforestated recommendations at a meeting on December 8, 1978.

USC at Aiken has had the following A & E contracts in the past three years:

<u>Year</u>	<u>Firm</u>	<u>Construction Cost</u>
1976	Hallman & Weems	1,337,942
1977	Hallman & Weems	728,911

A copy of the proposed contract with the firm of Wells, Fleetwood & Hutchison is attached as Enclosure 3 and we respectfully request approval thereof.

Sincerely yours,



George A. Gibson  
Dean of Administration

GAG/ke

Enclosures: (3)



# ARCHITECT

# NOTES

Odell Associates Inc.  
Planning, Architectural, Engineering  
301 College Street  
Greenville, South Carolina 29601  
Telephone: 803-235-6600 Mr. Benjamin T. Rook

Mental Health Consultant  
(Fees 30,000 & 10,000)  
Youth Services (Fee  
7,500). Large Outfit  
Good School experience.  
May wish to see Dramatic  
Arts Ctr. at UNC &  
Science Ctr. at Fayetteville, NC in the future.

Anderson Associates  
Architects-Planners  
1518 Richland Street  
Columbia, South Carolina 29201  
Telephone: 803-254-8788 Mr. William Anderson

1 State Contract  
Fee was \$4,000  
Appears to get personally  
involved.

McDuffie & Associates  
Architects & Planners  
P. O. Box 422, Neeses Road  
Orangeburg, South Carolina 29115  
Telephone: 803-536-9175 Mr. William S. McDuffie

No State work.  
Some renovations  
experience.

Johnson-Pace Associates - Architects  
Suite 201, 198 Doyle Street  
Orangeburg, South Carolina 29115  
Telephone: 803-536-9226 Mr. Robert C. Johnson

No State work.  
Good School Experience.  
Came by Personally.

William-Bailey-Kauric, Architect  
2210 Devine Street  
Columbia, South Carolina 29205  
Telephone: 803-771-0417 Mr. William B. Kauric

Whitten Village.(Formerly  
with W. S. Tuberville  
in USC Columbia Campus  
Planning & has done re-  
novations for USC Colum-  
bia). Came by personally  
~~No State work in own name.~~

Thomas & Denzinger, Architects  
920 Bay Street  
Beaufort, South Carolina 29902  
Telephone: 803-524-6361 Mr. James G. Thomas Jr.

No State work.

Wells, Fleetwood & Hutchison  
Architects, Inc.  
234 Richland Avenue  
Aiken, South Carolina 29801  
Telephone: 803-648-9612 Mr. John W. Wells

No State work.  
Good Renovation exper-  
ience.  
Came by in person.

Jeffery Marc Rosenblum, AIA, Architect  
27 Vendue Range  
Charleston, South Carolina 29401  
Telephone: 803-577-6073 Mr. Jeffery Rosenblum

No State work.  
Good renovation exper-  
ience.

W. E. Gilbert & Associates, Inc.  
Consulting Engineers, Architects, Planners  
P. O. Box 519, US Hwy. 25 North  
Greenwood, South Carolina 29646  
Telephone: 803-223-6181 Mr. Thomas Wingard

1 State Project.  
Good school experience.  
Firm appears engineering  
oriented. Came by in  
person. \$4,000 Fee

ARCHITECT

NOTES

Alexander-Moorman and Associates - Architects  
218 Newberry Street, SW  
Aiken, South Carolina 29801  
Telephone: 803-648-6833 Mr. Frank Alexander

5 State Projects.  
Well known to us & has  
done conversion project  
for us.  
Came by in person.

\$319,000

# THE AMERICAN INSTITUTE OF ARCHITECTS



AIA Document B141

## Standard Form of Agreement Between Owner and Architect

1977 EDITION

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH  
AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION

### AGREEMENT

made as of the twelfth day of December in the year of Nineteen  
Hundred and Seventy-eight (12 December, 1978)

**BETWEEN** the Owner: The Board of Trustees of the  
University of South Carolina

and the Architect: Wells, Fleetwood & Hutchison, Architects, Inc.  
234 Richland Avenue  
Aiken, South Carolina 29801

For the following Project:

*(Include detailed description of Project location and scope.)*

Conversions/Renovations to existing Classroom/Administration Building, University of South Carolina, Aiken Campus, Aiken, South Carolina. In general, the Project includes: Conversion of Classrooms to two Biology Labs and one Chemistry Lab; additions to an existing Psychology Lab; creation of new support and administrative spaces; and some general modifications to improve accessibility and save energy.

The Owner and the Architect agree as set forth below.

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THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 NEW YORK AVENUE, N.W., WASHINGTON, D.C. 20006

B141-1977 1

ENCLOSURE 3



USC-A  
12/21

## TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT

### ARTICLE 1

#### ARCHITECT'S SERVICES AND RESPONSIBILITIES

##### BASIC SERVICES

The Architect's Basic Services consist of the five phases described in Paragraphs 1.1 through 1.5 and include normal structural, mechanical and electrical engineering services and any other services included in Article 15 as part of Basic Services.

##### 1.1 SCHEMATIC DESIGN PHASE

1.1.1 The Architect shall review the program furnished by the Owner to ascertain the requirements of the Project and shall review the understanding of such requirements with the Owner.

1.1.2 The Architect shall provide a preliminary evaluation of the program and the Project budget requirements, each in terms of the other, subject to the limitations set forth in Subparagraph 3.2.1.

1.1.3 The Architect shall review with the Owner alternative approaches to design and construction of the Project.

1.1.4 Based on the mutually agreed upon program and Project budget requirements, the Architect shall prepare, for approval by the Owner, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of Project components.

1.1.5 The Architect shall submit to the Owner a Statement of Probable Construction Cost based on current area, volume or other unit costs.

##### 1.2 DESIGN DEVELOPMENT PHASE

1.2.1 Based on the approved Schematic Design Documents and any adjustments authorized by the Owner in the program or Project budget, the Architect shall prepare, for approval by the Owner, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the entire Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.

1.2.2 The Architect shall submit to the Owner a further Statement of Probable Construction Cost.

##### 1.3 CONSTRUCTION DOCUMENTS PHASE

1.3.1 Based on the approved Design Development Documents and any further adjustments in the scope or quality of the Project or in the Project budget authorized by the Owner, the Architect shall prepare, for approval by the Owner, Construction Documents consisting of Drawings and Specifications setting forth in detail the requirements for the construction of the Project.

1.3.2 The Architect shall assist the Owner in the preparation of the necessary bidding information, bidding forms, the Conditions of the Contract, and the form of Agreement between the Owner and the Contractor.

1.3.3 The Architect shall advise the Owner of any adjust-

ments to previous Statements of Probable Construction Cost indicated by changes in requirements or general market conditions.

1.3.4 The Architect shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

##### 1.4 BIDDING OR NEGOTIATION PHASE

1.4.1 The Architect, following the Owner's approval of the Construction Documents and of the latest Statement of Probable Construction Cost, shall assist the Owner in obtaining bids or negotiated proposals, and assist in awarding and preparing contracts for construction.

##### 1.5 CONSTRUCTION PHASE—ADMINISTRATION OF THE CONSTRUCTION CONTRACT

1.5.1 The Construction Phase will commence with the award of the Contract for Construction and, together with the Architect's obligation to provide Basic Services under this Agreement, will terminate when final payment to the Contractor is due, or in the absence of a final Certificate for Payment or of such due date, sixty days after the Date of Substantial Completion of the Work, whichever occurs first.

1.5.2 Unless otherwise provided in this Agreement and incorporated in the Contract Documents, the Architect shall provide administration of the Contract for Construction as set forth below and in the edition of AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement.

1.5.3 The Architect shall be a representative of the Owner during the Construction Phase, and shall advise and consult with the Owner. Instructions to the Contractor shall be forwarded through the Architect. The Architect shall have authority to act on behalf of the Owner only to the extent provided in the Contract Documents unless otherwise modified by written instrument in accordance with Subparagraph 1.5.16.

1.5.4 The Architect shall visit the site at intervals appropriate to the stage of construction or as otherwise agreed by the Architect in writing to become generally familiar with the progress and quality of the Work and to determine in general if the Work is proceeding in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of such on-site observations as an architect, the Architect shall keep the Owner informed of the progress and quality of the Work, and shall endeavor to guard the Owner against defects and deficiencies in the Work of the Contractor.

1.5.5 The Architect shall not have control or charge of and shall not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, for the acts or omissions of the Contractor, Sub-

contractors or any other persons performing any of the Work, or for the failure of any of them to carry out the Work in accordance with the Contract Documents.

**1.5.6** The Architect shall at all times have access to the Work wherever it is in preparation or progress.

**1.5.7** The Architect shall determine the amounts owing to the Contractor based on observations at the site and on evaluations of the Contractor's Applications for Payment, and shall issue Certificates for Payment in such amounts, as provided in the Contract Documents.

**1.5.8** The issuance of a Certificate for Payment shall constitute a representation by the Architect to the Owner, based on the Architect's observations at the site as provided in Subparagraph 1.5.4 and on the data comprising the Contractor's Application for Payment, that the Work has progressed to the point indicated; that, to the best of the Architect's knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents (subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to the results of any subsequent tests required by or performed under the Contract Documents, to minor deviations from the Contract Documents correctable prior to completion, and to any specific qualifications stated in the Certificate for Payment); and that the Contractor is entitled to payment in the amount certified. However, the issuance of a Certificate for Payment shall not be a representation that the Architect has made any examination to ascertain how and for what purpose the Contractor has used the moneys paid on account of the Contract Sum.

**1.5.9** The Architect shall be the interpreter of the requirements of the Contract Documents and the judge of the performance thereunder by both the Owner and Contractor. The Architect shall render interpretations necessary for the proper execution or progress of the Work with reasonable promptness on written request of either the Owner or the Contractor, and shall render written decisions, within a reasonable time, on all claims, disputes and other matters in question between the Owner and the Contractor relating to the execution or progress of the Work or the interpretation of the Contract Documents.

**1.5.10** Interpretations and decisions of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in written or graphic form. In the capacity of interpreter and judge, the Architect shall endeavor to secure faithful performance by both the Owner and the Contractor, shall not show partiality to either, and shall not be liable for the result of any interpretation or decision rendered in good faith in such capacity.

**1.5.11** The Architect's decisions in matters relating to artistic effect shall be final if consistent with the intent of the Contract Documents. The Architect's decisions on any other claims, disputes or other matters, including those in question between the Owner and the Contractor, shall be subject to arbitration as provided in this Agreement and in the Contract Documents.

**1.5.12** The Architect shall have authority to reject Work which does not conform to the Contract Documents. Whenever, in the Architect's reasonable opinion, it is

necessary or advisable for the implementation of the intent of the Contract Documents, the Architect will have authority to require special inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work be then fabricated, installed or completed.

**1.5.13** The Architect shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for conformance with the design concept of the Work and with the information given in the Contract Documents. Such action shall be taken with reasonable promptness so as to cause no delay. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

**1.5.14** The Architect shall prepare Change Orders for the Owner's approval and execution in accordance with the Contract Documents, and shall have authority to order minor changes in the Work not involving an adjustment in the Contract Sum or an extension of the Contract Time which are not inconsistent with the intent of the Contract Documents.

**1.5.15** The Architect shall conduct inspections to determine the Dates of Substantial Completion and final completion, shall receive and forward to the Owner for the Owner's review written warranties and related documents required by the Contract Documents and assembled by the Contractor, and shall issue a final Certificate for Payment.

**1.5.16** The extent of the duties, responsibilities and limitations of authority of the Architect as the Owner's representative during construction shall not be modified or extended without written consent of the Owner, the Contractor and the Architect.

## **1.6 PROJECT REPRESENTATION BEYOND BASIC SERVICES**

**1.6.1** If the Owner and Architect agree that more extensive representation at the site than is described in Paragraph 1.5 shall be provided, the Architect shall provide one or more Project Representatives to assist the Architect in carrying out such responsibilities at the site.

**1.6.2** Such Project Representatives shall be selected, employed and directed by the Architect, and the Architect shall be compensated therefor as mutually agreed between the Owner and the Architect as set forth in an exhibit appended to this Agreement, which shall describe the duties, responsibilities and limitations of authority of such Project Representatives.

**1.6.3** Through the observations by such Project Representatives, the Architect shall endeavor to provide further protection for the Owner against defects and deficiencies in the Work, but the furnishing of such project representation shall not modify the rights, responsibilities or obligations of the Architect as described in Paragraph 1.5.

## **1.7 ADDITIONAL SERVICES**

The following Services are not included in Basic Services unless so identified in Article 15. They shall be provided if authorized or confirmed in writing by the Owner, and they shall be paid for by the Owner as provided in this Agreement, in addition to the compensation for Basic Services.



**1.7.1** Providing analyses of the Owner's needs, and programming the requirements of the Project.

**1.7.2** Providing financial feasibility or other special studies.

**1.7.3** Providing planning surveys, site evaluations, environmental studies or comparative studies of prospective sites, and preparing special surveys, studies and submissions required for approvals of governmental authorities or others having jurisdiction over the Project.

**1.7.4** Providing services relative to future facilities, systems and equipment which are not intended to be constructed during the Construction Phase.

~~**1.7.5** Providing services to investigate existing conditions or facilities or to make measured drawings thereof, or to verify the accuracy of drawings or other information furnished by the Owner.~~

**1.7.6** Preparing documents of alternate, separate or sequential bids or providing extra services in connection with bidding, negotiation or construction prior to the completion of the Construction Documents Phase, when requested by the Owner.

**1.7.7** Providing coordination of Work performed by separate contractors or by the Owner's own forces.

**1.7.8** Providing services in connection with the work of a construction manager or separate consultants retained by the Owner.

**1.7.9** Providing Detailed Estimates of Construction Cost, analyses of owning and operating costs, or detailed quantity surveys or inventories of material, equipment and labor.

**1.7.10** Providing interior design and other similar services required for or in connection with the selection, procurement or installation of furniture, furnishings and related equipment.

**1.7.11** Providing services for planning tenant or rental spaces.

**1.7.12** Making revisions in Drawings, Specifications or other documents when such revisions are inconsistent with written approvals or instructions previously given, are required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents or are due to other causes not solely within the control of the Architect.

**1.7.13** Preparing Drawings, Specifications and supporting data and providing other services in connection with Change Orders to the extent that the adjustment in the Basic Compensation resulting from the adjusted Construction Cost is not commensurate with the services required of the Architect, provided such Change Orders are required by causes not solely within the control of the Architect.

**1.7.14** Making investigations, surveys, valuations, inventories or detailed appraisals of existing facilities, and services required in connection with construction performed by the Owner.

**1.7.15** Providing consultation concerning replacement of any Work damaged by fire or other cause during construction, and furnishing services as may be required in connection with the replacement of such Work.

**1.7.16** Providing services made necessary by the default of the Contractor, or by major defects or deficiencies in the Work of the Contractor, or by failure of performance of either the Owner or Contractor under the Contract for Construction.

**1.7.17** Preparing a set of reproducible record drawings showing significant changes in the Work made during construction based on marked-up prints, drawings and other data furnished by the Contractor to the Architect.

**1.7.18** Providing extensive assistance in the utilization of any equipment or system such as initial start-up or testing, adjusting and balancing, preparation of operation and maintenance manuals, training personnel for operation and maintenance, and consultation during operation.

**1.7.19** Providing services after issuance to the Owner of the final Certificate for Payment, or in the absence of a final Certificate for Payment, more than sixty days after the Date of Substantial Completion of the Work.

**1.7.20** Preparing to serve or serving as an expert witness in connection with any public hearing, arbitration proceeding or legal proceeding.

**1.7.21** Providing services of consultants for other than the normal architectural, structural, mechanical and electrical engineering services for the Project.

**1.7.22** Providing any other services not otherwise included in this Agreement or not customarily furnished in accordance with generally accepted architectural practice.

## **1.8 TIME**

**1.8.1** The Architect shall perform Basic and Additional Services as expeditiously as is consistent with professional skill and care and the orderly progress of the Work. Upon request of the Owner, the Architect shall submit for the Owner's approval, a schedule for the performance of the Architect's services which shall be adjusted as required as the Project proceeds, and shall include allowances for periods of time required for the Owner's review and approval of submissions and for approvals of authorities having jurisdiction over the Project. This schedule, when approved by the Owner, shall not, except for reasonable cause, be exceeded by the Architect.

## **ARTICLE 2**

### **THE OWNER'S RESPONSIBILITIES**

**2.1** The Owner shall provide full information regarding requirements for the Project including a program, which shall set forth the Owner's design objectives, constraints and criteria, including space requirements and relationships, flexibility and expandability, special equipment and systems and site requirements.

**2.2** If the Owner provides a budget for the Project it shall include contingencies for bidding, changes in the Work during construction, and other costs which are the responsibility of the Owner, including those described in this Article 2 and in Subparagraph 3.1.2. The Owner shall, at the request of the Architect, provide a statement of funds available for the Project, and their source.



2.3 The Owner shall designate, when necessary, a representative authorized to act in the Owner's behalf with respect to the Project. The Owner or such authorized representative shall examine the documents submitted by the Architect and shall render decisions pertaining thereto promptly, to avoid unreasonable delay in the progress of the Architect's services.

2.4 The Owner shall furnish a legal description and a certified land survey of the site, giving, as applicable, grades and lines of streets, alleys, pavements and adjoining property; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and complete data pertaining to existing buildings, other improvements and trees; and full information concerning available service and utility lines both public and private, above and below grade, including inverts and depths.

2.5 The Owner shall furnish the services of soil engineers or other consultants when such services are deemed necessary by the Architect. Such services shall include test borings, test pits, soil bearing values, percolation tests, air and water pollution tests, ground corrosion and resistivity tests, including necessary operations for determining subsoil, air and water conditions, with reports and appropriate professional recommendations.

2.6 The Owner shall furnish structural, mechanical, chemical and other laboratory tests, inspections and reports as required by law or the Contract Documents.

2.7 The Owner shall furnish all legal, accounting and insurance counseling services as may be necessary at any time for the Project, including such auditing services as the Owner may require to verify the Contractor's Applications for Payment or to ascertain how or for what purposes the Contractor uses the moneys paid by or on behalf of the Owner.

2.8 The services, information, surveys and reports required by Paragraphs 2.4 through 2.7 inclusive shall be furnished at the Owner's expense, and the Architect shall be entitled to rely upon the accuracy and completeness thereof.

2.9 If the Owner observes or otherwise becomes aware of any fault or defect in the Project or nonconformance with the Contract Documents, prompt written notice thereof shall be given by the Owner to the Architect.

2.10 The Owner shall furnish required information and services and shall render approvals and decisions as expeditiously as necessary for the orderly progress of the Architect's services and of the Work.

### ARTICLE 3

#### CONSTRUCTION COST

##### 3.1 DEFINITION

3.1.1 The Construction Cost shall be the total cost or estimated cost to the Owner of all elements of the Project designed or specified by the Architect.

3.1.2 The Construction Cost shall include at current market rates, including a reasonable allowance for overhead and profit, the cost of labor and materials furnished by the Owner and any equipment which has been de-

signed, specified, selected or specially provided for by the Architect.

3.1.3 Construction Cost does not include the compensation of the Architect and the Architect's consultants, the cost of the land, rights-of-way, or other costs which are the responsibility of the Owner as provided in Article 2.

##### 3.2 RESPONSIBILITY FOR CONSTRUCTION COST

3.2.1 Evaluations of the Owner's Project budget, Statements of Probable Construction Cost and Detailed Estimates of Construction Cost, if any, prepared by the Architect, represent the Architect's best judgment as a design professional familiar with the construction industry. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials or equipment, over the Contractor's methods of determining bid prices, or over competitive bidding, market or negotiating conditions. Accordingly, the Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from the Project budget proposed, established or approved by the Owner, if any, or from any Statement of Probable Construction Cost or other cost estimate or evaluation prepared by the Architect.

3.2.2 No fixed limit of Construction Cost shall be established as a condition of this Agreement by the furnishing, proposal or establishment of a Project budget under Subparagraph 1.1.2 or Paragraph 2.2 or otherwise, unless such fixed limit has been agreed upon in writing and signed by the parties hereto. If such a fixed limit has been established, the Architect shall be permitted to include contingencies for design, bidding and price escalation, to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents, to make reasonable adjustments in the scope of the Project and to include in the Contract Documents alternate bids to adjust the Construction Cost to the fixed limit. Any such fixed limit shall be increased in the amount of any increase in the Contract Sum occurring after execution of the Contract for Construction.

3.2.3 If the Bidding or Negotiation Phase has not commenced within three months after the Architect submits the Construction Documents to the Owner, any Project budget or fixed limit of Construction Cost shall be adjusted to reflect any change in the general level of prices in the construction industry between the date of submission of the Construction Documents to the Owner and the date on which proposals are sought.

3.2.4 If a Project budget or fixed limit of Construction Cost (adjusted as provided in Subparagraph 3.2.3) is exceeded by the lowest bona fide bid or negotiated proposal, the Owner shall (1) give written approval of an increase in such fixed limit, (2) authorize rebidding or renegotiating of the Project within a reasonable time, (3) if the Project is abandoned, terminate in accordance with Paragraph 10.2, or (4) cooperate in revising the Project scope and quality as required to reduce the Construction Cost. In the case of (4), provided a fixed limit of Construction Cost has been established as a condition of this Agreement, the Architect, without additional charge, shall modify the Drawings and Specifications as necessary to comply

with the fixed limit. The providing of such service shall be the limit of the Architect's responsibility arising from the establishment of such fixed limit, and having done so, the Architect shall be entitled to compensation for all services performed, in accordance with this Agreement, whether or not the Construction Phase is commenced.

#### **ARTICLE 4**

##### **DIRECT PERSONNEL EXPENSE**

**4.1** Direct Personnel Expense is defined as the direct salaries of all the Architect's personnel engaged on the Project, and the portion of the cost of their mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, vacations, pensions and similar contributions and benefits.

#### **ARTICLE 5**

##### **REIMBURSABLE EXPENSES**

**5.1** Reimbursable Expenses are in addition to the Compensation for Basic and Additional Services and include actual expenditures made by the Architect and the Architect's employees and consultants in the interest of the Project for the expenses listed in the following Subparagraphs:

**5.1.1** Expense of transportation in connection with the Project; living expenses in connection with out-of-town travel; long distance communications, and fees paid for securing approval of authorities having jurisdiction over the Project.

**5.1.2** Expense of reproductions, postage and handling of Drawings, Specifications and other documents, excluding reproductions for the office use of the Architect and the Architect's consultants.

**5.1.3** Expense of data processing and photographic production techniques when used in connection with Additional Services.

**5.1.4** If authorized in advance by the Owner, expense of overtime work requiring higher than regular rates.

**5.1.5** Expense of renderings, models and mock-ups requested by the Owner.

**5.1.6** Expense of any additional insurance coverage or limits, including professional liability insurance, requested by the Owner in excess of that normally carried by the Architect and the Architect's consultants.

#### **ARTICLE 6**

##### **PAYMENTS TO THE ARCHITECT**

###### **6.1 PAYMENTS ON ACCOUNT OF BASIC SERVICES**

**6.1.1** An initial payment as set forth in Paragraph 14.1 is the minimum payment under this Agreement.

**6.1.2** Subsequent payments for Basic Services shall be made monthly and shall be in proportion to services performed within each Phase of services, on the basis set forth in Article 14.

**6.1.3** If and to the extent that the Contract Time initially established in the Contract for Construction is exceeded

or extended through no fault of the Architect, compensation for any Basic Services required for such extended period of Administration of the Construction Contract shall be computed as set forth in Paragraph 14.4 for Additional Services.

**6.1.4** When compensation is based on a percentage of Construction Cost, and any portions of the Project are deleted or otherwise not constructed, compensation for such portions of the Project shall be payable to the extent services are performed on such portions, in accordance with the schedule set forth in Subparagraph 14.2.2, based on (1) the lowest bona fide bid or negotiated proposal or, (2) if no such bid or proposal is received, the most recent Statement of Probable Construction Cost or Detailed Estimate of Construction Cost for such portions of the Project.

###### **6.2 PAYMENTS ON ACCOUNT OF ADDITIONAL SERVICES**

**6.2.1** Payments on account of the Architect's Additional Services as defined in Paragraph 1.7 and for Reimbursable Expenses as defined in Article 5 shall be made monthly upon presentation of the Architect's statement of services rendered or expenses incurred.

###### **6.3 PAYMENTS WITHHELD**

**6.3.1** No deductions shall be made from the Architect's compensation on account of penalty, liquidated damages or other sums withheld from payments to contractors, or on account of the cost of changes in the Work other than those for which the Architect is held legally liable.

###### **6.4 PROJECT SUSPENSION OR TERMINATION**

**6.4.1** If the Project is suspended or abandoned in whole or in part for more than three months, the Architect shall be compensated for all services performed prior to receipt of written notice from the Owner of such suspension or abandonment, together with Reimbursable Expenses then due and all Termination Expenses as defined in Paragraph 10.4. If the Project is resumed after being suspended for more than three months, the Architect's compensation shall be equitably adjusted.

#### **ARTICLE 7**

##### **ARCHITECT'S ACCOUNTING RECORDS**

**7.1** Records of Reimbursable Expenses and expenses pertaining to Additional Services and services performed on the basis of a Multiple of Direct Personnel Expense shall be kept on the basis of generally accepted accounting principles and shall be available to the Owner or the Owner's authorized representative at mutually convenient times.

#### **ARTICLE 8**

##### **OWNERSHIP AND USE OF DOCUMENTS**

**8.1** Drawings and Specifications as instruments of service are and shall remain the property of the Architect whether the Project for which they are made is executed or not. The Owner shall be permitted to retain copies, including reproducible copies, of Drawings and Specifications for information and reference in connection with the Owner's use and occupancy of the Project. The Drawings and Specifications shall not be used by the Owner on

other projects, for additions to this Project, or for completion of this Project by others provided the Architect is not in default under this Agreement, except by agreement in writing and with appropriate compensation to the Architect.

**8.2** Submission or distribution to meet official regulatory requirements or for other purposes in connection with the Project is not to be construed as publication in derogation of the Architect's rights.

## **ARTICLE 9**

### **ARBITRATION**

**9.1** All claims, disputes and other matters in question between the parties to this Agreement, arising out of or relating to this Agreement or the breach thereof, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. No arbitration, arising out of or relating to this Agreement, shall include, by consolidation, joinder or in any other manner, any additional person not a party to this Agreement except by written consent containing a specific reference to this Agreement and signed by the Architect, the Owner, and any other person sought to be joined. Any consent to arbitration involving an additional person or persons shall not constitute consent to arbitration of any dispute not described therein or with any person not named or described therein. This Agreement to arbitrate and any agreement to arbitrate with an additional person or persons duly consented to by the parties to this Agreement shall be specifically enforceable under the prevailing arbitration law.

**9.2** Notice of the demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. The demand shall be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

**9.3** The award rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

## **ARTICLE 10**

### **TERMINATION OF AGREEMENT**

**10.1** This Agreement may be terminated by either party upon seven days' written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.

**10.2** This Agreement may be terminated by the Owner upon at least seven days' written notice to the Architect in the event that the Project is permanently abandoned.

**10.3** In the event of termination not the fault of the Architect, the Architect shall be compensated for all services performed to termination date, together with Reimbursable Expenses then due and all Termination Expenses as defined in Paragraph 10.4.

**10.4** Termination Expenses include expenses directly attributable to termination for which the Architect is not otherwise compensated, plus an amount computed as a percentage of the total Basic and Additional Compensation earned to the time of termination, as follows:

- .1** 20 percent if termination occurs during the Schematic Design Phase; or
- .2** 10 percent if termination occurs during the Design Development Phase; or
- .3** 5 percent if termination occurs during any subsequent phase.

## **ARTICLE 11**

### **MISCELLANEOUS PROVISIONS**

**11.1** Unless otherwise specified, this Agreement shall be governed by the law of the principal place of business of the Architect.

**11.2** Terms in this Agreement shall have the same meaning as those in AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement.

**11.3** As between the parties to this Agreement: as to all acts or failures to act by either party to this Agreement, any applicable statute of limitations shall commence to run and any alleged cause of action shall be deemed to have accrued in any and all events not later than the relevant Date of Substantial Completion of the Work, and as to any acts or failures to act occurring after the relevant Date of Substantial Completion, not later than the date of issuance of the final Certificate for Payment.

**11.4** The Owner and the Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages covered by any property insurance during construction as set forth in the edition of AIA Document A201, General Conditions, current as of the date of this Agreement. The Owner and the Architect each shall require appropriate similar waivers from their contractors, consultants and agents.

## **ARTICLE 12**

### **SUCCESSORS AND ASSIGNS**

**12.1** The Owner and the Architect, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Neither the Owner nor the Architect shall assign, sublet or transfer any interest in this Agreement without the written consent of the other.

## **ARTICLE 13**

### **EXTENT OF AGREEMENT**

**13.1** This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.



#### 14.4 COMPENSATION FOR ADDITIONAL SERVICES

##### 14.4.1 FOR ADDITIONAL SERVICES OF THE ARCHITECT, as described in Paragraph 1.7, and any other services included in Article 15 as part of Additional Services, but excluding Additional Services of consultants, Compensation shall be computed as follows:

*(Here insert basis of compensation, including rates and/or multiples of Direct Personnel Expense for Principals and employees, and identify Principals and classify employees, if required. Identify specific services to which particular methods of compensation apply, if necessary.)*

###### 14.4.1.1 Principals' time at the fixed rate of twenty-five dollars (\$25.00) per hour. For the purpose of this Agreement, the Principals are:

John W. Wells, A.I.A.  
Charles A. Hutchison, A.I.A.  
Donald M. Law

###### 14.4.1.2 Employees' time (other than Principals) at a multiple of two and one-half (2.5) times the employees' Direct Personnel Expense as defined in Article 4.

##### 14.4.2 FOR ADDITIONAL SERVICES OF CONSULTANTS, including additional structural, mechanical and electrical engineering services and those provided under Subparagraph 1.7.21 or identified in Article 15 as part of Additional Services, a multiple of one and one-quarter ( 1.25 ) times the amounts billed to the Architect for such services.

*(Identify specific types of consultants in Article 15, if required.)*

##### 14.5 FOR REIMBURSABLE EXPENSES, as described in Article 5, and any other items included in Article 15 as Reimbursable Expenses, a multiple of one ( 1.00 ) times the amounts expended by the Architect, the Architect's employees and consultants in the interest of the Project.

##### 14.6 Payments due the Architect and unpaid under this Agreement shall bear interest from the date payment is due at the rate entered below, or in the absence thereof, at the legal rate prevailing at the principal place of business of the Architect.

*(Here insert any rate of interest agreed upon.)*

*(Usury laws and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's and Architect's principal places of business, the location of the Project and elsewhere may affect the validity of this provision. Specific legal advice should be obtained with respect to deletion, modification, or other requirements such as written disclosures or waivers.)*

##### 14.7 The Owner and the Architect agree in accordance with the Terms and Conditions of this Agreement that:

###### 14.7.1 IF THE SCOPE of the Project or of the Architect's Services is changed materially, the amounts of compensation shall be equitably adjusted.

###### 14.7.2 IF THE SERVICES covered by this Agreement have not been completed within

24 months of the date hereof, through no fault of the Architect, the amounts of compensation, rates and multiples set forth herein shall be equitably adjusted.

**ARTICLE 14**  
**BASIS OF COMPENSATION**

The Owner shall compensate the Architect for the Scope of Services provided, in accordance with Article 6, Payments to the Architect, and the other Terms and Conditions of this Agreement, as follows:

14.1 AN INITIAL PAYMENT of \_\_\_\_\_ dollars (\$ \_\_\_\_\_)  
shall be made upon execution of this Agreement and credited to the Owner's account as follows:

14.2 BASIC COMPENSATION

14.2.1 FOR BASIC SERVICES, as described in Paragraphs 1.1 through 1.5, and any other services included in Article 15 as part of Basic Services, Basic Compensation shall be computed as follows:

*(Here insert basis of compensation, including fixed amounts, multiples or percentages, and identify Phases to which particular methods of compensation apply, if necessary.)*

Basic Services shall be provided for a fixed amount of Twenty-four Thousand One Hundred and Fifty Dollars (\$24,150.00).

14.2.2 Where compensation is based on a Stipulated Sum or Percentage of Construction Cost, payments for Basic Services shall be made as provided in Subparagraph 6.1.2, so that Basic Compensation for each Phase shall equal the following percentages of the total Basic Compensation payable:

*(Include any additional Phases as appropriate.)*

Schematic Design Phase:	percent ( 15 %)
Design Development Phase:	percent ( 20 %)
Construction Documents Phase:	percent ( 40 %)
Bidding or Negotiation Phase:	percent ( 05 %)
Construction Phase:	percent ( 20 %)

14.3 FOR PROJECT REPRESENTATION BEYOND BASIC SERVICES, as described in Paragraph 1.6, Compensation shall be computed separately in accordance with Subparagraph 1.6.2.

#### 14.4 COMPENSATION FOR ADDITIONAL SERVICES

- 14.4.1 FOR ADDITIONAL SERVICES OF THE ARCHITECT, as described in Paragraph 1.7, and any other services included in Article 15 as part of Additional Services, but excluding Additional Services of consultants, Compensation shall be computed as follows:

*(Here insert basis of compensation, including rates and/or multiples of Direct Personnel Expense for Principals and employees, and identify Principals and classify employees, if required. Identify specific services to which particular methods of compensation apply, if necessary.)*

- 14.4.1.1 Principals' time at the fixed rate of twenty-five dollars (\$25.00) per hour. For the purpose of this Agreement, the Principals are:

John W. Wells, A.I.A.  
Charles A. Hutchison, A.I.A.  
Donald M. Law

- 14.4.1.2 Employees' time (other than Principals) at a multiple of two and one-half (2.5) times the employees' Direct Personnel Expense as defined in Article 4.

- 14.4.2 FOR ADDITIONAL SERVICES OF CONSULTANTS, including additional structural, mechanical and electrical engineering services and those provided under Subparagraph 1.7.21 or identified in Article 15 as part of Additional Services, a multiple of one and one-quarter ( 1.25 ) times the amounts billed to the Architect for such services.

*(Identify specific types of consultants in Article 15, if required.)*

- 14.5 FOR REIMBURSABLE EXPENSES, as described in Article 5, and any other items included in Article 15 as Reimbursable Expenses, a multiple of one ( 1.00 ) times the amounts expended by the Architect, the Architect's employees and consultants in the interest of the Project.

- 14.6 Payments due the Architect and unpaid under this Agreement shall bear interest from the date payment is due at the rate entered below, or in the absence thereof, at the legal rate prevailing at the principal place of business of the Architect.

*(Here insert any rate of interest agreed upon.)*

*(Usury laws and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's and Architect's principal places of business, the location of the Project and elsewhere may affect the validity of this provision. Specific legal advice should be obtained with respect to deletion, modification, or other requirements such as written disclosures or waivers.)*

- 14.7 The Owner and the Architect agree in accordance with the Terms and Conditions of this Agreement that:

- 14.7.1 IF THE SCOPE of the Project or of the Architect's Services is changed materially, the amounts of compensation shall be equitably adjusted.

- 14.7.2 IF THE SERVICES covered by this Agreement have not been completed within

24 months of the date hereof, through no fault of the Architect, the amounts of compensation, rates and multiples set forth herein shall be equitably adjusted.



ARTICLE 15

OTHER CONDITIONS OR SERVICES

See attached pages 11a through 11e.

This Agreement entered into as of the day and year first written above.

OWNER The Board of Trustees of the University of South Carolina ARCHITECT Wells, Fleetwood & Hutchison, Architects, Inc.

Osborne Building

234 Richland Avenue West

Columbia, South Carolina

Aiken, South Carolina 29801

29208

BY

BY

John W. Wells, A.I.A., President

## ARTICLE 15

### OTHER CONDITIONS OR SERVICES

In the TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT AND/OR ENGINEER add to or delete from as follows:

15.1 GENERAL:

"Where the word "ARCHITECT" appears in the TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT substitute therefor: "ARCHITECT and/or ENGINEER."

15.2 ARTICLE I - ARCHITECT AND/OR ENGINEER'S SERVICES AND RESPONSIBILITY:

Add the following subparagraph:

"1.1.5.1 Upon completion of the Schematic Design Phase, the Schematic Design Documents, including Probable Construction Cost shall be submitted to the Owner and State Engineer, and the Owner will approve the Probable Construction Cost in writing."

15.2.2 "1.2 Delete in its entirety and substitute therefor the following:

"1.2 DESIGN DEVELOPMENT PHASE

"1.2.1 Based on the Schematic Design Documents and any adjustments in the program or project budget, the Owner shall instruct the Architect, in writing, to prepare the Design Development Documents.

"1.2.2 Design Development Documents shall include sufficient material to delineate the scope of Project and to indicate the general design of the Project. Design Development Document, consisting of Drawing, Outline Specifications, Probable Construction Cost, and any other material or document necessary to prepare the Design Development Documents shall contain all architectural and/or engineering skills.

"1.2.3 Design Development Documents shall include but are not limited to the following:

"1.2.3.1 DRAWINGS:

(a) Existing topographic features and improvements affecting or relating to the proposed work. Indicate revisions to be made to existing topographic features and improvements such as grading, construction of drainage facilities, etc. Where drainage facilities are to be provided, indicate direction of flow and point of discharge by appropriate symbol or notes.

(b) Double-line drawings showing developed floor plans, proposed finished floor elevations, floor and roof framing, typical wall section, exterior elevations showing proposed floor-to-floor heights and basic details of any unusual features of construction.



(c) Basic information necessary to establish space requirements and functional arrangement.

(d) Functional layout of mechanical, electrical and electronic features, special equipment, plumbing and heating to include, where applicable:

(1) Location of evaporative coolers and/or air conditioning units.

(2) General scale layout of equipment, heater and/or boiler rooms showing space requirements and auxiliary equipment proposed.

(3) Location and approximate size of special equipment to be installed such as compressors, generators, transformers, electronic equipment racks, consoles, panels, distributing frames, hoists, cranes, etc.

(e) Location, dimension, sections, areas and capacities, as applicable to parking areas, access roads, driveways, walks, etc.

(f) Location and size of existing or proposed sanitary sewers, water mains, gas mains and electrical service in the vicinity of the proposed buildings. Size and location of transformers. Elevations of gravity lines. Location of proposed building connections with notations showing which of the necessary utility extensions or connections beyond the 5-foot building line will be provided.

(g) Provide simplified schematic electrical diagrams for each electronic or instrumentation system to show that the required system functions are being provided.

"1.2.3.2 Outline Specifications and Probable Construction Cost shall be developed to a uniform level, reflecting the material, trades, mechanical and electrical system, and specialties required to reflect the Project as a whole.

"1.2.4 Upon completion of Design Development Phase, the Design Development Documents, including Outline Specifications and Probable Construction Cost shall be submitted to the Owner and State Engineer, and the Owner will approve the Probable Construction Cost in writing."

15.2.3 Add the following subparagraph:

"1.3.4.1 Prior to advertising for bids for construction, the Architect and/or Engineer shall submit the Construction Documents and Probable Construction Cost and shall obtain written approval of the Probable Construction Cost from the Owner..

"1.3.4.2 Submission of the Construction Documents and Probable Construction Documents and Probable Construction Cost to the Owner and State Engineer and the approval of the Probable Construction Cost shall not relieve the Architect and/or Engineer of any responsibility for design deficiencies, omission or errors."

.. Add the following subparagraphs:

- 15.2.4 "1.5.4.1 Periodic visit by the ARCHITECT and/or ENGINEER may vary with the progress of the work and other conditions, but shall average not less than one visit by the ARCHITECT and/or ENGINEER or his representative to the project per week during the course of construction. The ARCHITECT and/or ENGINEER shall submit to the OWNER a written report of his periodic visit, at least once a month, of his findings and progress of the project.

"1.5.4.1.2 Should the CONTRACTOR fall behind in his construction schedule by more than four weeks, the ARCHITECT and/or ENGINEER shall notify the OWNER in writing."

- 15.2.5 1.5.9 Delete in its entirety and substitute therefor the following:

"1.5.9 The ARCHITECT and/or ENGINEER shall be the interpreter of the requirements of the CONTRACT DOCUMENTS and judge of the performance thereunder by both the OWNER and the CONTRACTOR. The ARCHITECT and/or ENGINEER shall render written interpretations necessary for the proper execution or progress of the work within fifteen days on written request of either the OWNER or the CONTRACTOR, unless such interpretation can only be made after testing, in which case an interpretation must be rendered within fifteen days after completion of such test, and shall render written decisions, within fifteen days, on all claims, disputes and other matters in question between the OWNER and the CONTRACTOR relating to the execution or progress of the work or the interpretation of the CONTRACT DOCUMENTS."

- 15.2.6 Add the following subparagraph:

"1.5.14.1 Where a Change Order is required due to field adjustment, design deficiency omission or error, the Change Order shall be prepared at no cost to the Owner."

- 15.2.7 Add the following Subparagraphs:

"1.5.17 Upon completion of the CONSTRUCTION PHASE, the ARCHITECT and/or ENGINEER shall correct the original drawing to "record drawings" showing all significant changes in the Work made during construction. Such changes to the drawings shall be made in a professional manner, and drawings shall be stamped and signed by the ARCHITECT and/or ENGINEER as said drawings being "record drawings", based on marked-up prints, drawings and other data furnished by the CONTRACTOR and/or representative of the OWNER and/or ARCHITECT and/or ENGINEER.

"1.5.18 One month prior to the expiration of the one-year warranty period as called for in the CONSTRUCTION DOCUMENTS, the ARCHITECT and/or ENGINEER shall inspect the project for any deficiencies that may have developed under the one-year warranty. Upon completion of inspection a written report shall be furnished to the OWNER, the STATE ENGINEER and the CONTRACTOR, and the ARCHITECT and/or ENGINEER shall assist the OWNER in taking necessary action to see that the deficiencies are corrected."

15.2.8 1.7.17 Delete this Subparagraph in its entirety.

15.3 ARTICLE 2 - THE OWNER'S RESPONSIBILITY:

15.3.1 2.4 First line following Owner delete "shall furnish" and substitute therefor the following:

"will furnish, if requested, by the ARCHITECT and/or ENGINEER."

15.4 ARTICLE 3 - CONSTRUCTION COST:

15.4.1 Add the following Subparagraph:

"3.1.3.1 Compensation to the ARCHITECT and/or ENGINEER shall be as set forth in Article 14. When compensation is based on "Percentage of Construction Cost" the establishing of the percentage shall be the amount of the Construction Contract awarded. Once established, the same percentage figure shall apply to any recomputation of fee occasioned by Change Order, and only Change Orders that increase the contract amount shall be used in recomputation. Where a Change Order is required because of field adjustments, design deficiencies, omission or errors, the amount of that Change Order shall not apply toward computation of ARCHITECT and/or ENGINEER'S compensation".

15.4.2 Add the following Subparagraph:

"3.2.2.1 Fixed limit of Construction Cost shall be the Probable Construction Cost as defined in Subparagraph 1.3.4.1".

15.4.3 6.1.3 Delete in its entirety and substitute therefor the following:

"6.1.3 If the Contract Time initially established in the Construction Contract is exceeded by more than thirty days through no fault of the ARCHITECT and/or ENGINEER, compensation for Basic Services performed by Principals, employees and professional consultants required to complete the Administration of the Construction Contract beyond the thirtieth day shall be computed as set forth in Paragraph 14.4.1 and 14.4.2 for Additional Services. No additional services by the ARCHITECT and/or ENGINEER in connection with semi-final and final inspection."

15.5 ARTICLE 8: OWNERSHIP OF DOCUMENTS:

15.5.1 ARTICLE 8: Delete in its entirety and substitute therefor new ARTICLE 8 as follows:

"ARTICLE 8: OWNERSHIP OF DOCUMENTS".

8.1 The Owner shall have unlimited rights in the ownership of all drawings, designs, specifications, notes and other work developed in the performance of the AGREEMENT, including the right to use same on any other Owner's projects without additional cost to the Owner, and with respect thereto the ARCHITECT and/or ENGINEER agrees to and does hereby grant to the Owner a royalty-free



15.2.8 1.7.17 Delete this Subparagraph in its entirety.

15.3 ARTICLE 2 - THE OWNER'S RESPONSIBILITY:

15.3.1 2.4 First line following Owner delete "shall furnish" and substitute therefor the following:

"will furnish, if requested, by the ARCHITECT and/or ENGINEER."

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15.4.1 Add the following Subparagraph:

"3.1.3.1 Compensation to the ARCHITECT and/or ENGINEER shall be as set forth in Article 14. When compensation is based on "Percentage of Construction Cost" the establishing of the percentage shall be the amount of the Construction Contract awarded. Once established, the same percentage figure shall apply to any recomputation of fee occasioned by Change Order, and only Change Orders that increase the contract amount shall be used in recomputation. Where a Change Order is required because of field adjustments, design deficiencies, omission or errors, the amount of that Change Order shall not apply toward computation of ARCHITECT and/or ENGINEER'S compensation".

15.4.2 Add the following Subparagraph:

"3.2.2.1 Fixed limit of Construction Cost shall be the Probable Construction Cost as defined in Subparagraph 1.3.4.1".

15.4.3 6.1.3 Delete in its entirety and substitute therefor the following:

"6.1.3 If the Contract Time initially established in the Construction Contract is exceeded by more than thirty days through no fault of the ARCHITECT and/or ENGINEER, compensation for Basic Services performed by Principals, employees and professional consultants required to complete the Administration of the Construction Contract beyond the thirtieth day shall be computed as set forth in Paragraph 14.4.1 and 14.4.2 for Additional Services. No additional services by the ARCHITECT and/or ENGINEER in connection with semi-final and final inspection."

15.5 ARTICLE 8: OWNERSHIP OF DOCUMENTS:

15.5.1 ARTICLE 8: Delete in its entirety and substitute therefor new ARTICLE 8 as follows:

"ARTICLE 8: OWNERSHIP OF DOCUMENTS".

8.1 The Owner shall have unlimited rights in the ownership of all drawings, designs, specifications, notes and other work developed in the performance of the AGREEMENT, including the right to use same on any other Owner's projects without additional cost to the Owner, and with respect thereto the ARCHITECT and/or ENGINEER agrees to and does hereby grant to the Owner a royalty-free

license to all such data which he may cover by copyright and to all designs as to which he may assert any rights or establish any claim under the design patent or copyright laws.

"8.2 In the case of future reuse of the documents the Owner reserves the right to negotiate with the ARCHITECT and/or ENGINEER for compensation for the acceptance of any professional liability."

"8.3 In the event the Owner does not exercise the option to negotiate with the ARCHITECT and/or ENGINEER FOR THE Architect's and/or Engineer's acceptance of any professional liability, it is understood that the ARCHITECT and/or ENGINEER is no longer liable in the reuse of the documents.

15.6 ARTICLE 9 - ARBITRATION

Delete ARTICLE 9 in its entirety.

15.7 ARTICLE 10 - TERMINATION OF AGREEMENT

15.7.1 10.3 Fourth line following "Expense" change comma "," to period "." and delete rest of sentence.

15.7.2 10.4 Delete in its entirety.

15.8 ARTICLE 11 - MISCELLANEOUS PROVISIONS

15.8.1 11.1 Second line following "laws of" delete remaining of sentence and substitute therefor the following:

"-----South Carolina."

15.9 ARTICLE 14 - BASIS OF COMPENSATION

15.9.1 14.6 Delete in its entirety and substitute therefor the following:

"14.6 Payment due the ARCHITECT and/or ENGINEER under this Agreement shall bear interest at six percent per annum commencing forty-five days after date of billing."

THE AMERICAN INSTITUTE OF ARCHITECTS



AIA Document B141

# Standard Form of Agreement Between Owner and Architect

1977 EDITION

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH  
AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION

## AGREEMENT

made as of the twelfth day of December in the year of Nineteen  
Hundred and Seventy-eight (12 December, 1978)

**BETWEEN** the Owner: The Board of Trustees of the  
University of South Carolina

and the Architect: Wells, Fleetwood & Hutchison, Architects, Inc.  
234 Richland Avenue  
Aiken, South Carolina 29801

For the following Project:

*(Include detailed description of Project location and scope.)*

Conversions/Renovations to existing Classroom/Administration Building, University of South Carolina, Aiken Campus, Aiken, South Carolina. In general, the Project includes: Conversion of Classrooms to two Biology Labs and one Chemistry Lab; additions to an existing Psychology Lab; creation of new support and administrative spaces; and some general modifications to improve accessibility and save energy.

The Owner and the Architect agree as set forth below.

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## TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT

### ARTICLE 1

#### ARCHITECT'S SERVICES AND RESPONSIBILITIES

##### BASIC SERVICES

The Architect's Basic Services consist of the five phases described in Paragraphs 1.1 through 1.5 and include normal structural, mechanical and electrical engineering services and any other services included in Article 15 as part of Basic Services.

##### 1.1 SCHEMATIC DESIGN PHASE

**1.1.1** The Architect shall review the program furnished by the Owner to ascertain the requirements of the Project and shall review the understanding of such requirements with the Owner.

**1.1.2** The Architect shall provide a preliminary evaluation of the program and the Project budget requirements, each in terms of the other, subject to the limitations set forth in Subparagraph 3.2.1.

**1.1.3** The Architect shall review with the Owner alternative approaches to design and construction of the Project.

**1.1.4** Based on the mutually agreed upon program and Project budget requirements, the Architect shall prepare, for approval by the Owner, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of Project components.

**1.1.5** The Architect shall submit to the Owner a Statement of Probable Construction Cost based on current area, volume or other unit costs.

##### 1.2 DESIGN DEVELOPMENT PHASE

**1.2.1** Based on the approved Schematic Design Documents and any adjustments authorized by the Owner in the program or Project budget, the Architect shall prepare, for approval by the Owner, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the entire Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.

**1.2.2** The Architect shall submit to the Owner a further Statement of Probable Construction Cost.

##### 1.3 CONSTRUCTION DOCUMENTS PHASE

**1.3.1** Based on the approved Design Development Documents and any further adjustments in the scope or quality of the Project or in the Project budget authorized by the Owner, the Architect shall prepare, for approval by the Owner, Construction Documents consisting of Drawings and Specifications setting forth in detail the requirements for the construction of the Project.

**1.3.2** The Architect shall assist the Owner in the preparation of the necessary bidding information, bidding forms, the Conditions of the Contract, and the form of Agreement between the Owner and the Contractor.

**1.3.3** The Architect shall advise the Owner of any adjust-

ments to previous Statements of Probable Construction Cost indicated by changes in requirements or general market conditions.

**1.3.4** The Architect shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

##### 1.4 BIDDING OR NEGOTIATION PHASE

**1.4.1** The Architect, following the Owner's approval of the Construction Documents and of the latest Statement of Probable Construction Cost, shall assist the Owner in obtaining bids or negotiated proposals, and assist in awarding and preparing contracts for construction.

##### 1.5 CONSTRUCTION PHASE—ADMINISTRATION OF THE CONSTRUCTION CONTRACT

**1.5.1** The Construction Phase will commence with the award of the Contract for Construction and, together with the Architect's obligation to provide Basic Services under this Agreement, will terminate when final payment to the Contractor is due, or in the absence of a final Certificate for Payment or of such due date, sixty days after the Date of Substantial Completion of the Work, whichever occurs first.

**1.5.2** Unless otherwise provided in this Agreement and incorporated in the Contract Documents, the Architect shall provide administration of the Contract for Construction as set forth below and in the edition of AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement.

**1.5.3** The Architect shall be a representative of the Owner during the Construction Phase, and shall advise and consult with the Owner. Instructions to the Contractor shall be forwarded through the Architect. The Architect shall have authority to act on behalf of the Owner only to the extent provided in the Contract Documents unless otherwise modified by written instrument in accordance with Subparagraph 1.5.16.

**1.5.4** The Architect shall visit the site at intervals appropriate to the stage of construction or as otherwise agreed by the Architect in writing to become generally familiar with the progress and quality of the Work and to determine in general if the Work is proceeding in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of such on-site observations as an architect, the Architect shall keep the Owner informed of the progress and quality of the Work, and shall endeavor to guard the Owner against defects and deficiencies in the Work of the Contractor.

**1.5.5** The Architect shall not have control or charge of and shall not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, for the acts or omissions of the Contractor, Sub-

contractors or any other persons performing any of the Work, or for the failure of any of them to carry out the Work in accordance with the Contract Documents.

**1.5.6** The Architect shall at all times have access to the Work wherever it is in preparation or progress.

**1.5.7** The Architect shall determine the amounts owing to the Contractor based on observations at the site and on evaluations of the Contractor's Applications for Payment, and shall issue Certificates for Payment in such amounts, as provided in the Contract Documents.

**1.5.8** The issuance of a Certificate for Payment shall constitute a representation by the Architect to the Owner, based on the Architect's observations at the site as provided in Subparagraph 1.5.4 and on the data comprising the Contractor's Application for Payment, that the Work has progressed to the point indicated; that, to the best of the Architect's knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents (subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to the results of any subsequent tests required by or performed under the Contract Documents, to minor deviations from the Contract Documents correctable prior to completion, and to any specific qualifications stated in the Certificate for Payment); and that the Contractor is entitled to payment in the amount certified. However, the issuance of a Certificate for Payment shall not be a representation that the Architect has made any examination to ascertain how and for what purpose the Contractor has used the moneys paid on account of the Contract Sum.

**1.5.9** The Architect shall be the interpreter of the requirements of the Contract Documents and the judge of the performance thereunder by both the Owner and Contractor. The Architect shall render interpretations necessary for the proper execution or progress of the Work with reasonable promptness on written request of either the Owner or the Contractor, and shall render written decisions, within a reasonable time, on all claims, disputes and other matters in question between the Owner and the Contractor relating to the execution or progress of the Work or the interpretation of the Contract Documents.

**1.5.10** Interpretations and decisions of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in written or graphic form. In the capacity of interpreter and judge, the Architect shall endeavor to secure faithful performance by both the Owner and the Contractor, shall not show partiality to either, and shall not be liable for the result of any interpretation or decision rendered in good faith in such capacity.

**1.5.11** The Architect's decisions in matters relating to artistic effect shall be final if consistent with the intent of the Contract Documents. The Architect's decisions on any other claims, disputes or other matters, including those in question between the Owner and the Contractor, shall be subject to arbitration as provided in this Agreement and in the Contract Documents.

**1.5.12** The Architect shall have authority to reject Work which does not conform to the Contract Documents. Whenever, in the Architect's reasonable opinion, it is

necessary or advisable for the implementation of the intent of the Contract Documents, the Architect will have authority to require special inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work be then fabricated, installed or completed.

**1.5.13** The Architect shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for conformance with the design concept of the Work and with the information given in the Contract Documents. Such action shall be taken with reasonable promptness so as to cause no delay. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

**1.5.14** The Architect shall prepare Change Orders for the Owner's approval and execution in accordance with the Contract Documents, and shall have authority to order minor changes in the Work not involving an adjustment in the Contract Sum or an extension of the Contract Time which are not inconsistent with the intent of the Contract Documents.

**1.5.15** The Architect shall conduct inspections to determine the Dates of Substantial Completion and final completion, shall receive and forward to the Owner for the Owner's review written warranties and related documents required by the Contract Documents and assembled by the Contractor, and shall issue a final Certificate for Payment.

**1.5.16** The extent of the duties, responsibilities and limitations of authority of the Architect as the Owner's representative during construction shall not be modified or extended without written consent of the Owner, the Contractor and the Architect.

## **1.6 PROJECT REPRESENTATION BEYOND BASIC SERVICES**

**1.6.1** If the Owner and Architect agree that more extensive representation at the site than is described in Paragraph 1.5 shall be provided, the Architect shall provide one or more Project Representatives to assist the Architect in carrying out such responsibilities at the site.

**1.6.2** Such Project Representatives shall be selected, employed and directed by the Architect, and the Architect shall be compensated therefor as mutually agreed between the Owner and the Architect as set forth in an exhibit appended to this Agreement, which shall describe the duties, responsibilities and limitations of authority of such Project Representatives.

**1.6.3** Through the observations by such Project Representatives, the Architect shall endeavor to provide further protection for the Owner against defects and deficiencies in the Work, but the furnishing of such project representation shall not modify the rights, responsibilities or obligations of the Architect as described in Paragraph 1.5.

## **1.7 ADDITIONAL SERVICES**

The following Services are not included in Basic Services unless so identified in Article 15. They shall be provided if authorized or confirmed in writing by the Owner, and they shall be paid for by the Owner as provided in this Agreement, in addition to the compensation for Basic Services.



1.7.1 Providing analyses of the Owner's needs, and programming the requirements of the Project.

1.7.2 Providing financial feasibility or other special studies.

1.7.3 Providing planning surveys, site evaluations, environmental studies or comparative studies of prospective sites, and preparing special surveys, studies and submissions required for approvals of governmental authorities or others having jurisdiction over the Project.

1.7.4 Providing services relative to future facilities, systems and equipment which are not intended to be constructed during the Construction Phase.

~~1.7.5 Providing services to investigate existing conditions or facilities or to make measured drawings thereof, or to verify the accuracy of drawings or other information furnished by the Owner.~~

1.7.6 Preparing documents of alternate, separate or sequential bids or providing extra services in connection with bidding, negotiation or construction prior to the completion of the Construction Documents Phase, when requested by the Owner.

1.7.7 Providing coordination of Work performed by separate contractors or by the Owner's own forces.

1.7.8 Providing services in connection with the work of a construction manager or separate consultants retained by the Owner.

1.7.9 Providing Detailed Estimates of Construction Cost, analyses of owning and operating costs, or detailed quantity surveys or inventories of material, equipment and labor.

1.7.10 Providing interior design and other similar services required for or in connection with the selection, procurement or installation of furniture, furnishings and related equipment.

1.7.11 Providing services for planning tenant or rental spaces.

1.7.12 Making revisions in Drawings, Specifications or other documents when such revisions are inconsistent with written approvals or instructions previously given, are required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents or are due to other causes not solely within the control of the Architect.

1.7.13 Preparing Drawings, Specifications and supporting data and providing other services in connection with Change Orders to the extent that the adjustment in the Basic Compensation resulting from the adjusted Construction Cost is not commensurate with the services required of the Architect, provided such Change Orders are required by causes not solely within the control of the Architect.

1.7.14 Making investigations, surveys, valuations, inventories or detailed appraisals of existing facilities, and services required in connection with construction performed by the Owner.

1.7.15 Providing consultation concerning replacement of any Work damaged by fire or other cause during construction,

and furnishing services as may be required in connection with the replacement of such Work.

1.7.16 Providing services made necessary by the default of the Contractor, or by major defects or deficiencies in the Work of the Contractor, or by failure of performance of either the Owner or Contractor under the Contract for Construction.

1.7.17 Preparing a set of reproducible record drawings showing significant changes in the Work made during construction based on marked-up prints, drawings and other data furnished by the Contractor to the Architect.

1.7.18 Providing extensive assistance in the utilization of any equipment or system such as initial start-up or testing, adjusting and balancing, preparation of operation and maintenance manuals, training personnel for operation and maintenance, and consultation during operation.

1.7.19 Providing services after issuance to the Owner of the final Certificate for Payment, or in the absence of a final Certificate for Payment, more than sixty days after the Date of Substantial Completion of the Work.

1.7.20 Preparing to serve or serving as an expert witness in connection with any public hearing, arbitration proceeding or legal proceeding.

1.7.21 Providing services of consultants for other than the normal architectural, structural, mechanical and electrical engineering services for the Project.

1.7.22 Providing any other services not otherwise included in this Agreement or not customarily furnished in accordance with generally accepted architectural practice.

## 1.8 TIME

1.8.1 The Architect shall perform Basic and Additional Services as expeditiously as is consistent with professional skill and care and the orderly progress of the Work. Upon request of the Owner, the Architect shall submit for the Owner's approval, a schedule for the performance of the Architect's services which shall be adjusted as required as the Project proceeds, and shall include allowances for periods of time required for the Owner's review and approval of submissions and for approvals of authorities having jurisdiction over the Project. This schedule, when approved by the Owner, shall not, except for reasonable cause, be exceeded by the Architect.

## ARTICLE 2

### THE OWNER'S RESPONSIBILITIES

2.1 The Owner shall provide full information regarding requirements for the Project including a program, which shall set forth the Owner's design objectives, constraints and criteria, including space requirements and relationships, flexibility and expandability, special equipment and systems and site requirements.

2.2 If the Owner provides a budget for the Project it shall include contingencies for bidding, changes in the Work during construction, and other costs which are the responsibility of the Owner, including those described in this Article 2 and in Subparagraph 3.1.2. The Owner shall, at the request of the Architect, provide a statement of funds available for the Project, and their source.



2.3 The Owner shall designate, when necessary, a representative authorized to act in the Owner's behalf with respect to the Project. The Owner or such authorized representative shall examine the documents submitted by the Architect and shall render decisions pertaining thereto promptly, to avoid unreasonable delay in the progress of the Architect's services.

2.4 The Owner shall furnish a legal description and a certified land survey of the site, giving, as applicable, grades and lines of streets, alleys, pavements and adjoining property; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and complete data pertaining to existing buildings, other improvements and trees; and full information concerning available service and utility lines both public and private, above and below grade, including inverts and depths.

2.5 The Owner shall furnish the services of soil engineers or other consultants when such services are deemed necessary by the Architect. Such services shall include test borings, test pits, soil bearing values, percolation tests, air and water pollution tests, ground corrosion and resistivity tests, including necessary operations for determining subsoil, air and water conditions, with reports and appropriate professional recommendations.

2.6 The Owner shall furnish structural, mechanical, chemical and other laboratory tests, inspections and reports as required by law or the Contract Documents.

2.7 The Owner shall furnish all legal, accounting and insurance counseling services as may be necessary at any time for the Project, including such auditing services as the Owner may require to verify the Contractor's Applications for Payment or to ascertain how or for what purposes the Contractor uses the moneys paid by or on behalf of the Owner.

2.8 The services, information, surveys and reports required by Paragraphs 2.4 through 2.7 inclusive shall be furnished at the Owner's expense, and the Architect shall be entitled to rely upon the accuracy and completeness thereof.

2.9 If the Owner observes or otherwise becomes aware of any fault or defect in the Project or nonconformance with the Contract Documents, prompt written notice thereof shall be given by the Owner to the Architect.

2.10 The Owner shall furnish required information and services and shall render approvals and decisions as expeditiously as necessary for the orderly progress of the Architect's services and of the Work.

### ARTICLE 3

#### CONSTRUCTION COST

##### 3.1 DEFINITION

3.1.1 The Construction Cost shall be the total cost or estimated cost to the Owner of all elements of the Project designed or specified by the Architect.

3.1.2 The Construction Cost shall include at current market rates, including a reasonable allowance for overhead and profit, the cost of labor and materials furnished by the Owner and any equipment which has been de-

signed, specified, selected or specially provided for by the Architect.

3.1.3 Construction Cost does not include the compensation of the Architect and the Architect's consultants, the cost of the land, rights-of-way, or other costs which are the responsibility of the Owner as provided in Article 2.

##### 3.2 RESPONSIBILITY FOR CONSTRUCTION COST

3.2.1 Evaluations of the Owner's Project budget, Statements of Probable Construction Cost and Detailed Estimates of Construction Cost, if any, prepared by the Architect, represent the Architect's best judgment as a design professional familiar with the construction industry. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials or equipment, over the Contractor's methods of determining bid prices, or over competitive bidding, market or negotiating conditions. Accordingly, the Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from the Project budget proposed, established or approved by the Owner, if any, or from any Statement of Probable Construction Cost or other cost estimate or evaluation prepared by the Architect.

3.2.2 No fixed limit of Construction Cost shall be established as a condition of this Agreement by the furnishing, proposal or establishment of a Project budget under Subparagraph 1.1.2 or Paragraph 2.2 or otherwise, unless such fixed limit has been agreed upon in writing and signed by the parties hereto. If such a fixed limit has been established, the Architect shall be permitted to include contingencies for design, bidding and price escalation, to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents, to make reasonable adjustments in the scope of the Project and to include in the Contract Documents alternate bids to adjust the Construction Cost to the fixed limit. Any such fixed limit shall be increased in the amount of any increase in the Contract Sum occurring after execution of the Contract for Construction.

3.2.3 If the Bidding or Negotiation Phase has not commenced within three months after the Architect submits the Construction Documents to the Owner, any Project budget or fixed limit of Construction Cost shall be adjusted to reflect any change in the general level of prices in the construction industry between the date of submission of the Construction Documents to the Owner and the date on which proposals are sought.

3.2.4 If a Project budget or fixed limit of Construction Cost (adjusted as provided in Subparagraph 3.2.3) is exceeded by the lowest bona fide bid or negotiated proposal, the Owner shall (1) give written approval of an increase in such fixed limit, (2) authorize rebidding or renegotiating of the Project within a reasonable time, (3) if the Project is abandoned, terminate in accordance with Paragraph 10.2, or (4) cooperate in revising the Project scope and quality as required to reduce the Construction Cost. In the case of (4), provided a fixed limit of Construction Cost has been established as a condition of this Agreement, the Architect, without additional charge, shall modify the Drawings and Specifications as necessary to comply

with the fixed limit. The providing of such service shall be the limit of the Architect's responsibility arising from the establishment of such fixed limit, and having done so, the Architect shall be entitled to compensation for all services performed, in accordance with this Agreement, whether or not the Construction Phase is commenced.

#### **ARTICLE 4**

##### **DIRECT PERSONNEL EXPENSE**

**4.1** Direct Personnel Expense is defined as the direct salaries of all the Architect's personnel engaged on the Project, and the portion of the cost of their mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, vacations, pensions and similar contributions and benefits.

#### **ARTICLE 5**

##### **REIMBURSABLE EXPENSES**

**5.1** Reimbursable Expenses are in addition to the Compensation for Basic and Additional Services and include actual expenditures made by the Architect and the Architect's employees and consultants in the interest of the Project for the expenses listed in the following Subparagraphs:

**5.1.1** Expense of transportation in connection with the Project; living expenses in connection with out-of-town travel; long distance communications, and fees paid for securing approval of authorities having jurisdiction over the Project.

**5.1.2** Expense of reproductions, postage and handling of Drawings, Specifications and other documents, excluding reproductions for the office use of the Architect and the Architect's consultants.

**5.1.3** Expense of data processing and photographic production techniques when used in connection with Additional Services.

**5.1.4** If authorized in advance by the Owner, expense of overtime work requiring higher than regular rates.

**5.1.5** Expense of renderings, models and mock-ups requested by the Owner.

**5.1.6** Expense of any additional insurance coverage or limits, including professional liability insurance, requested by the Owner in excess of that normally carried by the Architect and the Architect's consultants.

#### **ARTICLE 6**

##### **PAYMENTS TO THE ARCHITECT**

###### **6.1 PAYMENTS ON ACCOUNT OF BASIC SERVICES**

**6.1.1** An initial payment as set forth in Paragraph 14.1 is the minimum payment under this Agreement.

**6.1.2** Subsequent payments for Basic Services shall be made monthly and shall be in proportion to services performed within each Phase of services, on the basis set forth in Article 14.

**6.1.3** If and to the extent that the Contract Time initially established in the Contract for Construction is exceeded

or extended through no fault of the Architect, compensation for any Basic Services required for such extended period of Administration of the Construction Contract shall be computed as set forth in Paragraph 14.4 for Additional Services.

**6.1.4** When compensation is based on a percentage of Construction Cost, and any portions of the Project are deleted or otherwise not constructed, compensation for such portions of the Project shall be payable to the extent services are performed on such portions, in accordance with the schedule set forth in Subparagraph 14.2.2, based on (1) the lowest bona fide bid or negotiated proposal or, (2) if no such bid or proposal is received, the most recent Statement of Probable Construction Cost or Detailed Estimate of Construction Cost for such portions of the Project.

###### **6.2 PAYMENTS ON ACCOUNT OF ADDITIONAL SERVICES**

**6.2.1** Payments on account of the Architect's Additional Services as defined in Paragraph 1.7 and for Reimbursable Expenses as defined in Article 5 shall be made monthly upon presentation of the Architect's statement of services rendered or expenses incurred.

###### **6.3 PAYMENTS WITHHELD**

**6.3.1** No deductions shall be made from the Architect's compensation on account of penalty, liquidated damages or other sums withheld from payments to contractors, or on account of the cost of changes in the Work other than those for which the Architect is held legally liable.

###### **6.4 PROJECT SUSPENSION OR TERMINATION**

**6.4.1** If the Project is suspended or abandoned in whole or in part for more than three months, the Architect shall be compensated for all services performed prior to receipt of written notice from the Owner of such suspension or abandonment, together with Reimbursable Expenses then due and all Termination Expenses as defined in Paragraph 10.4. If the Project is resumed after being suspended for more than three months, the Architect's compensation shall be equitably adjusted.

#### **ARTICLE 7**

##### **ARCHITECT'S ACCOUNTING RECORDS**

**7.1** Records of Reimbursable Expenses and expenses pertaining to Additional Services and services performed on the basis of a Multiple of Direct Personnel Expense shall be kept on the basis of generally accepted accounting principles and shall be available to the Owner or the Owner's authorized representative at mutually convenient times.

#### **ARTICLE 8**

##### **OWNERSHIP AND USE OF DOCUMENTS**

**8.1** Drawings and Specifications as instruments of service are and shall remain the property of the Architect whether the Project for which they are made is executed or not. The Owner shall be permitted to retain copies, including reproducible copies, of Drawings and Specifications for information and reference in connection with the Owner's use and occupancy of the Project. The Drawings and Specifications shall not be used by the Owner on

other projects, for additions to this Project, or for completion of this Project by others provided the Architect is not in default under this Agreement, except by agreement in writing and with appropriate compensation to the Architect.

**8.2** Submission or distribution to meet official regulatory requirements or for other purposes in connection with the Project is not to be construed as publication in derogation of the Architect's rights.

## **ARTICLE 9**

### **ARBITRATION**

**9.1** All claims, disputes and other matters in question between the parties to this Agreement, arising out of or relating to this Agreement or the breach thereof, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. No arbitration, arising out of or relating to this Agreement, shall include, by consolidation, joinder or in any other manner, any additional person not a party to this Agreement except by written consent containing a specific reference to this Agreement and signed by the Architect, the Owner, and any other person sought to be joined. Any consent to arbitration involving an additional person or persons shall not constitute consent to arbitration of any dispute not described therein or with any person not named or described therein. This Agreement to arbitrate and any agreement to arbitrate with an additional person or persons duly consented to by the parties to this Agreement shall be specifically enforceable under the prevailing arbitration law.

**9.2** Notice of the demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. The demand shall be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

**9.3** The award rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

## **ARTICLE 10**

### **TERMINATION OF AGREEMENT**

**10.1** This Agreement may be terminated by either party upon seven days' written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.

**10.2** This Agreement may be terminated by the Owner upon at least seven days' written notice to the Architect in the event that the Project is permanently abandoned.

**10.3** In the event of termination not the fault of the Architect, the Architect shall be compensated for all services performed to termination date, together with Reimbursable Expenses then due and all Termination Expenses as defined in Paragraph 10.4.

**10.4** Termination Expenses include expenses directly attributable to termination for which the Architect is not otherwise compensated, plus an amount computed as a percentage of the total Basic and Additional Compensation earned to the time of termination, as follows:

- .1 20 percent if termination occurs during the Schematic Design Phase; or
- .2 10 percent if termination occurs during the Design Development Phase; or
- .3 5 percent if termination occurs during any subsequent phase.

## **ARTICLE 11**

### **MISCELLANEOUS PROVISIONS**

**11.1** Unless otherwise specified, this Agreement shall be governed by the law of the principal place of business of the Architect.

**11.2** Terms in this Agreement shall have the same meaning as those in AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement.

**11.3** As between the parties to this Agreement: as to all acts or failures to act by either party to this Agreement, any applicable statute of limitations shall commence to run and any alleged cause of action shall be deemed to have accrued in any and all events not later than the relevant Date of Substantial Completion of the Work, and as to any acts or failures to act occurring after the relevant Date of Substantial Completion, not later than the date of issuance of the final Certificate for Payment.

**11.4** The Owner and the Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages covered by any property insurance during construction as set forth in the edition of AIA Document A201, General Conditions, current as of the date of this Agreement. The Owner and the Architect each shall require appropriate similar waivers from their contractors, consultants and agents.

## **ARTICLE 12**

### **SUCCESSORS AND ASSIGNS**

**12.1** The Owner and the Architect, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Neither the Owner nor the Architect shall assign, sublet or transfer any interest in this Agreement without the written consent of the other.

## **ARTICLE 13**

### **EXTENT OF AGREEMENT**

**13.1** This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.



**ARTICLE 14**  
**BASIS OF COMPENSATION**

The Owner shall compensate the Architect for the Scope of Services provided, in accordance with Article 6, Payments to the Architect, and the other Terms and Conditions of this Agreement, as follows:

14.1 AN INITIAL PAYMENT of \_\_\_\_\_ dollars (\$ \_\_\_\_\_)  
shall be made upon execution of this Agreement and credited to the Owner's account as follows:

14.2 BASIC COMPENSATION

14.2.1 FOR BASIC SERVICES, as described in Paragraphs 1.1 through 1.5, and any other services included in Article 15 as part of Basic Services, Basic Compensation shall be computed as follows:

*(Here insert basis of compensation, including fixed amounts, multiples or percentages, and identify Phases to which particular methods of compensation apply, if necessary.)*

Basic Services shall be provided for a fixed amount of Twenty-four Thousand One Hundred and Fifty Dollars (\$24,150.00).

14.2.2 Where compensation is based on a Stipulated Sum or Percentage of Construction Cost, payments for Basic Services shall be made as provided in Subparagraph 6.1.2, so that Basic Compensation for each Phase shall equal the following percentages of the total Basic Compensation payable:

*(Include any additional Phases as appropriate.)*

Schematic Design Phase:	percent ( 15 %)
Design Development Phase:	percent ( 20 %)
Construction Documents Phase:	percent ( 40 %)
Bidding or Negotiation Phase:	percent ( 05 %)
Construction Phase:	percent ( 20 %)

14.3 FOR PROJECT REPRESENTATION BEYOND BASIC SERVICES, as described in Paragraph 1.6, Compensation shall be computed separately in accordance with Subparagraph 1.6.2.

#### 14.4 COMPENSATION FOR ADDITIONAL SERVICES

- 14.4.1 FOR ADDITIONAL SERVICES OF THE ARCHITECT, as described in Paragraph 1.7, and any other services included in Article 15 as part of Additional Services, but excluding Additional Services of consultants, Compensation shall be computed as follows:

*(Here insert basis of compensation, including rates and/or multiples of Direct Personnel Expense for Principals and employees, and identify Principals and classify employees, if required. Identify specific services to which particular methods of compensation apply, if necessary.)*

- 14.4.1.1 Principals' time at the fixed rate of twenty-five dollars (\$25.00) per hour. For the purpose of this Agreement, the Principals are:

John W. Wells, A.I.A.  
Charles A. Hutchison, A.I.A.  
Donald M. Law

- 14.4.1.2 Employees' time (other than Principals) at a multiple of two and one-half (2.5) times the employees' Direct Personnel Expense as defined in Article 4.

- 14.4.2 FOR ADDITIONAL SERVICES OF CONSULTANTS, including additional structural, mechanical and electrical engineering services and those provided under Subparagraph 1.7.21 or identified in Article 15 as part of Additional Services, a multiple of one and one-quarter ( 1.25 ) times the amounts billed to the Architect for such services.

*(Identify specific types of consultants in Article 15, if required.)*

- 14.5 FOR REIMBURSABLE EXPENSES, as described in Article 5, and any other items included in Article 15 as Reimbursable Expenses, a multiple of one ( 1.00 ) times the amounts expended by the Architect, the Architect's employees and consultants in the interest of the Project.

- 14.6 Payments due the Architect and unpaid under this Agreement shall bear interest from the date payment is due at the rate entered below, or in the absence thereof, at the legal rate prevailing at the principal place of business of the Architect.

*(Here insert any rate of interest agreed upon.)*

*(Usury laws and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's and Architect's principal places of business, the location of the Project and elsewhere may affect the validity of this provision. Specific legal advice should be obtained with respect to deletion, modification, or other requirements such as written disclosures or waivers.)*

- 14.7 The Owner and the Architect agree in accordance with the Terms and Conditions of this Agreement that:

- 14.7.1 IF THE SCOPE of the Project or of the Architect's Services is changed materially, the amounts of compensation shall be equitably adjusted.

- 14.7.2 IF THE SERVICES covered by this Agreement have not been completed within 24 months of the date hereof, through no fault of the Architect, the amounts of compensation, rates and multiples set forth herein shall be equitably adjusted.

ARTICLE 15

OTHER CONDITIONS OR SERVICES

See attached pages 11a through 11e.



This Agreement entered into as of the day and year first written above.

OWNER The Board of Trustees of the University of South Carolina ARCHITECT Wells, Fleetwood & Hutchison, Architects, Inc.

Osborne Building

234 Richland Avenue West

Columbia, South Carolina  
29208

Aiken, South Carolina 29801

BY

BY

John W. Wells, A.I.A., President

## ARTICLE 15

### OTHER CONDITIONS OR SERVICES

In the TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT AND/OR ENGINEER add to or delete from as follows:

15.1 GENERAL:

"Where the word "ARCHITECT" appears in the TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT substitute therefor: "ARCHITECT and/or ENGINEER."

15.2 ARTICLE I - ARCHITECT AND/OR ENGINEER'S SERVICES AND RESPONSIBILITY:

Add the following subparagraph:

"1.1.5.1 Upon completion of the Schematic Design Phase, the Schematic Design Documents, including Probable Construction Cost shall be submitted to the Owner and State Engineer, and the Owner will approve the Probable Construction Cost in writing."

15.2.2 "1.2 Delete in its entirety and substitute therefor the following:

"1.2 DESIGN DEVELOPMENT PHASE

"1.2.1 Based on the Schematic Design Documents and any adjustments in the program or project budget, the Owner shall instruct the Architect, in writing, to prepare the Design Development Documents.

"1.2.2 Design Development Documents shall include sufficient material to delineate the scope of Project and to indicate the general design of the Project. Design Development Document, consisting of Drawing, Outline Specifications, Probable Construction Cost, and any other material or document necessary to prepare the Design Development Documents shall contain all architectural and/or engineering skills.

"1.2.3 Design Development Documents shall include but are not limited to the following:

"1.2.3.1 DRAWINGS:

(a) Existing topographic features and improvements affecting or relating to the proposed work. Indicate revisions to be made to existing topographic features and improvements such as grading, construction of drainage facilities, etc. Where drainage facilities are to be provided, indicate direction of flow and point of discharge by appropriate symbol or notes.

(b) Double-line drawings showing developed floor plans, proposed finished floor elevations, floor and roof framing, typical wall section, exterior elevations showing proposed floor-to-floor heights and basic details of any unusual features of construction.

(c) Basic information necessary to establish space requirements and functional arrangement.

(d) Functional layout of mechanical, electrical and electronic features, special equipment, plumbing and heating to include, where applicable:

(1) Location of evaporative coolers and/or air conditioning units.

(2) General scale layout of equipment, heater and/or boiler rooms showing space requirements and auxiliary equipment proposed.

(3) Location and approximate size of special equipment to be installed such as compressors, generators, transformers, electronic equipment racks, consoles, panels, distributing frames, hoists, cranes, etc.

(e) Location, dimension, sections, areas and capacities, as applicable to parking areas, access roads, driveways, walks, etc.

(f) Location and size of existing or proposed sanitary sewers, water mains, gas mains and electrical service in the vicinity of the proposed buildings. Size and location of transformers. Elevations of gravity lines. Location of proposed building connections with notations showing which of the necessary utility extensions or connections beyond the 5-foot building line will be provided.

(g) Provide simplified schematic electrical diagrams for each electronic or instrumentation system to show that the required system functions are being provided.

"1.2.3.2 Outline Specifications and Probable Construction Cost shall be developed to a uniform level, reflecting the material, trades, mechanical and electrical system, and specialties required to reflect the Project as a whole.

"1.2.4 Upon completion of Design Development Phase, the Design Development Documents, including Outline Specifications and Probable Construction Cost shall be submitted to the Owner and State Engineer, and the Owner will approve the Probable Construction Cost in writing."

15.2.3 Add the following subparagraph:

"1.3.4.1 Prior to advertising for bids for construction, the Architect and/or Engineer shall submit the Construction Documents and Probable Construction Cost and shall obtain written approval of the Probable Construction Cost from the Owner..

"1.3.4.2 Submission of the Construction Documents and Probable Construction Documents and Probable Construction Cost to the Owner and State Engineer and the approval of the Probable Construction Cost shall not relieve the Architect and/or Engineer of any responsibility for design deficiencies, omission or errors."



Add the following subparagraphs:

- 15.2.4 "1.5.4.1 Periodic visit by the ARCHITECT and/or ENGINEER may vary with the progress of the work and other conditions, but shall average not less than one visit by the ARCHITECT and/or ENGINEER or his representative to the project per week during the course of construction. The ARCHITECT and/or ENGINEER shall submit to the OWNER a written report of his periodic visit, at least once a month, of his findings and progress of the project.

"1.5.4.1.2 Should the CONTRACTOR fall behind in his construction schedule by more than four weeks, the ARCHITECT and/or ENGINEER shall notify the OWNER in writing."

- 15.2.5 1.5.9 Delete in its entirety and substitute therefor the following:

"1.5.9 The ARCHITECT and/or ENGINEER shall be the interpreter of the requirements of the CONTRACT DOCUMENTS and judge of the performance thereunder by both the OWNER and the CONTRACTOR. The ARCHITECT and/or ENGINEER shall render written interpretations necessary for the proper execution or progress of the work within fifteen days on written request of either the OWNER or the CONTRACTOR, unless such interpretation can only be made after testing, in which case an interpretation must be rendered within fifteen days after completion of such test, and shall render written decisions, within fifteen days, on all claims, disputes and other matters in question between the OWNER and the CONTRACTOR relating to the execution or progress of the work or the interpretation of the CONTRACT DOCUMENTS."

- 15.2.6 Add the following subparagraph:

"1.5.14.1 Where a Change Order is required due to field adjustment, design deficiency omission or error, the Change Order shall be prepared at no cost to the Owner."

- 15.2.7 Add the following Subparagraphs:

"1.5.17 Upon completion of the CONSTRUCTION PHASE, the ARCHITECT and/or ENGINEER shall correct the original drawing to "record drawings" showing all significant changes in the Work made during construction. Such changes to the drawings shall be made in a professional manner, and drawings shall be stamped and signed by the ARCHITECT and/or ENGINEER as said drawings being "record drawings", based on marked-up prints, drawings and other data furnished by the CONTRACTOR and/or representative of the OWNER and/or ARCHITECT and/or ENGINEER.

"1.5.18 One month prior to the expiration of the one-year warranty period as called for in the CONSTRUCTION DOCUMENTS, the ARCHITECT and/or ENGINEER shall inspect the project for any deficiencies that may have developed under the one-year warranty. Upon completion of inspection a written report shall be furnished to the OWNER, the STATE ENGINEER and the CONTRACTOR, and the ARCHITECT and/or ENGINEER shall assist the OWNER in taking necessary action to see that the deficiencies are corrected."

15.2.8 1.7.17 Delete this Subparagraph in its entirety.

15.3 ARTICLE 2 - THE OWNER'S RESPONSIBILITY:

15.3.1 2.4 First line following Owner delete "shall furnish" and substitute therefor the following:

"will furnish, if requested, by the ARCHITECT and/or ENGINEER."

15.4 ARTICLE 3 - CONSTRUCTION COST:

15.4.1 Add the following Subparagraph:

"3.1.3.1 Compensation to the ARCHITECT and/or ENGINEER shall be as set forth in Article 14. When compensation is based on "Percentage of Construction Cost" the establishing of the percentage shall be the amount of the Construction Contract awarded. Once established, the same percentage figure shall apply to any recomputation of fee occasioned by Change Order, and only Change Orders that increase the contract amount shall be used in recomputation. Where a Change Order is required because of field adjustments, design deficiencies, omission or errors, the amount of that Change Order shall not apply toward computation of ARCHITECT and/or ENGINEER'S compensation".

15.4.2 Add the following Subparagraph:

"3.2.2.1 Fixed limit of Construction Cost shall be the Probable Construction Cost as defined in Subparagraph 1.3.4.1".

15.4.3 6.1.3 Delete in its entirety and substitute therefor the following:

"6.1.3 If the Contract Time initially established in the Construction Contract is exceeded by more than thirty days through no fault of the ARCHITECT and/or ENGINEER, compensation for Basic Services performed by Principals, employees and professional consultants required to complete the Administration of the Construction Contract beyond the thirtieth day shall be computed as set forth in Paragraph 14.4.1 and 14.4.2 for Additional Services. No additional services by the ARCHITECT and/or ENGINEER in connection with semi-final and final inspection."

15.5 ARTICLE 8: OWNERSHIP OF DOCUMENTS:

15.5.1 ARTICLE 8: Delete in its entirety and substitute therefor new ARTICLE 8 as follows:

"ARTICLE 8: OWNERSHIP OF DOCUMENTS".

8.1 The Owner shall have unlimited rights in the ownership of all drawings, designs, specifications, notes and other work developed in the performance of the AGREEMENT, including the right to use same on any other Owner's projects without additional cost to the Owner, and with respect thereto the ARCHITECT and/or ENGINEER agrees to and does hereby grant to the Owner a royalty-free

license to all such data which he may cover by copyright and to all designs as to which he may assert any rights or establish any claim under the design patent or copyright laws.

"8.2 In the case of future reuse of the documents the Owner reserves the right to negotiate with the ARCHITECT and/or ENGINEER for compensation for the acceptance of any professional liability."

"8.3 In the event the Owner does not exercise the option to negotiate with the ARCHITECT and/or ENGINEER FOR THE Architect's and/or Engineer's acceptance of any professional liability, it is understood that the ARCHITECT and/or ENGINEER is no longer liable in the reuse of the documents.

15.6 ARTICLE 9 - ARBITRATION

Delete ARTICLE 9 in its entirety.

15.7 ARTICLE 10 - TERMINATION OF AGREEMENT

15.7.1 10.3 Fourth line following "Expense" change comma "," to period "." and delete rest of sentence.

15.7.2 10.4 Delete in its entirety.

15.8 ARTICLE 11 - MISCELLANEOUS PROVISIONS

15.8.1 11.1 Second line following "laws of" delete remaining of sentence and substitute therefor the following:

"-----South Carolina."

15.9 ARTICLE 14 - BASIS OF COMPENSATION

15.9.1 14.6 Delete in its entirety and substitute therefor the following:

"14.6 Payment due the ARCHITECT and/or ENGINEER under this Agreement shall bear interest at six percent per annum commencing forty-five days after date of billing."



**REQUEST FOR RESUMES FOR  
PROFESSIONAL SERVICES**

Resumes from architectural firms interested in performing services in connection with renovation and conversions of a classroom / administration building are solicited by the Board of Trustees of the University of South Carolina at Aiken, 171 University Parkway, Aiken, South Carolina, 29801 until Wednesday, Sept. 27, 1978. Those firms with resumes already on file at the Aiken Campus should confirm and update their resumes. All resumes must include a current listing of all contracts executed on State work in the past two (2) years. This list should include scope and dollar values. Additional information, if desired, available from the Dean of Administration, U.S.C. at Aiken.  
James B. Holderman  
President, Univ. of S.C.

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STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND

Personally appeared before me Carl M. Regal, Retail Advertising Manager  
of THE STATE, and makes oath that the advertisement,

Request for Resumes for Professional Services

a clipping of which is attached hereto, was printed in THE STATE,  
a daily newspaper of general circulation published in the City  
of Columbia, State and County aforesaid, in the issues of

September 10, 1978

Carl M. Regal

Subscribed and sworn to before me  
this 11th day of September 19 78

Mary Cunningham Notary Public  
My Commission Expires January 2, 1980

ENCLOSURE 1

STATE BUDGET AND CONTROL BOARD

POLL OF December 21, 1978

POLL ITEM NUMBER

EXHIBIT VIII  
12/21/78  
8

---

Agency: Division of Motor Vehicle Management

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Subject: Fleet Addition Request (Patriots Point)

Division Director Spence advises that the Patriots Point Development Authority desires to purchase one 9-passenger station wagon (Class VIII) as a fleet addition.

Mr. Spence notes that presently the Authority has only one vehicle, a pickup truck, assigned to it and that the requested vehicle will be assigned to the Authority pool and made available to all employees with official travel requirements.

---

Board Action Requested:

Director Spence recommends that the referenced request be approved.

---

Vote Of Board Member: (Please indicate by initialing appropriate line below.)

\_\_\_\_\_ I approve of the above action.

\_\_\_\_\_ I disapprove of the above action.

\_\_\_\_\_ Hold for regular meeting.

---

Attachments:

Spence agenda notes plus Enclosure (1)



STATE OF SOUTH CAROLINA  
BUDGET AND CONTROL BOARD  
DIVISION OF MOTOR VEHICLE MANAGEMENT  
P. O. BOX 633  
COLUMBIA, S. C. 29202

ALLAN J. SPENCE  
DIRECTOR  
PHONE (803) 758-7818

STATE BUDGET AND CONTROL BOARD  
Agenda Items  
December 21, 1978

Mr. Allan J. Spence, Director, Division of Motor Vehicle Management (DMVM), requests permission to appear before the State Budget and Control Board (SB&CB) regarding the below listed item:

Patriots Point Development Authority (PPDA). PPDA desires to purchase one (1) nine-passenger station wagon (Class VIII) as a fleet addition. Presently, PPDA has only one (1) vehicle, a pickup truck, assigned to the Authority. The requested vehicle will be assigned to the Authority pool and made available to all employees with official travel requirements.

Recommendation: Approval. There appears to be official need. No vehicle is available in the Division of Motor Vehicle Management motor pool to satisfy this need.



**REQUEST TO PURCHASE OR DISPOSE  
OF STATE-OWNED VEHICLES**

From: PATRIOTS POINT DEVELOPMENT AUTHORITY State Budget and Control Board  
Division of Motor Vehicle Management

POST OFFICE BOX 986

MT. PLEASANT, SOUTH CAROLINA 29464

Date: 7 December 1978

**Section I  
Request To Purchase**

Fleet Addition X Yes X No

- A. Type Vehicle \_\_\_\_\_ Body Style \_\_\_\_\_ Model \_\_\_\_\_ Year \_\_\_\_\_
- B. Number Of Vehicles Owned 1 Number Leased From Other Agencies 0
- C. Number Of Vehicles Assigned For Exclusive Use: 0  
Number Assigned To Agency Pool: 1
- D. Number Of Vehicles Authorized To Be Driven To And From Home: 0
- E. This Vehicle Is To Be Assigned To: \_\_\_\_\_ or  
(Name and Position)  
Agency Pool: Patriots Point Development Authority
- F. Annual Official Miles: 24,000 (est.)
- G. Funds To Purchase This Vehicle Are Available From:  
State Appropriations: \$ \_\_\_\_\_ Other: \$ Admissions Revenue
- H. Give complete justification in accordance with chapter 4, **State Motor Vehicle Management Manual**. If a fleet addition, agency director must certify that no vehicle is available to reassign to fill this need. (For multiple or fleet purchases give required information on additional sheets.)

SEE ATTACHED

- H. The one (1) vehicle belonging to this agency is a 1970 Dodge pickup with over 120,000 miles. Because of its age and material condition, its use becomes more and more limited.

As this agency grows the need increases for the Agency Director and staff members to have a passenger vehicle at their disposal. \_\_\_\_\_  
A nine passenger station wagon would allow the flexibility of \_\_\_\_\_  
transporting staff, official visitors, and light cargo, on \_\_\_\_\_  
official business, throughout the State. \_\_\_\_\_

Monthly useage is estimated at approximately 2,000 miles.

Name and telephone number of person to contact for pre-disposal inspection: \_\_\_\_\_

  
Department or Institution Head Signature

J. E. Guerry, Jr.

**Section III  
Action By Budget & Control Board**

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_

Date \_\_\_\_\_ Signature \_\_\_\_\_

Distribution  
Original — DMVM  
Copy 1 — Requesting Agency  
Copy 2 — State Central Purchasing  
Copy 3 — State Property Disposal

*ENCLOSURE (1)*

STATE BUDGET AND CONTROL BOARD

POLL OF December 21, 1978

POLL ITEM NUMBER

EXHIBIT IX  
12/21/78  
9

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Agency: Division of General Services

---

Subject: Grant of Easement (SCE&G)

The Division of General Services advises that the South Carolina Electric and Gas Company has requested a 10-foot easement across approximately 2,500 feet of State property used by the Department of Youth Services and the Department of Corrections for the purpose of erecting power lines to serve a Columbia Housing Authority project and an apartment complex.

The Division notes that the request has been approved by the Board of Corrections and by the Board of the Department of Youth Services.

---

Board Action Requested:

Approve the referenced grant of easement to SCE&G, as recommended by the Division of General Services.

---

Vote Of Board Member: (Please indicate by initialing appropriate line below.)

\_\_\_\_\_ I approve of the above action.  
\_\_\_\_\_ I disapprove of the above action.  
\_\_\_\_\_ Hold for regular meeting.

---

Attachments:

Division of General Services agenda notes

THIS CASE MAY HAVE SOME OR ALL OF THE FOLLOWING DEFECTS WHICH MAY BE QUESTIONABLE WHEN READING. IN SPECIAL PROBLEM AREAS, THIS ROLL NOTE MAY BE REFILMED BEFORE THE DOCUMENT OR DOCUMENTS IN QUESTION.

1. PHOTOCOPY NOT CENTERED PROPERLY CUTTING OFF SOME OF THE INFORMATION.
2. DOCUMENTS ARE OF POOR LEGIBILITY AND MAY NOT PHOTOGRAPE WELL.
3. DOCUMENTS DAMAGED OR TORN BEFORE ARRIVING FOR FILMING.
4. DOCUMENTS CONTAIN A DOUBLE-COPY IMAGE, THE UNDERLYING IMAGE IS IRRELEVANT TO THE READABLE INFORMATION.
5. DOCUMENTS WITH GLUED INSERTS WHICH WERE OR COULD NOT BE REMOVED, INFORMATION MAY OR MAY NOT BE UNDER THE INSERT.
6. OVERSIZED DOCUMENTS THAT COMPRISE TWO OR MORE FRAMES.
7. EXTREMELY DARK COLORED DOCUMENTS THAT LACK CONTRAST BETWEEN WRITING AND BACKGROUND.



STATE BUDGET AND CONTROL BOARD  
DIVISION OF GENERAL SERVICES  
AGENDA

December 21, 1978

III. Easement - S. C. Electric & Gas Company

S. C. Electric & Gas Company has requested a 10 foot easement across approximately 2,500 feet of State property used by Youth Services and Department of Corrections for the purpose of erecting power lines to serve a Columbia Housing Authority project and apartment complex.

The S. C. Electric & Gas easement request has been approved by the S. C. Department of Corrections Board and the Department of Youth Services Board.

It is recommended that the Board approve this Grant of Easement

STATE BUDGET AND CONTROL BOARD

MEETING OF December 21, 1978

AGENDA ITEM NUMBER

EXHIBIT X  
12/21/78  
2

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Agency: Finance Division (Computer Systems Management)

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Subject: Replacement of Computer Mainframe for Tax Commission

Director Charles H. Burr advises that the NCR proposes to replace the mainframe of the Tax Commission NCR Century 201 (256K), which has been in place since 1972 on a lease basis and which is expected to be able to process the Commission's work load for some time to come, with a fully compatible NCR Criterion 8560 (512K) at a reduced lease cost of \$400 below the current \$26,999 per month. Mr. Burr also notes that NCR advises that the present Tax Commission installation is the last one in the Columbia area and that the lease costs of the older model will have to be increased approximately \$1,000 per month next year.

Mr. Burr indicates that similar situations have existed in other State installations from time to time as advancing technology has permitted the achievement of cost reductions and that, in such cases, action to replace the computers has been deferred until a need for additional capacity has arisen. Then, the approved action has been to undertake a competitive procurement in accordance with law, a course that Mr. Burr points out has proven to be the most equitable and the least challengeable by the several competing vendors. Director Burr proposes that the Board approve the draft of a letter to NCR advising that State statutes call for the competitive procurement of acquisitions valued at \$1,500 or more and that the initiation of an RFP for a replacement computer system for the Tax Commission will be undertaken as soon as practicable in order to take full advantage of the improvements, including the lesser costs that newer computer systems provide.

---

Board Action Requested:

Approve referenced draft letter as recommended by Mr. Burr.

---

Staff Comment:

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Attachments:

Burr 12/11/78 memorandum to Executive Director, plus attachments



STATE OF SOUTH CAROLINA  
DIVISION OF COMPUTER SYSTEMS MANAGEMENT  
STATE BUDGET AND CONTROL BOARD

P. O. BOX 11488  
COLUMBIA, S. C. 29211

MEMORANDUM

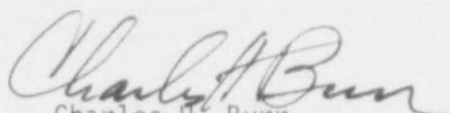
TELEPHONE  
(803) 756-3576

CHARLES H. BURR  
DIRECTOR

TO: Executive Director, State Budget and Control Board  
VIA: State Auditor  
DATE: December 11, 1978  
SUBJECT: Computer Mainframe Replacement for Tax Commission

- Enclosure (A) Tax Commission letter of September 8, 1978, with CSM Memorandum for Record of September 25, 1978.  
(B) NCR letters of November 6, 1978 and December 5, 1978.  
(C) Proposed CSM letter to NCR.

1. Enclosures (A) and (B) present the status of the present computer system installation at the Tax Commission, which may be summarized as follows:
  - The installation (a NCR Century 201 (256K) has been in place since 1972 on a lease basis, and is expected to be able to process the Commission's workload for some time to come.
  - NCR proposes to replace the mainframe with a fully compatible NCR Criterion 8560 (512K) at a reduced lease cost of \$400 below the current \$26,999/month.
  - NCR advises that the present installation is the last one in the Columbia area, that over a dozen have been or are in the process of replacement, and that the lease costs of the older model will have to be increased approximately \$1,000/month next year.
2. Situations similar to the above have existed in our other State installations from time to time as advancing technology has permitted the achievement of cost reductions. Two current examples exist in the IBM systems at Mental Health and the Highway Department. In such cases, action to replace the computers has been deferred until a need for additional capacity has arisen. At that time, the approved action has been to undertake a competitive procurement in accordance with statute. This course has proven to be the most equitable, and the least challengeable by the several competing vendors.
3. Accordingly, the proposed letter, (Encl. C), and been prepared and is submitted for your review. If approved, please return it for signature and release.

  
Charles H. Burr  
Director



State of South Carolina  
**South Carolina Tax Commission**  
COLUMBIA

ROBERT C. WASSON  
CHAIRMAN



JOHN H. LAFITTE, JR.  
CHARLES N. PLOWDEN  
ROBERT C. WASSON  
COMMISSIONERS

September 8, 1978

IN REPLY REFER  
TO

MEMORANDUM

TO: Mr. Charles H. Burr, Director  
Division of Computer Systems Management

FROM: R. A. Robison, Director  
Data Processing Division

Enclosed please find your form "DP Equipment Request Notification" completed as requested.

We request permission to trade out our Century 201 processor with 256 K memory for a Criterion 8560 with 512 K memory.

Due to a price reduction with NCR, we will be able to accomplish this trade and save \$400 a month rent.

The Tax Commission feels that upgrading to the 8560 could be done with no interruptions in programming or operations due to the fact that we would not have to reprogram or recompile our present systems. As you know we are on a tight schedule due to income tax refund deadlines.

It is our opinion that the additional memory and speed and the fact that there would be a savings in rent, is justification for sole source vendor to NCR.

Your prompt approval in this matter is urgently requested.

*R.A. Robison*

R. A. Robison, Director  
Data Processing Division

RAR:ar 1

# DP EQUIPMENT REQUEST NOTIFICATION

AGENCY NAME TAX COMMISSION

## NATURE OF REQUEST:

☐ New or additional equipment and/or software

### Method:

☐ Sole Source, Vendor

☐ Competitive Bid

### Manner:

☐ Lease

☐ Purchase

Description of equipment and/or software:

☒ Upgrade existing equipment by exchange or modification

### Method:

☒ Sole Source, Vendor NCR

☐ Competitive Bid

### Manner:

☒ Lease

☐ Purchase

Description of changes: Replace Century 201 processor 256 K memory with  
Criterion 8560 processor 512 K memory

Terminate or discontinue equipment

Description of equipment: To increase the speed and efficiency of our  
computer system for \$400 less rent per month.

REASON FOR REQUEST(S):

SIGNATURE:

W. J. [Signature]

DATE:

8-31-78

- INSTRUCTIONS:**
1. Send executed form to Division of Computer Systems Management whenever any D. P. equipment change is contemplated and no later than 90 days before actual installation is desired.
  2. Signature of supervising head to whom the data processing unit reports is desired.



CHARLES H. BURR  
DIRECTOR

STATE OF SOUTH CAROLINA  
DIVISION OF COMPUTER SYSTEMS MANAGEMENT  
STATE BUDGET AND CONTROL BOARD

P. O. BOX 11488  
COLUMBIA, S. C. 29211

MEMORANDUM FOR FILE

TELEPHONE  
(803) 758-3578

TO: Tax Commission Computer System File  
FROM: Douglas B. Smith, Supervisor  
DATE: September 25, 1978  
SUBJECT: Meeting with Robbi Robison on 9/25/78 to Discuss Procurement

On September 25, 1978, Mr. Burr and I met with Robbi Robison and Mr. Eddie Amick, both of the Tax Commission, to discuss their request of September 8, 1978 for approval to replace their present 265K Century 201 processor with a 512K Criterion 8560. According to Mr. Robison, NCR had offered the Criterion at a price that was \$400 per month less than the Tax Commission is currently paying for the older and smaller Century 201.

Mr. Burr explained to Mr. Robison that, although a savings would apparently result from the proposed change in processors, it was still required by law to bid any item of equipment costing over \$1,500, provided, of course, that more than one qualified vendor for the equipment exists, and that, in the case of the Tax Commission's request, there were, at least six (6) vendors who would have to be considered as qualified. It was further pointed out that, while six (6) qualified vendors were known to us, we felt it very doubtful that anyone but NCR would bid. We believed this to be the case since we felt that other vendors would recognize that, while they would have bid an entirely new system with associated conversion and installation costs, NCR could bid a system comprised of essentially the same equipment the Tax Commission currently has installed, but with no conversion cost, and with a processor that cost significantly less than the present Century 201. Nevertheless, this didn't give us the right to ignore the bid requirement.

Also, it was explained, that almost all vendor's new processor's were cheaper than their older ones, and that if we adopted the policy of upgrading processors on that basis, we would find ourselves always awarding such procurements to incumbent vendors.

At this point, Mr. Robison expressed his concern that, although vendors may promise to convert system by a certain given deadline, they, in fact, seldom do. He said that, if this were allowed to happen at the Tax Commission, it would cause serious problems.



To this, Mr. Burr replied that the State could require a vendor to fully convert the Tax Commission's system before the new system was installed.

Mr. Robison concluded that this might be a partial solution to the conversion problem, but added that such conversions would still impact his staff, to some extent, because the vendor would certainly need assistance in understanding the Tax Commission's systems.

We said that such impact could be held to a minimum by simply making such an arrangement clear in the RFP.

All of this notwithstanding, Mr. Robison said he still felt that a competitive procurement would result in a long, drawn-out procedure that the Tax Commission wouldn't want to embark upon.

Mr. Burr explained to Mr. Robison that the Tax Commission could, of course, take the matter before the Budget and Control Board, but that he, Mr. Burr, could not recommend in their favor, since the law was really quite specific on the matter.

The matter was thus left unresolved, but it was agreed: (1) that Mr. Burr would discuss the Tax Commission's request with Bill Putnam and subsequently advise Mr. Robison of the results, and (2) that Mr. Robison would then take the results to the Commission for their review and final decision.

- Miscellaneous Notes -

1. The TC's systems are primarily COBOL with a few assembler programs closely geared to the TC's hardware.
2. These systems comprise approximately 300 programs and sorts with exits.
3. The TC's online system would involve a complete rewrite.
4. Current system costs are about \$26,999/mo.
5. Their current processor is, in fact, large enough to continue to do the TC's work for some time yet. The requested processor change was simply to save money.
6. The TC owns TOTAL and several CRT terminals.
7. The TC normally runs 2 shifts, but runs 3 shifts at tax time.
8. Present Memory:     1 online partition  
                      2 batch partitions
9. Present documentation: Average



NCR Corporation

Columbia South Carolina District  
1616 Gervais Street  
Columbia, South Carolina 29201  
Sales: (803) 771-4340  
Service: (803) 771-4342

November 6, 1978

Mr. Charles H. Burr  
State of South Carolina  
Division of Computer Systems Management  
State Budget and Control Board  
P. O. Box 11488  
Columbia, South Carolina 29211

Dear Mr. Burr:

This letter is a request by NCR to the State of South Carolina to amend the contract between NCR and the State of South Carolina. We request that NCR be allow to affect a maintenance replacement of the NCR Century 201 processor located at the South Carolina Tax Commission. We ask for this amendment for the following reasons.

1. The present Century 201 system, while adequate to provide the Tax Commission with processing power, is reaching an age that requires more maintenance service by NCR. This processor was first released by NCR in 1968 and the unit at the Tax Commission has been there since 1972. We feel that to provide the Tax Commission with the kind of uninterrupted service to which they have become accustomed, a processor swap would be helpful.
2. The Century 201 processor is the last one located in the Columbia District; all others have been changed to the 8500 processors. NCR is required to keep spare parts to maintain this one processor. If this unit were swapped out, NCR could maintain a higher level of spare parts for the 8500 processor and eliminate the Century 201 spare parts.
3. NCR is forced to keep an additional level of maintenance training for hardware and system's personnel to support this one system. If a swap is allowed, NCR would be able to direct more training and support to the Tax Commission as well as other 8500 processor users.
4. The maintenance replacement by NCR would not require any conversion procedures as the 8500 processor is completely compatible with the Century 201 processor.
5. There would be no disruption of use by the Tax Commission as the change over could be done during a nonproduction time.

Mr. Burr  
November 6, 1978  
Page 2

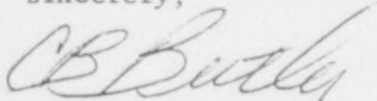
6. The change over would provide the Tax Commission with a higher degree of reliability due to new and more reliable components and technology.
7. There would be a decrease in the monthly rental paid by the Tax Commission and this would result in a savings of \$3,000 within the first twelve months.
8. The maintenance replacement would provide the Tax Commission with about a 30% increase in throughput, while the present system does handle the workload, future plans for on-line systems would benefit by improved response times.

This is not a request by NCR or the Tax Commission for a system's change. To require the issue of RFP to make this maintenance swap would be very expensive for the state and would not be beneficial to the South Carolina Tax Commission.

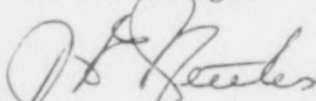
NCR would appreciate your attention to our request. If needed NCR would be glad to appear before the Budget and Control Board to support our request.

Thank you very much.

Sincerely,



C. B. Butler  
Account Manager



J. E. Nettles  
District Manager

CBB:mfb





NCR Corporation

Columbia South Carolina District  
1616 Gervais Street  
Columbia, South Carolina 29201  
Sales: (803) 771-4340  
Service: (803) 771-4342

*December*  
~~November~~ 5, 1978

Mr. Charles H. Burr, Director  
Division of Computer Systems Management  
State Budget and Control Board  
P. O. Box 11488  
Columbia, South Carolina 29211

Dear Mr. Burr:

In answer to your telephone inquiry about the NCR 8000 Series Criterion computer in the area, we offer the following list.

Installed and Operational

Sumter County	N-8450
Commissioners of Public Works	N-8550
Highlander Industries	N-8450
Loxcreen Corporation	N-8550
Richland School District No. 1	N-8550
Home Savings & Loan	N-8550
Perpetual Building & Loan	N-8550
First Citizens Bank & Trust	N-8560
National Bank of South Carolina	N-8550

On Order

Delivery Date

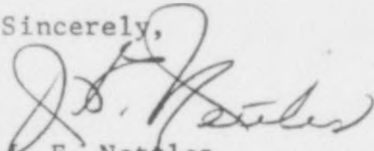
Lexington County	N-8550	December 1978
Charleston School District	N-8450	December 1978
Richland Memorial Hospital	N-8550	January 1979
County Bank of Greenwood	N-8550	December 1978
National Bank of South Carolina	N-8560	January 1979
First Citizens Bank & Trust	N-8570	March 1979

Most of the above listed accounts were former users of the NCR Century Series computer. This leaves South Carolina Tax Commission as the only remaining user of the original NCR Century 200 series in our area. This same trend has been common throughout the world since the software of the

Mr. Charles H. Burr  
December 5, 1978  
Page 2

Century is totally compatible with the Criterion Series. The users have simply taken advantage of the offer of more power for less money. We urge the State of South Carolina to reap the benefits of the same offer.

Sincerely,

A handwritten signature in dark ink, appearing to read "S. E. Nettles", written over the typed name.

S. E. Nettles  
District Manager  
MEG Systems Division

JEN:mfb



CHARLES H. BURR  
DIRECTOR

STATE OF SOUTH CAROLINA  
DIVISION OF COMPUTER SYSTEMS MANAGEMENT  
STATE BUDGET AND CONTROL BOARD  
P. O. BOX 11488  
COLUMBIA, S. C. 29211

TELEPHONE  
(803) 758-3578

December 7, 1978

Mr. J. E. Nettles, District Manager  
NCR Corporation  
1616 Gervais Street  
Columbia, South Carolina 29201

Dear Mr. Nettles:

Your letter of November 6 proposed the replacement of the NCR Century 201 processor located at the Tax Commission with a NCR 8500, and noted the several advantages of lesser lease and maintenance costs, faster processing, full compatibility with the present system, and minimum disruption with operations.

Your proposal is an attractive one, and has been given full consideration by the State Budget and Control Board. Similar proposals have been received from computer vendors in the past with regard to the State's computer installations. In each case, as in this one, we must point out that the State's statutes call for the competitive procurement of acquisitions valued at \$1,500 or more. Apart from this statutory requirement, it is considered that this approach is the only one that would assure the most equitable distribution of the State's needs among the several qualified suppliers.

In order to take full advantage of the improvements, including the lesser costs that newer computer systems provide, the initiation of an RFP for a replacement computer system for the Tax Commission will be undertaken as soon as practicable.

Very truly yours,

Charles H. Burr  
Director

cc: Tax Commission (Mr. R. A. Robison)

ERT:ptf



STATE BUDGET AND CONTROL BOARD

MEETING OF December 21, 1978

AGENDA ITEM NUMBER

EXHIBIT XI  
12/21/78  
3

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Agency: Division of State Planning

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Subject: (1) Financial Reporting and Accounting Systems Project Status Report; and  
(2) Request for Approval of Amended Contract with Project Consultants

(This item was carried over at the December 13, 1978 meeting. A copy of Mr. Smith's 12/11/78 memorandum, previously circulated to the Board, is attached.)

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Board Action Requested:

- (1) Consider project status report; and
  - (2) Approve contract amendment, as recommended by Mr. Smith.
- 

Staff Comment:

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Attachments:

Referenced Smith memorandum dated 12/11/78



STATE OF SOUTH CAROLINA

OFFICE OF STATE PLANNING

P. O. BOX 11333

COLUMBIA

29211

P. C. SMITH  
DIRECTOR

TELEPHONE  
(803) 758-3106

December 11, 1978

TO: Budget and Control Board

FROM: P. C. Smith, Director  
Division of State Planning

- SUBJECT: (1) Report on Status of Financial Reporting and Accounting Systems Project
- (2) Recommended Approval of Amended Contract with Consultants - Peat, Marwick, Mitchell, and Company

You have received the agenda for the Board meeting on December 13, 1978. Included is a report on the financial reporting and accounting project.

Supporting data on this agenda item was not immediately available when the agenda was mailed and is enclosed to you herewith.

Specific Board action is requested in connection with recommended modification in the consultants' contract.

PCS:cm

Enclosure

REPORT ON PROGRAM TO UPDATE THE STATE'S FINANCIAL REPORTING AND ACCOUNTING SYSTEMS

BACKGROUND

The substantial growth of state government in recent years has pointed up the necessity of assessing the capacity and procedures of the Budget and Control Board to effectively meet and discharge its responsibilities, particularly those relating to financial management, at today's level and dimension of our state government. The need of a meaningful system of financial reporting has emerged as one of the principal objectives in improving the discharge of the Board's responsibilities.

Except for reports on the progress and status of the general fund, required in connection with the annual development of budget recommendations, periodic reports during the course of the fiscal year have been limited (almost completely) to monthly reports on general fund revenue collections. Certainly, reports on revenue collections are important as we move through each fiscal year. These reports, however, relate only to the income of the general fund. Absent in the reporting system are any data on expenditures of the general fund and the great volume of other funds now involved in the operation of the state government. Approximately 45% of the cost of state government is supported by sources other than general fund revenue.

The necessity of complete financial reporting on a regular periodic basis is clearly needed at the management level occupied by the Budget and Control Board.

This general background led to the initiation of a project to update the state's financial reporting and accounting systems. While reporting was a major concern, it was anticipated in the beginning that modifications in the accounting system itself would be required to establish a more appropriate accounting basis from which reports could be abstracted.

OBJECTIVES

The objectives of the project are stated briefly as follows:

1. To develop a meaningful and useful system of regular reporting for all levels of financial management responsibility.
2. To modify the existing accounting system to the extent necessary to provide meaningful and useful reporting, and to conform the system to accepted professional standards.
3. To maximize the computerization of the accounting system throughout state government.



### PROJECT ORGANIZATION

The project has proceeded under the general direction of a Steering Committee composed of both officials and staff representatives of the Comptroller's Office, the State Treasurer's Office, the State Auditor's Office, the Executive Director of the Board, and the Board's Planning Division. At a recent meeting of the Committee it was agreed that the project has now advanced to a point where representation from the universities and colleges and from other state agencies will be desirable from this point to its conclusion.

Other ad hoc committees are established from time to time (under the Steering Committee) as needed for specific areas within the general project itself.

### CONSULTANTS

In determining a procedure for the conduct of the project, three possibilities appeared. The entire project could have been turned over completely to an outside professional firm. It could have been carried on jointly between outside consultant participation and our own staff personnel. Finally, the project could have been undertaken completely by our own personnel.

For two principal reasons it was agreed that it would be more desirable to undertake the project on the middle course, involving both outside professional personnel and our own staff. This decision was made in order that we might benefit from the professional viewpoint of consultants in the field, and that our own personnel benefit not only during the development stage, but in their capacity to carry on whatever system is ultimately developed.

The consultants' role has thus far been largely limited to a review of our existing system and their recommendation of basic features of a modern system, together with recommendations for some degree of revision in subordinate accounting procedures. While the consultants have largely carried on these phases of the project our own personnel have continuously had the opportunity of reacting to proposals. Final decisions on any modifications have been retained at the level of the Steering Committee.

### CURRENT STATUS OF PROJECT

The project formally got underway in July 1977, soon after the selection of Peat, Marwick, Mitchell, and Company as consultants.

The first step was to layout a work plan, to assign specific responsibilities as between the consultants and our staff, to set up a schedule for the completion of several phases, and to fix budgetary allotments for the consultant services for each phase. This was done and formally approved by the Steering Committee.

In view of the involvement of our own personnel in the conduct of the project, it developed very shortly after getting underway that time available to our own staff for participation in the project would become a limiting factor on meeting established time schedules. Time available for additional responsibilities has been limited on the part of those directly involved.

As a result of this situation, we have been unable to adhere to the schedule originally established, and now find it necessary to modify not only the schedule for the completion of the project but also our contractual relationship with the consultants.

The project is now entering a phase where a great number of details involved in the accounting system must be given attention. The involvement of our own staff is essential to making decisions that will be required in the remaining course of the project.

It has been accordingly agreed that the consultants' role will be limited hereafter to any professional policy questions that may arise, and to accounting details only to the extent our own personnel are confronted with time limitation.

A proposed agreement with the consultants to establish a basis of our relationship from this point to the conclusion of the project is attached herewith. You will note that a step by step work plan has been developed for bringing the project to a conclusion. We propose to formally determine and agree upon our financial arrangement with the consultants for each of these steps separately.

The approved agreement has been worked out jointly by our staff and the consultants. It has been reviewed and approved by the Attorney General's Office both as to format and its relationship to our initial contract.

It is accordingly recommended that the Board approve that portion of the agreement relating to the next step in the project, and for which the arrangement with the consultants would obligate us to the extent of \$60,000.

#### FINANCIAL REPORT

Attached herewith is a final report on the project showing funds appropriated thus far, expenditures to date, and the balance as of November 30, 1978. A projected budget and use of the current balance is also indicated.

## FINANCIAL REPORTING AND ACCOUNTING SYSTEMS PROJECT

## Appropriations and Expenditures

Through November 30, 1978

Total Appropriated to Date	651,570.00
----------------------------	------------

## Expenditures:

Consultants	163,414.64
Personnel:	
Data Processing	70,551.00
Comptroller General	67,122.00
Travel Expenses	<u>1,582.75</u>

302,670.39

Balance 11/30/78

348,899.61



## BUDGET

December 1, 1978 - June 30, 1979

Appropriation Balance 12/1/78

348,899.61

## Budget:

Personnel	60,813.61
Office Equipment	26,084.00
Data Processing Equipment	19,000.00
Maintenance of Equipment	1,202.00
Supplies	4,000.00
Education and Workshops	5,000.00
Travel	8,000.00
Consultants	142,000.00
Programmers (Contracted)	<u>82,800.00</u>

348,899.61

BUDGET  
1979-80

Appropriation Requested - 358,973.00

Budget -

Personnel	131,498.00	
Office Equipment	1,152.00	
Data Processing Equipment	1,000.00	
Maintenance of Equipment	1,222.00	
Supplies	4,000.00	
Education and Workshops	5,000.00	
Travel	8,000.00	
Consultants	117,000.00	
Programmers (Contracted)	<u>83,200.00</u>	<u>352,072.00</u>

Unbudgeted 6,901.00

## STATEMENT OF WORK

Peat, Marwick, Mitchell & Co. (PMM&Co.) will assist the State of South Carolina in developing the Statewide Accounting and Reporting System (STARS). In order to provide the flexible support required by the State, a task order contract is proposed. Under this arrangement, the Director of Statewide Accounting Systems and PMM&Co. would approve specific tasks as required to meet State needs. Each such approved task would have a statement of work and a mutually agreed upon estimated cost. In no case, however, will the aggregate amount of such task orders exceed the amount appropriated for the Statewide Accounting and Reporting System.

The State of South Carolina desires to have an improved Statewide Accounting System by July 1, 1979. However, certain desirable features are not required at that time. Therefore, the project has been planned in three stages.

The first stage will involve identification of specific features and capabilities to be made operational by July 1, 1979. The second stage involves implementation of the Stage 1 "Core System". The third stage includes design and implementation of additional features that were not required during the initial period of operation.

As presently envisioned, the specific features and modules of the accounting system desired by the State have expanded beyond the basic STARS system as described in the Conceptual Design Manual. The additional features and system capabilities identified by the State are as follows:

Stage 1. The State requires on-line facilities in addition to batch processing. Specifically, the following capabilities have been identified.

- a. On-line table maintenance
- b. On-line error correction and adjustment of data input to the system (prior to updating) including the adding of data such as vouchers to the input stream.
- c. On-line file inquiries

All reports, of course, are subject to modification which would be made before the project is completed.

Stage 2. Budget module specifications to assist in the preparation and revision of the budget. The desired functions would be specified by the budget preparation personnel.



- Stage 3. A Report Request and Report Generation System. This system will have the capability of accepting requests for non-scheduled reports via remote terminal. The reports will be produced on the main printer or remote printers during normal processing cycles.
- Stage 4. An encumbrance capability including the desired reports. Some investigation and/or modification of the purchasing system may be necessary.
- Stage 5. Financial statements produced from the computer. These reports will be determined at the time the specifications are written.
- Stage 6. Fixed Asset Accounting System. This system will enable the State to identify and record the location of all owned and leased fixed assets under its' control.
- Stage 7. Assistance in developing systems and program specifications and programming as needed.
- Stage 8. The preparation of user manuals and training of users and potential users in the use of the various systems. Specifically the preparation of input and establishment of controls.

The estimated completion date of these activities is July 1, 1980. However, completion may extend beyond that date depending upon the ability of the State to reach agreement and make the necessary decisions required by the various systems.

The State will provide clerical and other administrative support to the project.

## TASK ORDER #1

PURPOSE

The purpose of this task is to identify the system features and capabilities required for July 1, 1979, installation and to begin work on long-lead time activities which must be started immediately.

SCOPE OF ACTIVITIES

PMM&Co. will assist the State to define specific system features to be incorporated into the "Core System" to be implemented by July 1, 1979. Detailed design of key files will also be developed together with a specific plan for the remaining development and installation of the Core System. During this task, detail specification of system modules upon which agreement has already been reached will also be started.

TASK DELIVERABLES

The deliverable item from this task will be a detailed implementation plan and schedule for the Core System. This plan is targeted for delivery February 1, 1979.

ESTIMATED COST

Estimated Fees	\$48,000
Expenses (at 25%)	<u>12,000</u>
Total	<u>\$60,000</u>

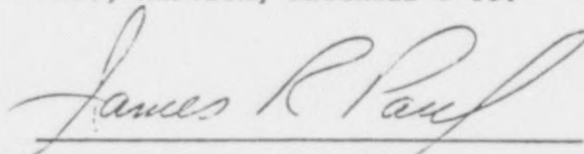
## APPROVED:

State of South Carolina

Peat, Marwick, Mitchell &amp; Co.

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Director of Statewide  
Accounting Systems



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James R. Paul, Principal

STATE BUDGET AND CONTROL BOARD

MEETING OF December 21, 1978

AGENDA ITEM NUMBER

EXHIBIT XII

12/21/78

4

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Agency: Finance Division (Computer Systems Management)

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Subject: Board Policies and Procedures on Data Processing Equipment and Consulting Services Procurements

Computer Systems Management Director Charles Burr points out that the proper, consistent handling of the specialized procurements involving costly data processing equipment and services is becoming a matter of increasing importance, as is indicated in the current procurement for USC. He advises that similar procurements are in preparation for Clemson, SLED, General Services, the Highway Department and the Medical University.

Mr. Burr further indicates that Chapter 19, Volume 23 of the Code of Laws of South Carolina, 1976, contains the Board's "Purchasing Policies and Procedures" and the only reference to data processing procurements in these present regulations is found in Paragraph 6 of the Procurement Section and is included with a statement on "Lease and Lease-Purchase".

Mr. Burr further suggests that, in order to establish more effective control, consideration be given to the adoption of the enclosed draft of proposed expanded regulations which, if adopted, would be inserted in Rule 19-10 of the adopted manual, Section IV, "Other Related Procedures" immediately after the "Purchase of Printing Equipment". He also notes that if the expanded regulations are adopted, the present reference to data processing procurement in Section II, Paragraph 6 should then be deleted and that the annual statement in General Appropriation Acts relating to data processing procurements also would not be needed any longer if the proposed procedures are established as a part of the Board's regulations.

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Board Action Requested:

Consider adoption of "Data Processing Equipment and Consulting Services Procurements" draft and its inclusion in Rule 19-10 of the Board's "Purchasing Policies and Procedures".

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Staff Comment:

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Attachments:

Burr 12/7/78 memorandum to Executive Director, plus referenced draft





CHARLES H. BURR  
DIRECTOR

STATE OF SOUTH CAROLINA  
DIVISION OF COMPUTER SYSTEMS MANAGEMENT  
STATE BUDGET AND CONTROL BOARD  
P. O. BOX 11488  
COLUMBIA, S. C. 29211

TELEPHONE  
(803) 758-3578

MEMORANDUM

TO: The Executive Director, State Budget and Control Board

DATE: December 7, 1978

SUBJECT: Data Processing Equipment and Consulting Services Procurements:  
Provision for in Board's Purchasing Policies and Procedures

Encl. (A): Data Processing Equipment and Consulting Services Procurements  
- (Draft)

- 1- The proper, consistent handling of the specialized procurements involving costly data processing equipment and services is becoming a matter of increasing importance, as indicated in the current procurement for USC. Similiar procurements are in preparation for Clemson, SLED, General Services, the Highway Department and the Medical University.
- 2- Currently, Chapter 19, Volume 23 of the Code of Laws of South Carolina, 1976, states the Board's "Purchasing Policies and Procedures". The only reference to data processing procurements in the present regulations is found in Paragraph 6 of the Procurement Section and is included with a statement on "lease and lease-purchase".
- 3- In order to establish more effective control, the enclosed draft of proposed expanded regulations is submitted for review. It is recommended that they be inserted in Rule 19-10 of the adopted manual, Section IV, "Other Related Procedures" immediately after the "Purchase of Printing Equipment".
- 4- The present reference to data processsing procurement in Section II, Paragraph 6 of the procurement section should then be deleted. Also, with the establishment of the proposed procedures as part of the Board's regulations, a need for the annual statement in the General Appropriation Acts regarding data processing procurements will no longer exist.

Charles H. Burr  
Director

Enclosure 1

Data Processing Equipment and Consulting Services Procurements1. Authority and Purpose:

Under authority of Section 1-11-30 of the 1976 Code of Laws, the State Budget and Control Board, hereinafter referred to as "the Board", requires that no department, institution, or agency of the State Government, hereinafter referred to as "the requesting agency," whether using State Appropriations or other funds, shall rent, purchase, or lease any data processing equipment, or software, or contract for consulting services in the field of data processing without approval of the Board. The requirements of the Board in this regard will be administered by the Division of Computer Systems Management, State Auditor's Office, hereinafter referred to as "the Division", through the issuance of administrative procedures which shall provide for the following:

2. Needs Analysis:

- 2.1 Justification - The need for data processing services shall be formally submitted by the requesting agency to the Division in terms of workload to be accomplished and the advantages to be realized in work performance and time and cost savings by the application of automatic data processing. The Division shall disseminate submission procedures to all agencies.
- 2.2 Review and Recommended Action - Need for requested data processing services shall be reviewed by the Division, and a determination shall be made as to the most suitable and economical course of action to meet identified needs. This determination shall be put in the form of recommendations to the Board. Such recommendations may include suggestions for having the services performed by an existing agency computer installation, or, if determined needed, procurement of services under contract from commercial providers, or by establishing a stand-alone installation for the requesting agency.
- 2.3 Approval - Prior to submission of the recommended actions to the Board, the Division shall obtain concurrence by the requesting agency. Should the requesting agency not concur with the Division's recommendations, specific objections and alternate courses of action, as recommended by the requesting agency, shall be appended to the Division's recommendation for the Board's review and determination.

3. Procurement Cycle:

If commercial procurement is authorized, the Division shall be responsible for any and all vendor contacts throughout a procurement cycle, and shall establish administrative procedures under this Rule to insure maximum benefit to the State under competitive procurement conditions, as defined below. The Division shall also determine those criteria and systematic procedures to be used in each procurement and shall incorporate a notice of such in each RFP.

3.1 Specifications - Whether procuring data processing services, consulting services on data processing matters, data processing equipment, or software, it shall be necessary that detailed specifications be prepared as the basis for undertaking a "Competitive Procurement". Specifications shall be in the form of "Data Systems Specifications", or "Equipment Performance Requirements", as herein defined:

3.1.1 Data Systems Specifications - "Data systems specifications" means: the delineation of the objectives that the system is intended to accomplish, and the data processing requirements underlying that accomplishment. The latter includes a description of the output and its intended uses, the data input, the data files and record content, the volumes of data, the processing frequencies, timing, and such other factors as may be necessary to provide for a full description of the system.

3.1.2 Equipment Performance Requirements - "Equipment performance requirements" means a statement of those hardware factors such as cycle time, computing speed, tape read or write speed, printer speed, size of memory, expansibility (modularity) and the like, and the related software which are a measure of the operating capability of equipment and which, when applied to the data systems specifications, provide a measure of the operating time required to process the applications involved on that equipment.

3.1.3 Competitive Procurement - As a general rule, "competitive procurement" means that the requirements are set forth in the form of data systems specifications or equipment performance requirements, a combination thereof, or other unrestrictive specifications which allow full competition and are devoid of bias toward either a specific product or a specific offeror.



- 3.2 Request for Proposal (RFP) - Specifications shall form the basis for the RFP which shall include instructions involving submittal of proposals, bidders conferences, benchmark tests, and other administrative procedures deemed necessary by the Division. RFP's shall be issued solely by the Division to vendors included on the State's qualified bidders list, as maintained by the Division, for the particular items under procurement. All contacts between any vendor and the State on any particular procurement shall be handled exclusively through the Division. The RFP shall provide that no contact regarding the procurement shall be made between the requesting agency and any vendor, either formally or informally, without the prior approval of the Division. The specifications shall designate those personnel of the requesting agency assigned to any particular procurement. The responsible officer of any requesting agency shall promptly notify the Division in writing of any change of designated personnel assigned to a procurement.
- 3.3 Evaluation of Proposals - Proposals must be received by the established deadline for the procurement as set by the Division. Copies of the proposals shall be formally transmitted by the Division to the requesting agency. The review of proposals shall be limited to designated individuals within the agency. Proposals shall not be revealed to, nor discussed with any nondesignated individual within or outside the requesting agency. An evaluation of proposals by the requesting agency's designated personnel and by the Division shall be accomplished to determine compliance with RFP specifications. Coordination between the Division and the requesting agency shall be maintained as necessary to make this determination.
- 3.4 Benchmark Tests - If conduct of benchmark tests be required as part of the procurement cycle. The development and handling of benchmark tests shall be coordinated by the Division. The Division shall make all necessary arrangements with the participating vendors. The requesting agency may prepare the benchmark materials, but the administrative control of any such materials shall be under the Division. Witnessing of tests shall be done by the Division, and properly designated representatives of the requesting agency. Review of test results shall be limited to properly designated personnel of the Division and of the requesting agency. The test results shall not be revealed to, nor discussed with any other individual during the procurement cycle.
- 3.5 Selection of the Apparent Successful Bidder - An evaluation of proposals shall be accomplished to determine whether or not vendor proposals meet specified requirements. For those

proposals determined to be responsive, the selection of the apparent successful bidder shall then be made on the basis of lowest overall cost. Lowest overall cost means the least expenditure of funds over systems or items; life, price, and other factors considered. Other factors shall include, but shall not be limited to such elements as personnel, purchase price or rentals, maintenance, site preparation and installation, programming, training, telecommunications, as applicable.

- 3.6 Prior Agreements - No agreement or understanding shall be arrived at, nor shall any letter of intent be delivered to procure data processing services or equipment before the procurement cycle by any agency to any vendor or prospective vendor without prior written authorization by the Division. Such authorization shall only be given if required to protect the best interests of the State; and then only under such terms and conditions as not to preclude a competitive procurement.

4. Contractual Process:

- 4.1 Contract Negotiations - The contractual arrangements shall be based upon a standard contract developed for that purpose by the Division. Limited modifications may be made when considered to the advantage of the State. The requesting agency and the Division shall participate in the negotiations with a prospective contractor. As necessary, any contract shall be referred to the Office of the State Attorney General for determination of the acceptability of changes to the standard contract. If a meeting of the minds cannot be achieved in a reasonable length of time, the negotiations may be terminated by the State, and negotiations then undertaken with the next lowest bidder in compliance with specification requirements.
- 4.2 Contract Compliance - No payment shall be made under any data processing contract until authorized by the Division. Authorization shall be given only after written certification by the responsible officer of the agency to the Division that the terms and conditions of the contract, as approved by the Division, have been complied with by the requesting agency and contracting vendor.
- 4.3 Data Processing Inventory - All agencies shall, in the manner and format prescribed by the Division, furnish the Division with an inventory of all data processing equipment, software, related data processing resources by the thirty-first (31) day of December, and the thirtieth (30) day of June each year.
- 4.4 Property Disposal - The disposal, in any manner, of State owned data processing equipment by any agency of State Government shall not be accomplished without approval of the Board, and only after the Division has determined that the equipment is surplus to the data processing needs of the State. The Division shall provide for the administration of the disposal of such property.

STATE BUDGET AND CONTROL BOARD

MEETING OF December 21, 1978

AGENDA ITEM NUMBER \_\_\_\_\_

EXHIBIT XIII  
5 12/21/78

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Agency: Employment Security Commission

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Subject: Consultant Services Contract

The Employment Security Commission requests approval of a consultant services contract with Dr. John F. Kososki the purpose of which is "to make a responsibility and grade comparability study of professional and supervisory personnel within the Commission with recommendations for proper alignment." The cost of the effort to the ESC, as proposed, is not to exceed \$10,000, payable upon delivery of a final report and the time of performance is from November 15, 1978 through January 31, 1979.

(Carried over at 12/13/78 meeting.)

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Board Action Requested:

Consider

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Staff Comment:

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Attachments:

Referenced proposed Memorandum of Agreement between ESC and John F. Kososki



DEC 04 1978

SOUTH CAROLINA EMPLOYMENT SECURITY COMMISSION  
1550 Gadsden Street  
Columbia, S. C. 29202

November 15, 1978

MEMORANDUM OF AGREEMENT between the South Carolina Employment Security Commission and John F. Kososki, D.B.A., for the performance of the assignment described below.

Scope of Agreement

To make a responsibility and grade comparability study of professional and supervisory personnel within the Commission with recommendations for proper alignment.

Specific Tasks to be Accomplished

1. Interview ESC personnel that are the focus of the effort.
2. Comparable similar responsibilities and grades within SCESC, between SCESC and other S. C. state agencies, and between SCESC and other southeastern employment service agencies.
3. Make recommendations for organizational and grade level changes so as to properly reflect and align responsibilities and grades across the dimensions of the review.

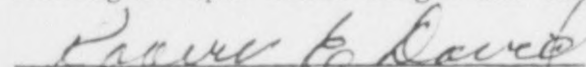
Time of Performance

The assignment will start November 15, 1978, and end January 31, 1979.

Cost

The total cost of this effort will not exceed \$10,000, payable upon delivery of final report.

Contingent upon State Budget and Control Board approval.

  
Robert E. David, Executive Director

Date: Nov. 22, 1978

  
John F. Kososki, D.B.A.

Date: November 23, 1978

STATE BUDGET AND CONTROL BOARD

EXHIBIT XIV  
7/2/21/78

MEETING OF December 21, 1978

AGENDA ITEM NUMBER

Agency: (1) Land Resources Commission  
(2) State Development Board

Subject: Position Above Number Authorized

(1) Land Resources Commission request is to establish one grade 21 or lower position at an estimated annual salary of \$10,000, 100% state funds.

The agency indicates that this administrative staff addition is urgently needed to fulfill responsibilities in the Landscape Architects Registration program and that the funds required for the remainder of FY 78-79 have been identified in the Commission's Soils and Resource Development Division. To continue the position during FY 79-80, the Commission plans to use vacancy funds.

(2) State Development Board request is to establish one position above the number authorized in the Economic Development Division by splitting an Associate Director position, grade 34, into an Industrial Development Representative I position, grade 26, and a Clerk II position, grade 8. Both positions are to be 100% state funded.

The agency indicates that, for the purpose of establishing the Energy Research Institute, two positions were combined to provide for an Associate Director. Now that the ERI is established and due to the increased workload on sites, data collection, etc., the agency requests authorization to split the Associate Director position back into 2 lower positions.

Board Action Requested:

Approve

Staff Comment:

Attachments:

Budget Development forms plus attachments

FINANCE DIVISION  
BUDGET DEVELOPMENT

DEC 14 1978

Code No. P08

Agency Land Resources Commission

Subject: Request for positions exceeding number authorized in 1978-79 Appropriation Act

Request is to establish 1 new positions at Land Resources -

Administrative Program as follows:

<u>No.</u> <u>Positions</u>	<u>Position Title</u>	<u>Grade</u>	<u>Class</u> <u>Code</u>	<u>Est.</u> <u>Annual</u> <u>Salary</u>	<u>Source of Funds (Percent</u> <u>State Federal Other</u>
1	As established by State Personnel	21 or lower	Unk.	\$10,000	100

Request Justification:

See letters and position questionnaire attached.

☒ Recommend Approval

☐ Recommend Disapproval

*C. D. Fitts*

State Budget Analyst

*Robert L. Carter*

Budget Section Director/Asst. Dir.

December 14, 1978

Date

*12-14-78*

Date



COMMISSION MEMBERS

JOHN S. WHALEY, Chairman  
Wadmalaw Island, S. C. 29437

COL. PRESTON HAXON  
121 Dr. Hardy Circle  
Dillon, S. C. 29531

MRS. HETTIE JEAN ELDY  
Star Route Box 150  
Swansea, S. C. 29161



BEN R. LEONARD  
18 W. Mountain View Ave.  
Greenville, S. C. 29609

DAVID L. ALLEN  
P. O. Box 414  
Hartsville, S. C. 29150

JOHN W. PARRIS  
Executive Director

STATE OF SOUTH CAROLINA  
LAND RESOURCES  
CONSERVATION COMMISSION

November 21, 1978

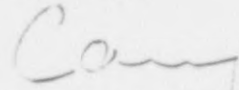
Mr. A. D. Hutto  
State Budget Analyst  
State Auditor's Office  
P. O. Box 11333  
Columbia, South Carolina 29211

Dear Mr. Hutto:

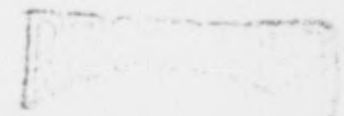
As a follow-up of my recent letter concerning the addition of one employee to our administrative staff, we have identified funds in our Soils and Resource Development Division adequate to pay the cost of a permanent part-time employee from January 1, 1979-June 30, 1979. We have calculated that the total cost of this employee for a six-month period is approximately \$5,068. To continue this position for next year, we will use funds from vacancies that occur during the 1979-80 fiscal year. Also, as I mentioned in my previous letter, we normally have a surplus of \$4,000-5,000 in our Landscape Architects Registration program which can be used for this purpose if approved by the Budget and Control Board.

Again, I wish to stress the need and importance of this position. Your assistance in this matter will be greatly appreciated.

Sincerely,

  
Cary D. Chamblee  
Deputy Director

CDC/ml



NOV 21 1978

STATE AUDITOR'S OFFICE  
BUDGET DIVISION

COMMISSION MEMBERS

JOHN S. WHALEY, Chairman  
Wadmalaw Island, S. C. 29487

COL. PRESTON HARDY  
123 Dr. Hardy Circle  
Dillon, S. C. 29536

MRS. HETTIE JEAN EUDY  
Star Route Box 150  
Swansea, S. C. 29366



BEN R. LEONARD  
18 W. Mountain View Ave.  
Greenville, S. C. 29609

DAVID L. ALLEN  
P. O. Box 414  
Hartsville, S. C. 29150

JOHN W. PARRIS  
Executive Director

STATE OF SOUTH CAROLINA  
LAND RESOURCES  
CONSERVATION COMMISSION

November 16, 1978

Mr. A. D. Hutto  
State Budget Analyst  
State Auditor's Office  
P. O. Box 11333  
Columbia, South Carolina 29211

Dear Mr. Hutto:

During the past two years, the Legislature assigned Landscape Architects Registration and the Dams and Reservoirs Safety Act to this agency. These two added programs are progressing smoothly and much has been accomplished in each area. However, we are experiencing a shortage in clerical and administrative assistance due to this and other added responsibilities.

In order to help alleviate this problem, we requested permission to hire two temporary part-time employees in July of this year. These employees are currently working and are scheduled to terminate in mid-January, again leaving us without adequate clerical and administrative assistance, especially in the landscape architects registration program. This program is budgeted to receive \$11,200 during fiscal year 1978-79 from landscape architects registration fees and we have determined that of this figure, at current spending levels, we have a surplus of \$4500 which would be adequate to fund one part-time staff member for the six-month period of January 1, 1979-June 30, 1979. The function of this staff member will be to serve as administrative assistant to the Landscape Architects Board and Council and to provide all needed staff assistance required for the 275 landscape architects registered in South Carolina, assisting agency administrative staff in developing the annual budget, and providing administrative assistance in coordinating federal grant programs.

We respectfully request that we be granted approval to employ a permanent part-time Administrative Assistant I to be paid from Landscape Architects fees. This is a staff position that is urgently needed to fulfill our responsibilities in the Landscape Architects Registration program.

Very truly yours,

Cary D. Chamblee  
Deputy Director

CDC/ml

cc: James Moore, State Personnel Division

2221 DEVINE STREET, SUITE 222 • COLUMBIA, S. C. 29205 • (803) 738-2823

# STATE OF SOUTH CAROLINA

## POSITION QUESTIONNAIRE

<p>1. Agency Name <b>S. C. Land Resources Commission</b></p> <p>2. Section <b>Administration</b></p> <p>3. Job Location (City and County) <b>Columbia      Richland</b></p> <p>4. Present Classification or Job Title</p> <p>5. Job Title of Supervisor      Classification Code <b>Agency Director      9023</b></p> <p>6. Work is (Check appropriate box)</p> <table style="width: 100%;"> <tr> <td style="width: 33%;">Permanent</td> <td style="width: 33%;">Temporary</td> <td style="width: 33%;">Number of months</td> </tr> <tr> <td><input type="checkbox"/> Full Time</td> <td><input type="checkbox"/> Full Time</td> <td>of temporary</td> </tr> <tr> <td><input checked="" type="checkbox"/> Part Time</td> <td><input type="checkbox"/> Part Time</td> <td>employment</td> </tr> </table>	Permanent	Temporary	Number of months	<input type="checkbox"/> Full Time	<input type="checkbox"/> Full Time	of temporary	<input checked="" type="checkbox"/> Part Time	<input type="checkbox"/> Part Time	employment	<p>Reason for Request:</p> <p><input checked="" type="checkbox"/> New Position</p> <p><input type="checkbox"/> Reclassification Request</p> <p><input type="checkbox"/> Requested by State Personnel Division</p> <p><input type="checkbox"/> Request Admin. Asst I</p> <hr/> <p style="text-align: center;"><b>FOR PERSONNEL DIVISION USE ONLY</b></p> <p>Approved Class _____</p> <p>Class Code _____ Agency Code _____</p> <p>Slot Code _____</p> <p>Approval _____ Date _____</p>
Permanent	Temporary	Number of months								
<input type="checkbox"/> Full Time	<input type="checkbox"/> Full Time	of temporary								
<input checked="" type="checkbox"/> Part Time	<input type="checkbox"/> Part Time	employment								
<p>7. Description of Position</p> <p>A. General Responsibilities:</p> <p style="padding-left: 40px;">Under general supervision, coordinates the Landscape Architects program for the agency. Plans and directs various financial and administrative activities for the Agency Director and other administrative staff. Serves as special assistant to the Agency Director concerning special programs and projects.</p>										
<p>B. Specific Duties</p> <table style="width: 100%;"> <tr> <td style="width: 80%;"> <ol style="list-style-type: none"> <li>1. Assists in the coordination of federal grants; maintains federal grant files.</li> <li>2. Assists in the preparation of the annual agency budget.</li> <li>3. Prepares the annual indirect cost proposal for the agency.</li> <li>4. Coordinates the agency Landscape Architects program.</li> <li>5. Provides staff assistance in registering 275 Landscape Architects.</li> <li>6. Serves as administrative assistant to the S. C. Landscape Architects Registration Board and Advisory Council.</li> <li>7. Assists in the preparation of special reports as required by the Legislative Audit Council, State Auditor's office, etc., in administering the Landscape Architects program.</li> </ol> </td> <td style="width: 20%; text-align: center; vertical-align: top;"> <p>Approx. % of Time</p> <p>10%</p> <p>5%</p> <p>5%</p> <p>50%</p> <p>10%</p> <p>5%</p> <p>100%</p> </td> </tr> </table>		<ol style="list-style-type: none"> <li>1. Assists in the coordination of federal grants; maintains federal grant files.</li> <li>2. Assists in the preparation of the annual agency budget.</li> <li>3. Prepares the annual indirect cost proposal for the agency.</li> <li>4. Coordinates the agency Landscape Architects program.</li> <li>5. Provides staff assistance in registering 275 Landscape Architects.</li> <li>6. Serves as administrative assistant to the S. C. Landscape Architects Registration Board and Advisory Council.</li> <li>7. Assists in the preparation of special reports as required by the Legislative Audit Council, State Auditor's office, etc., in administering the Landscape Architects program.</li> </ol>	<p>Approx. % of Time</p> <p>10%</p> <p>5%</p> <p>5%</p> <p>50%</p> <p>10%</p> <p>5%</p> <p>100%</p>							
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# POSITION QUESTIONNAIRE PART I (Con't.)

8. Machines or Equipment Operated; Indicate Per Cent of Time Spent on Each.

Typewriter, calculator

9. Working Conditions: Indicate Number of Hours in Work Week Plus any other Factors which Describe the Conditions Under Which You Work.

22½ hours per week; three full working days

10. Supervision Received: Describe How Your Work is Reviewed by Your Supervisor

Oral and written reports regularly required by supervisor

11. Relationships or Contacts with Others; Exclude Supervisor and Those Supervised.

Title	Freq. of Contact	Title	Freq. of Contact
Landscape Architects Council	daily		
Land Resources Commission staff	daily		
Other state agency personnel	weekly		

12. Supervisory Responsibilities: List the Number, Titles and Organization of Employees Supervised.

A. Organization Unit	No. of Emp. Supervised	B. Job Titles of Three Highest Level Subordinates	No. of Emp.
Administration		1.	
		2.	
Total No. of Emp. Supervised	0	3.	

## PART II TO BE COMPLETED BY IMMEDIATE SUPERVISOR

13. Qualifications

A. Minimum General Education

A Bachelor's degree and one (1) year responsible accounting and administrative experience; or high school graduation and five (5) years responsible accounting and administrative experience.

B. Specialized Education or Training

Considerable training in principles and methods of state governmental accounting.

C. Minimum Work Experience

D. Special Skills or Attributes Required

Considerable knowledge of principles of business administration. Working knowledge of accounting principles and methods. Experience in administering

14. Supervisor's Comments on Description of Employee Duties

Employee's Signature	Date	Supervisor's Signature	Date	Department Head	Date
				<i>John Harris</i>	11/14/78

BUDGET AND CONTROL BOARD  
FINANCE DIVISION  
BUDGET DEVELOPMENT

Code No. P32

Agency State Development Board

Subject: Request for positions exceeding number authorized in 1978-79 Appropriation Act

Request is to establish 1 new positions at Hem II - Economic Development

as follows:

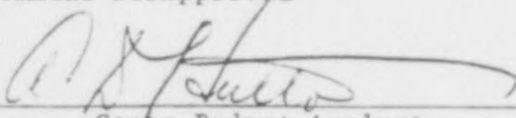
No. Positions	Position Title	Grade	Class Code	Est. Annual Salary	Source of Funds (Percent) State Federal Other
-1	Associate Director	34	2498	24,199	100
+1	Industrial Development Representative I	26	6751	14,373	100
+1	Clerk II	8	0302	8,328	100

Request Justification:

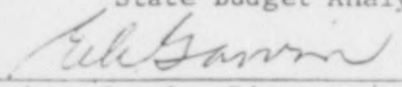
See letter attached

☒ Recommend Approval

☐ Recommend Disapproval

  
\_\_\_\_\_  
State Budget Analyst

December 18, 1978  
Date

  
\_\_\_\_\_  
Budget Section Director/Asst. Dir.

December 18, 1978  
Date



RECEIVED

DEC 15 1978  
BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

STATE DEVELOPMENT BOARD

POST OFFICE BOX 927  
COLUMBIA, SOUTH CAROLINA 29202

ROBERT E. LEAK  
DIRECTOR

TEL. 803 / 756-3145  
TWX NO. 810 666 2626

December 15, 1978

The Honorable William T. Putnam  
Executive Director  
Budget and Control Board  
Box 12444  
Columbia, South Carolina 29211

Dear Bill:

The requirements for bringing about business and industrial locations and expansions have increased the time and manpower demands on our staff during the past several months.

In Item II--Economic Development--Classified Positions, we request approval to increase the projected number of persons from 53 to 54. At the time of development of an Associate Director for the purpose of establishing the Energy Research Institute, two positions were combined. Now that ERI is established, and due to the increased workload on sites, data collection, etc., we want to split this Associate Director position back into two lower positions which will cause us to exceed our approved number of positions by one. The additional position will allow us to provide better services to our prospects. By splitting this position, we will not exceed the appropriated amount for this fiscal year.

If additional information is needed, please let me know.

The Board's consideration on these requests is appreciated.

Yours truly,

Robert E. Leak  
Director

REL/mam



BUDGET AND CONTROL BOARD  
FINANCE DIVISION  
BUDGET DEVELOPMENT

Code No. P32

Agency State Development Board

Subject: Request for positions exceeding number authorized in 1978-79 Appropriation Act

Request is to establish 1 new positions at Hem II - Economic Development

as follows:

No. Positions	Position Title	Grade	Class Code	Est. Annual Salary	Source of Funds (Percent) State Federal Other
-1	Associate Director	34	2498	24,199	100
+1	Industrial Development Representative I	26	6751	14,373	100
+1	Clerk II	8	0302	8,328	100

Request Justification:

See letter attached

☒ Recommend Approval

☐ Recommend Disapproval

*A. S. Latta*  
State Budget Analyst

*Ed. Garvin*  
Budget Section Director/Asst. Dir.

**APPROVED**  
DEC 21 1978  
*Budget + Control Board*

*W. A. McJannet*

December 18, 1978  
Date

December 18, 1978  
Date

FINANCE DIVISION  
BUDGET DEVELOPMENT

DEC 14 1978

Code No. P08

Agency Land Resources Commission

Subject: Request for positions exceeding number authorized in 1978-79 Appropriation Act

Request is to establish 1 new positions at Land Resources -

Administrative Program as follows:

<u>No.</u> <u>Positions</u>	<u>Position Title</u>	<u>Grade</u>	<u>Class</u> <u>Code</u>	<u>Est.</u> <u>Annual</u> <u>Salary</u>	<u>Source of Funds (Percent</u> <u>State Federal Other</u>
1	As established by State Personnel	21 or lower	Unk.	\$10,000	100

Request Justification:

See letters and position questionnaire attached.

☒ Recommend Approval

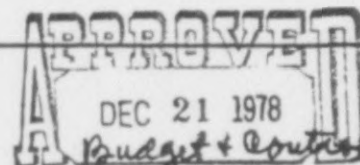
☐ Recommend Disapproval

*C. D. Lutto*

State Budget Analyst

*Ruston + Cantrell*

Budget Section Director/Asst. Dir.



December 14, 1978

Date

12-14-78

Date

18 XV  
STATE BUDGET AND CONTROL BOARD

EXHIBIT XV  
8 12/21/78

MEETING OF December 21, 1978

AGENDA ITEM NUMBER \_\_\_\_\_

---

Agency: Grants and Contracts Review Subcommittee

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Subject: Grant and Contract Requests

The subcommittee's package includes 30 projects including the following funding:

Federal	\$4,644,858
State	193,842
Other	<u>1,625,472</u>
Total	<u>\$6,464,172</u>

This summary was forwarded to the Joint Appropriations Review Committee on December 5, 1978 for advice and recommendations but no comments have been received as of 12/18/78.

---

Board Action Requested:

Approve subcommittee recommendations.

---

Staff Comment:

---

Attachments:

Referenced projects listing





# STATE OF SOUTH CAROLINA

OFFICE OF THE STATE AUDITOR

P. O. BOX 11333

COLUMBIA

29211

EDGAR A. VAUGHN, JR., CPA  
STATE AUDITOR

## MEMORANDUM

TO: William T. Putnam, Executive Director  
Budget and Control Board

FROM: Grady L. Patterson, Jr., State Treasurer  
Chairman, Grants Subcommittee, Budget and Control Board *GLP*

DATE: December 15, 1978

The attached project summary was provided on December 5, 1978 to the Joint Appropriations Review Committee in compliance with Section 5, Act 651 of 1978 (Joint Resolution) for advice or recommendations prior to the S.C. Budget and Control Board final action. No comments have been received to date from the committee.

There are 30 projects from 15 state agencies who are requesting the following amounts from federal, state and other sources:

Federal Funds	\$4,644,858
State Matching	193,842
Other Matching	<u>1,625,472</u>
TOTAL	\$6,464,172

(These total funds include \$342,060 in 8 subcontracts between state agencies.)

The total number of personnel to be hired or retained on these programs is as follows:

New Personnel	Continuing Personnel
Full-Time - 13.5	Full-Time - 37.5
Part-Time - 78.2	Part-Time - 12
<u>91.7</u>	<u>49.5</u>

The Grants Subcommittee recommendations for these projects are reflected in Column 10 of the attached Summary report.

TELEPHONES (AREA CODE 803)

ADMINISTRATION  
756-3106

BUDGET DIVISION  
756-7415

AUDITING DIVISION  
756-8406

GRANTS AND CONTRACTS  
756-7707

ENGINEERING  
756-2657

SUMMARY  
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: December 4, 1978

DATE: December 4, 1978

State Agency	State Identifier	Amount	Time Period	% of Fed. Funds	% of State Funds	% of Other Funds	Personnel		Federal Agency/CFDA/Program Purpose	GCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation	Remarks
							New	Cont.			
1 Legislative Committee - Mental Health & Mental Retardation	9-A10-001	4,000	11/1/78 2/28/79	3,000 75%	1,000 25%	0	0	0	Subcontract DOA - Developmental Disabilities-13.630 A study to review current revisions of state and federal legislation applicable to developmentally disabled persons in order to identify & clarify areas of disharmony that exist between these legislations.	Approval	
2 State Personnel	9-F24-003	12,300	1/1/79 3/31/79	12,300 100%	0	0	0	5	Governor's Office of Manpower, CETA contract 17.232 To continue for 3 months, 5 positions under the Comprehensive Employment & Training program which include 2 Clerk IIIs, 1 Personnel Tech I, 2 Clerk IIs, and 1 Key Entry Operator.	Approval	
3 Clemson University	9-H12-022	151,044	10/10/78 10/10/79	151,044 100%	0	0	4	0	U.S. Dept. of Agriculture thru State Dept. of Education - 10.562 To provide a graduate course in Nutrition Education for teachers of grades K-6 at 5 locations during the summer of 1979.	Approval	

SUMMARY  
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: December 4, 1978

DATE: December 4, 1978

State Agency	State Identifier	Amount	Time Period	% of Fed. Funds	% of State Funds	% of Other Funds	Personnel		Federal Agency/CFDA/ Program Purpose	GCR Unit Recommendation	Remarks
							New	Cont.		B&C Board/ GCR Subcommittee Recommendation	
4 College of Charleston	9-H15-015	85,281	6/1/79 5/30/80	85,281 100%	0	0	3	0	U.S. Office of Education 13.565 A program designed to contribute to the elimination of inequity which prevents full participation by women in educational programs and in American society in general. Program is designed to recognize sex stereotyping in educational materials & programs, media & parenting practices.	Approval	
5 College of Charleston	9-H15-016	176,832	8/1/79 7/30/80	176,832 100%	0	0	0	3 12T	U.S. Office of Education 13.492 A program for 100 students to generate the skill and motivation necessary for success in education beyond high school among young people from low-income families & with adequate secondary school preparation.	Approval	
6 College of Charleston	9-H15-017	7,500	7/1/79 6/30/80	0	2,500 34%	5,000 66%	0	0	Japan Foundation To provide funds to increase library materials to enhance Japanese and Eastern studies.	Approval	



SUMMARY  
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: December 4, 1978

State Agency	State Identifier	Amount	Time Period	% of Fed. Funds	% of State Funds	% of Other Funds	Personnel		Federal Agency/ CFDA/ Program Purpose	GCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation	Remarks
							New	Cont.			
7 USC - College of Criminal Justice	9-H27-065	108,065	10/1/79 9/30/80	85,385 79%	22,680 19%	0	2 3T	0	U.S. Office of Education 13.565 To train students with the skills necessary for assessing an inmate popula- tion of female inmates and to develop their counseling expertise in areas speci- fically related to educa- tional equity for the woman offender.	Approval	
8 USC - Medical School	9-H27-066	51,278	7/1/79 6/30/80	51,278 100%	0	0	.5	0	Public Health Service - DHEW - 13.244 A continuing program to present a comprehensive 4-year curriculum in neuro- psychiatry & behavioral science for medical students. The objective of the pro- gram is to improve mental health care given by pri- mary physicians.	Approval	\$36,295 in salary & fringe benefits are shifted from state appropriations to federal funds for Chairman, Dept. of Neuropsychiatry, Director of Medical Student Education, 2 behavioral scientists, 3 medical students & Chief Resident, W.S. Hall Psychiatric Institute.

SUMMARY  
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: December 4, 1978

DATE:		December 4, 1978											
State Agency	State Identifier	Amount	Time Period	% of Fed. Funds	% of State Funds	% of Other Funds	Personnel		Federal Agency/CFDA/Program Purpose	GCR Unit Recommendation	Remarks		
							New	Cont.		B&C Board/ GCR Subcommittee Recommendation			
9 USC - School of Medicine	9-H27-067	267,500	7/1/79 6/30/80	267,500 100%	0	0	0	0	Public Health Service - Bureau of Health Manpower, HEW - 13,384 To provide start-up assistance for support to expand the Medical School library, annual care facilities & for graphics & media art assistance. To provide additional rental space for clinical faculty next to Richland Memorial Hospital until addition to Hospital is completed.	Approval	\$35,000 will be utilized to rent clinical faculty facilities adjacent to Richland Memorial Hospital until Richland Hospital space becomes available.		
10 USC - Spartanburg	9-H39-006	80,672	9/1/79 8/31/80	80,672 100%	0	0	2 4T	0	U.S. Office of Education 13,565 A program designed to aid in bringing about educational equity for women in S.C. To establish a career information center & trained regional resource persons to help women develop skills & help solve special problems of women.	Approval			

SUMMARY  
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: December 4, 1978

DATE: December 4, 1978

State Agency	State Identifier	Amount	Time Period	% of Fed. Funds	% of State Funds	% of Other Funds	Personnel		Federal Agency/CFDA/ Program Purpose	GCR Unit Recommendation	Remarks
							New	Cont.		B&C Board/ GCR Subcommittee Recommendation	
11 Winthrop College	9-H47-020	59,983	6/1/79 5/30/80	59,983 100%	0	0	2.5T	0	U.S. Office of Education 13,482 To assist low-income, educationally or culturally deprived, physically handicapped students who are enrolled or accepted for enrollment to initiate, continue, or resume post-secondary education,	Approval	
12 Winthrop College	9-H47-021	102,065	6/1/79 5/30/80	102,065 100%	0	0	2.5T	0	U.S. Office of Education, HEW - 13,492 A program to be conducted in Cherokee, York, Fairfield, Chester, Union & Lancaster counties to generate the skill & motivation necessary for success in education beyond high school for young people from low-income families & with inadequate secondary school preparation,	Approval	
13 Medical University	9-H51-029	84,980	7/1/79 6/30/80	70,293 83%	14,687 17%	0	2	4	Public Health Service - Nat'l. Institute of Abuse & Alcoholism - 13,274 To produce health care professionals with enlightened understanding, clinical skills & willingness to involve themselves in service, teaching, research, & community management of alcohol problems.	Approval	



SUMMARY  
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: December 4, 1978

DATE: December 4, 1978

State Agency	State Identifier	Amount	Time Period	% of Fed. Funds	% of State Funds	% of Other Funds	Personnel		Federal Agency/CFDA/ Program Purpose	GCR Unit Recommendation	Remarks
							New	Cont.		B&C Board/ GCR Subcommittee Recommendation	
14 Orangeburg-Calhoun TEC	9-H59-093	94,928	7/1/79 6/30/80	63,847 67%	0	31,081 33%	0	4	U.S. Office of Education HEW - 13,482 To provide remedial & other special services for 100 youths from low income families who have academic potential. The ultimate goal is to increase the retention & graduation rate of such students.	Approval	This is a continuation project with the school using local funds as match.
15 S.C. Department of Education	9-H63-003	4,278,775	10/1/78 9/30/79	2,637,591 62%	51,793 1%	1,589,391 37%	0	0	HEW (agent for Appalachian Regional Council of Gov'ts.) 28,002, 23,012, 23,011, 23,002, 23,001 The State Department of Education is fiscal agency for the Appalachian Regional Council thru HEW for all flow-thru funds awarded by ARC. These 23 projects are awarded to school districts, technical training centers & Clemson University.	Approval	These programs are reviewed & awarded by the Appalachian Regional Council based on review by Governor's office. Financial accountability is maintained by the State Dept. of Education through an award by Region IV, HEW contract office.

SUMMARY  
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: December 4, 1978

DATE: December 4, 1978

State Agency	State Identifier	Amount	Time Period	% of Fed. Funds	% of State Funds	% of Other Funds	Personnel		Federal Agency/CFDA/ Program Purpose	GCR Unit Recommendation	Remarks
							New	Cont.		B&C Board/ GCR Subcommittee Recommendation	
16 Department of Education	9-H63-010	1,675	11/1/78 1/31/79	1,675 100%	0	0	0	0	Subcontract Alabama State Dept. of Education-13,575 A contract from the State Educational Dept, of Alabama to sponsor a S.C. conference & provide an analysis report of various educational issues facing S.C. educators, Report is to be consolidated by Ala. Dept, of Education.	Approval	
17 Department of Education	9-H63-011	67,276	10/1/79 9/30/80	37,340 56%	29,936 44%	0	.5T	0	U.S. Office of Education 13,563 To expand the efforts of the State Dept, of Education in promoting the implementation of & the operation of community education program in S.C. by developing a comprehensive community education resource training center capable of training school personnel, agency personnel, local state & government personnel in the community education concept & philosophy.	Approval	

SUMMARY  
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: December 4, 1978

DATE: December 4, 1978											
State Agency	State Identifier	Amount	Time Period	% of Fed. Funds	% of State Funds	% of Other Funds	Personnel		Federal Agency/CFDA/Program Purpose	GCR Unit Recommendation	Remarks
							New	Cont.		B&C Board/ GCR Subcommittee Recommendation	
18 Mental Retardation	9-J16-006	207,813	7/1/79 6/30/80	140,447 68%	67,366 32%	0	0	3.5	Appalachian Regional Commission - 23,013 To provide special educational services via a home-based approach to 100 children ages 0-6 who are mentally retarded or developmentally delayed.	Approval	
19 Mental Retardation	9-J16-010	2,050	11/15/78 12/30/78	1,028 50%	1,022 50%	0	0	0	Civil Service Commission thru State Personnel Div. 27,012 To provide for a conference to assure continued state-wide coordination of DMR programs by assembling top administrative staff to review & evaluate existing service systems & to identify needed refinements,	Approval	
20 Mental Retardation	9-J16-011	2,160	1/1/79 12/31/79	1,080 50%	1,080 50%	0	0	0	HEW thru State Dept. of Education - 13,493 To purchase vocational equipment for the program of hortitherapy,	Approval	



SUMMARY  
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: December 4, 1978

State Agency	State Identifier	Amount	Time Period	% of Fed. Funds	% of State Funds	% of Other Funds	Personnel		Federal Agency/ CFDA/ Program Purpose	CCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation	Remarks
							New	Cont.			
21 Mental Retardation	9-J16-012	24,675	10/1/78 12/31/78	24,675 100%	0	0	0	9	U.S. Dept. of Labor thru State CETA Office - 17.232 To provide institutionalized mentally handicapped persons with job skills that will enable them to attain employment within the community, thereby increasing their independence and productivity.	Approval	
22 Dept. of Corrections	9-N04-014	145,927	10/1/78 10/1/79	145,927 100%	0	0	0	9	U.S. Dept. of Labor thru Office of Manpower thru State TEC - 17.232 To provide individualized training in self-concept improvement, goal-setting, reading, mathematics, language skills, employ- ability behavior & comple- mentary skills to student inmates at CCI.	Approval	
23 Dept. of Corrections	9-N04-021	3,006	12/1/78 11/30/79	3,006 100%	0	0	0	0	HEW thru State Dept. of Education - 13.431 To purchase audio-video materials & equipment in order to improve the non- printed materials collection & provide increased learn- ing opportunities to inmates.	Approval	

SUMMARY  
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: December 4, 1978

DATE: December 4, 1978

State Agency	State Identifier	Amount	Time Period	% of Fed. Funds	% of State Funds	% of Other Funds	Personnel		Federal Agency/CFDA/ Program Purpose	GCR Unit Recommendation	Remarks
							New	Cont.		B&C Board/ GCR Subcommittee Recommendation	
24 Commission of Forestry	9-P12-004	40,000	10/1/77 9/30/78	40,000 100%	0	0	0	0	Forestry Service, U.S. Dept. of Agriculture - 10,064 To increase technical services to 185 additional landowners to assist in timber site preparation & reforestration,	Conditional Approval	Due to the need for services in S.C., this is an additional award to the Forestry Commission. This agency is in the process of completing negotiations for an indirect rate & will submit a plan for indirect cost recovery before 12/31/78.
25 Commission of Forestry	9-P12-005	17,778	10/1/77 9/30/78	16,000 90%	1,778 10%	0	0	0	U.S. Forest Service, Dept. of Agriculture - 10,651 To review & verify assessment data, identifying state goals, issues, objectives & to set priority needs for federal funding under the provisions of the Rougeland Renewable Resource Planning Act (U.S.D.A.),	Conditional Approval	The agency is near the end of negotiations for an indirect cost rate and will present to the Board a proposed plan for indirect cost recovery before 12/31/78.

SUMMARY  
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: December 4, 1978

DATE: December 4, 1978

State Agency	State Identifier	Amount	Time Period	% of Fed. Funds	% of State Funds	% of Other Funds	Personnel		Federal Agency/ CFDA/ Program Purpose	GCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation	Remarks
							New	Cont.			
26 Employment Security Commission	9-R60-023	2,325	11/1/78 11/30/78	2,325 100%	0	0	0	0	U.S. Dept. of Labor-17,225 To fund statewide training session for Unemployment Insurance staff directed toward improvement of morale, to increase productivity & develop a better relationship between claims-taking staff and claimants.	Approval	
27 Employment Security Commission	9-R60-024	49,150	10/1/78 12/30/78	49,150 100%	0	0	0	0	U.S. Dept. of Labor-17,225 To fund purchased training, Job Search & Job Relocation allowances made under the Trade Act, Funds must be applied for quarterly.	Approval	
28 Employment Security Commission	9-R60-025	83,524	10/1/78 9/30/79	83,524 100%	0	0	0	0	U.S. Dept. of Labor-17,207 To fund additional maintenance costs for the State Office building in Columbia. The increase is from \$2.75 per sq. ft. to \$3.55 sq.ft. according to new estimates of General Services.	Approval	



SUMMARY  
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: December 4, 1978

DATE: December 4, 1978

State Agency	State Identifier	Amount	Time Period	% of Fed. Funds	% of State Funds	% of Other Funds	Personnel		Federal Agency/CFDA/ Program Purpose	GCR Unit Recommendation	Remarks
							New	Cont.		B&C Board/ GCR Subcommittee Recommendation	
29 Employment Security Commission	9-R60-026	131,610	10/1/78 12/30/78	131,610 100%	0	0	55T	0	U.S. Dept. of Labor-17.225 To provide additional funds for Oct.-Dec. quarter in the Unemployment Insurance program. This workload is above projections made in original base allocations.	Approval	
30 Employment Security Commission	9-R60-027	120,000	10/1/78 9/30/79	120,000 100%	0	0	10.7T	0	U.S. Dept. of Labor-17.207 To supplement the present staff in providing a more comprehensive outreach service to migrant & seasonal farm workers, to train these additional personnel to make referrals & placements of MSFWs to both permanent & temporary job agencies.	Approval	

**MEMO**

from John A. McPherson, Jr.

To B.H. McI

Date 12/

Time

This is a Small  
A&E Contract

Less than \$4000-

DMR  
12/21

☐ Reply ☐ Initial and return ☐ See me

Form K-666 The Drawing Board, Inc., Box 305, Dulles, Texas

EXHIBIT XVI

ORIGINAL

12/21/78

12/21/78

A RESOLUTION  
DEFEASING CERTAIN STATE INSTITUTION BONDS PURSUANT TO THE  
AUTHORIZATIONS OF CHAPTER 107 OF TITLE 59, CODE OF LAWS OF  
SOUTH CAROLINA, 1976, AS AMENDED.

BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF  
THE STATE OF SOUTH CAROLINA:

As an incident to the adoption of this Resolution, the  
State Budget and Control Board of the State of South  
Carolina (the State Board), has made the following findings:

SECTION 1

By the provisions of Chapter 107 of Title 59, Code of  
Laws of South Carolina, 1976, as amended (Chapter 107), it  
is provided that upon the direction of the State Board, the  
State Treasurer may apply all or any part of the surplus in  
the special funds established by Section 59-107-180 of the  
Code of Laws of South Carolina, 1976, (as therein defined)  
to the defeasance of any State Institution Bonds that are  
outstanding through the establishment of an irrevocable  
trust therefor.

SECTION 2

The State Board has reviewed the amounts in the several  
special funds so established and has determined that, in  
each instance, State Institution Bonds now outstanding for  
each of the following institutions, viz., The University of  
South Carolina, in Columbia, Clemson University in Clemson  
and Winthrop College, may be defeased in accordance with the  
schedules attached to this Resolution.



### SECTION 3

State Institution Bonds of each of the foregoing State Institutions shall be defeased in accordance with the schedules hereto attached. Said schedules set forth the bonds to be defeased, the maturity schedule of the bonds to be defeased, and the interest to become due on such bonds throughout their remaining lives. Such schedules also establish the debt service of all remaining outstanding State Institution Bonds of such State Institutions, the remaining debt service requirements of such bonds for the present fiscal year and the future maximum annual debt service requirements of State Institution Bonds (for each such State Institution) to be outstanding following this action.

### SECTION 4

There shall be applied to the defeasance of the bonds set forth in the attached schedules the sums specified therefor, which sums are found to be fully sufficient to effect the payment of the principal and interest on the defeased bonds as the same become due and payable. In so finding, the State Board has taken note of the fact that the interest rate to be received from such investments will substantially exceed the interest rates borne by the defeased bonds and thus, sufficient funds will be available to meet all payments of interest on the bonds to be defeased.

#### SECTION 5

The State Treasurer shall deposit in the special trust account heretofore established for defeased bonds of such Institutions the respective sum therefor set forth in the attached schedules. Such moneys shall be invested and reinvested in direct obligations of the United States of America, or obligations unconditionally guaranteed by the United States of America, with maturities consonant for the need for moneys to effect the payment of the principal and interest of the defeased bonds. The State Treasurer shall hold and apply the principal of such trust fund and all earnings received from the investment thereof for the payment of the principal and interest of all defeased bonds of such Institutions and for no other purpose until the last of the defeased bonds shall have been paid and retired.

#### SECTION 6

Hereafter, the State Treasurer shall annually report to the State Board the status of the several trust funds herein established with such comments as he may determine appropriate.

#### SECTION 7

Following this action by the State Board as set forth in this Resolution, the State Institution Bonds set forth in the several schedules herewith attached are hereby declared to be defeased in accordance with the provisions of said Chapter 107, as amended.

-----

SCHEDULES RELATING TO DEFEASANCE OF STATE  
INSTITUTION BONDS OF THE UNIVERSITY OF  
SOUTH CAROLINA

---

SCHEDULE I  
SHOWING DEBT SERVICE REQUIREMENTS OF ALL STATE  
INSTITUTION BONDS FOR THE UNIVERSITY OF SOUTH  
CAROLINA WHICH ARE NOW OUTSTANDING.

---

TABLE 1 - Relating to Issue of 5/1/67 in the original  
amount of \$6,500,000. (Remaining portion now  
outstanding and not defeased)

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ 3,100	\$ 3,100
1980	100,000	3,100	1,550	104,650
1981	100,000	1,550	--	101,550
	<u>\$ 200,000</u>	<u>\$ 4,650</u>	<u>\$ 4,650</u>	<u>\$ 209,300</u>

TABLE 2 - Relating to Issue of 6/1/68 in the original  
amount of \$1,470,000.

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ 11,205	\$ 11,205
1980	75,000	11,205	10,080	96,285
1981	90,000	10,080	8,730	108,810
1982	90,000	8,730	7,380	106,110
1983	90,000	7,380	6,030	103,410
1984	90,000	6,030	4,680	100,710
1985	90,000	4,680	3,330	98,010
1986	90,000	3,330	1,980	95,310
1987	90,000	1,980	630	92,610
1988	42,000	630	--	42,630
	<u>\$ 747,000</u>	<u>\$ 54,045</u>	<u>\$ 54,045</u>	<u>\$ 855,090</u>



TABLE 3 - Relating to Issue of 3/1/71 in the original amount of \$6,250,000.

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ 72,000	\$ 72,000
1980	500,000	72,000	62,625	634,625
1981	500,000	62,625	52,875	615,500
1982	500,000	52,875	42,875	595,750
1983	500,000	42,875	32,625	575,500
1984	500,000	32,625	22,000	554,625
1985	500,000	22,000	11,125	533,125
1986	500,000	11,125	--	511,125
	\$3,500,000	\$296,125	\$296,125	\$4,092,250

TABLE 4 - Relating to Issue of 4/1/73 in the original amount of \$6,950,000.

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ 116,200	\$ 116,200
1980	450,000	116,200	106,075	672,275
1981	450,000	106,075	95,950	652,025
1982	500,000	95,950	84,700	680,650
1983	550,000	84,700	72,050	706,750
1984	550,000	72,050	59,400	681,450
1985	550,000	59,400	46,475	655,875
1986	650,000	46,475	31,200	727,675
1987	650,000	31,200	15,600	696,800
1988	650,000	15,600	--	665,600
	\$5,000,000	\$ 627,650	\$ 627,650	\$6,255,300

TABLE 5 - Relating to Issue of 9/1/77 in the  
original amount of \$5,200,000.

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ 106,875	\$ 106,875
1980	300,000	106,875	99,750	506,625
1981	300,000	99,750	92,625	492,375
1982	300,000	92,625	85,500	478,125
1983	400,000	85,500	76,100	561,600
1984	400,000	76,100	68,100	544,200
1985	400,000	68,100	60,100	528,200
1986	400,000	60,100	52,100	512,200
1987	400,000	52,100	43,900	496,000
1988	400,000	43,900	35,400	479,300
1989	400,000	35,400	26,800	462,200
1990	400,000	26,800	18,000	444,800
1991	400,000	18,000	9,000	427,000
1992	400,000	9,000	--	409,000
	<u>\$4,900,000</u>	<u>\$ 774,250</u>	<u>\$ 774,250</u>	<u>\$6,448,500</u>

SCHEDULE II  
SHOWING AMOUNT OF SURPLUS IN SPECIAL FUND TO BE APPLIED  
TO THE DEFEASANCE OF BONDS, BONDS TO BE DEFEASED,  
TOGETHER WITH DEBT SERVICE REQUIREMENTS FOR SUCH  
BONDS.

The sum of \$1,350,000 is found to be available to effect the defeasance of bonds in accordance with the provisions of Code Section 59-107-180. Such sum shall be added to the corpus of the special trust fund created for State Institution Bonds of the University of South Carolina.

Such corpus and the income earned thereon shall be applied to the payment of the principal and interest on the bonds declared below to be defeased.

All of the remaining outstanding \$200,000 of the original issue of \$6,000,000 dated May 1, 1967 shall be defeased. In addition \$1,150,000 of the now outstanding \$3,500,000 of the issue dated March 1, 1971 shall be defeased. The bonds to be defeased shall be \$250,000 of the \$500,000 of bonds maturing on December 1, 1979 (fiscal year 1980) and \$150,000 of the \$500,000 of bonds maturing on December 1 in the calendar years 1980 to 1985 inclusive (fiscal year 1981 to 1986). In so providing, it is found and determined that the income from the corpus of the trust will be more than ample to provide for the payment of the interest to become due on the defeased bonds.

TABLE 1 - Showing Future Debt Service Requirements  
of Bonds (Defeased) of the Issue of  
5/1/67

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ Provided for	\$ ---
1980	100,000	3,100.00	1,550.00	104,650
1981	100,000	1,550.00	--	101,550
	\$ 200,000	\$ 4,650.00	\$ 1,550.00	\$206,200



TABLE 2 - Showing Future Debt Service Requirements  
of Bonds (Defeased) of the Issue of  
3/1/71

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ Provided for	\$ ---
1980	250,000	23,475.00	18,787.50	292,262.50
1981	150,000	18,787.50	15,862.50	184,650.00
1982	150,000	15,862.50	12,862.50	178,725.00
1983	150,000	12,862.50	9,787.50	172,650.00
1984	150,000	9,787.50	6,600.00	166,387.50
1985	150,000	6,600.00	3,337.50	159,937.50
1986	<u>150,000</u>	<u>3,337.50</u>	<u>--</u>	<u>153,337.50</u>
	\$1,150,000	\$ 90,712.50	\$ 67,237.50	\$1,307,950.00

SCHEDULE III  
SHOWING DEBT SERVICE REQUIREMENTS ON ALL STATE  
INSTITUTION BONDS OF THE UNIVERSITY OF SOUTH CAROLINA  
WHICH HAVE NOT BEEN DEFEASED: INCLUDING COMPOSITE  
ANNUAL DEBT SERVICE REQUIREMENTS (ALL TABLES ARE ON A  
FISCAL YEAR BASIS)

TABLE 1 - Issue of 6/1/68

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ Provided for	\$ ---
1980	75,000	11,205.00	10,080.00	96,285.00
1981	90,000	10,080.00	8,730.00	108,810.00
1982	90,000	8,730.00	7,380.00	106,110.00
1983	90,000	7,380.00	6,030.00	103,410.00
1984	90,000	6,030.00	4,680.00	100,710.00
1985	90,000	4,680.00	3,330.00	98,010.00
1986	90,000	3,330.00	1,980.00	95,310.00
1987	90,000	1,980.00	630.00	92,610.00
1988	42,000	630.00	---	42,630.00
	\$ 747,000	\$ 54,045.00	\$ 42,840.00	\$ 843,885.00

TABLE 2 - Issue of 3/1/71

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ Provided for	\$ ---
1980	250,000	48,525.00	43,837.50	342,362.50
1981	350,000	43,837.50	37,012.50	430,850.00
1982	350,000	37,012.50	30,012.50	417,025.00
1983	350,000	30,012.50	22,837.50	402,850.00
1984	350,000	22,837.50	15,400.00	388,237.50
1985	350,000	15,400.00	7,787.50	373,187.50
1986	350,000	7,787.50	---	357,787.50
	\$2,350,000	\$205,412.50	\$156,887.50	\$2,712,300.00

TABLE 3 - Issue of 4/1/73

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ Provided for	\$ ---
1980	450,000	116,200.00	106,075.00	672,275.00
1981	450,000	106,075.00	95,950.00	652,025.00
1982	500,000	95,950.00	84,700.00	680,650.00
1983	550,000	84,700.00	72,050.00	706,750.00
1984	550,000	72,050.00	59,400.00	681,450.00
1985	550,000	59,400.00	46,475.00	655,875.00
1986	650,000	46,475.00	31,200.00	727,675.00
1987	650,000	31,200.00	15,600.00	696,800.00
1988	650,000	15,600.00	---	665,600.00
	\$5,000,000	\$627,650.00	\$511,450.00	\$6,139,100.00

TABLE 4 - Issue of 9/1/77

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ Provided for	\$ ---
1980	300,000	106,875.00	99,750.00	506,625.00
1981	300,000	99,750.00	92,625.00	492,375.00
1982	300,000	92,625.00	85,500.00	478,125.00
1983	400,000	85,500.00	76,100.00	561,600.00
1984	400,000	76,100.00	68,100.00	544,200.00
1985	400,000	68,100.00	60,100.00	528,200.00
1986	400,000	60,100.00	52,100.00	512,200.00
1987	400,000	52,100.00	43,900.00	496,000.00
1988	400,000	43,900.00	35,400.00	479,300.00
1989	400,000	35,400.00	26,800.00	462,200.00
1990	400,000	26,800.00	18,000.00	444,800.00
1991	400,000	18,000.00	9,000.00	427,000.00
1992	400,000	9,000.00	---	409,000.00
	\$4,900,000	\$774,250.00	\$667,375.00	\$6,341,625.00



TABLE 5 - Composite Debt Table of Principal and Interest Requirements of Outstanding State Institution Bonds of the University of South Carolina following the defeasance of certain bonds on Fiscal Year Basis.

FISCAL YEAR ENDING 6/30	ISSUE OF 6/1/68	ISSUE OF 3/1/71	ISSUE OF 4/1/73	ISSUE OF 9/1/77	TOTAL FOR FISCAL YEAR
1979	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
1980	96,285.00	342,362.50	672,275.00	506,625.00	1,617,547.50
1981	108,810.00	430,850.00	652,025.00	492,375.00	1,684,060.00
1982	106,110.00	417,025.00	680,650.00	478,125.00	1,681,910.00
1983	103,410.00	402,850.00	706,750.00	561,600.00	1,774,610.00
1984	100,710.00	388,237.50	681,450.00	544,200.00	1,714,597.50
1985	98,010.00	373,187.50	655,875.00	528,200.00	1,655,272.50
1986	95,310.00	357,787.50	727,675.00	512,200.00	1,692,972.50
1987	92,610.00	---	696,800.00	496,000.00	1,285,410.00
1988	42,630.00	---	665,600.00	479,300.00	1,187,530.00
1989	---	---	---	462,200.00	462,200.00
1990	---	---	---	444,800.00	444,800.00
1991	---	---	---	427,000.00	427,000.00
1992	---	---	---	409,000.00	409,000.00
	\$843,885.00	\$2,712,300.00	\$6,139,100.00	\$6,341,625.00	\$16,036,910.00

SCHEDULE IV  
ESTABLISHING COMPLIANCE WITH REQUIREMENTS OF  
SECTION 59-107-200

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Amount now in Special Fund (as of 12-2-78) .....	\$ 3,440,717.04
Amount required to pay debt service for remainder of present Fiscal Year (Interest on June 1, 1979) .....	\$ 309,380.00
Maximum annual debt service following defeasance (as per Schedule III) .....	\$ 1,774,610.00
Amount used for defeasance (as per Schedule II) .....	\$ 1,350,000.00
Margin .....	\$ 6,727.04*

\*The remaining sum of \$6,727.04 shall remain in the special fund established by, and shall be applied in conformity with, the provisions of Code Section 59-107-180.

SCHEDULES RELATING TO DEFEASANCE OF STATE  
INSTITUTION BONDS OF CLEMSON UNIVERSITY  
SOUTH CAROLINA

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SCHEDULE I  
SHOWING DEBT SERVICE REQUIREMENTS OF ALL STATE  
INSTITUTION BONDS FOR CLEMSON UNIVERSITY  
WHICH ARE NOW OUTSTANDING

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TABLE 1 - Relating to Issue of 5/1/67 in the original  
issue of \$4,000,000. (Remaining portion  
now outstanding and not defeased)

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ 6,200	\$ 6,200
1980	200,000	6,200	3,100	209,300
1981	200,000	3,100	--	203,100
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 400,000	\$ 9,300	\$ 9,300	\$ 418,600

TABLE 2 - Relating to Issue of 3/1/71 in the original  
amount of \$3,000,000.

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ 38,062.50	\$ 38,062.50
1980	200,000	38,062.50	34,312.50	272,375.00
1981	300,000	34,312.50	28,462.50	362,775.00
1982	300,000	28,462.50	22,462.50	350,925.00
1983	300,000	22,462.50	16,312.50	338,775.00
1984	250,000	16,312.50	11,000.00	277,312.50
1985	250,000	11,000.00	5,562.50	266,562.50
1986	250,000	5,562.50	--	255,562.50
	<hr/>	<hr/>	<hr/>	<hr/>
	\$1,850,000	\$156,175.00	\$156,175.00	\$2,162,350.00



TABLE 3 - Relating to Issue of April 1, 1973 in the original amount of \$2,500,000.

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ 45,125	\$ 45,125
1980	200,000	45,125	40,625	285,750
1981	200,000	40,625	36,125	276,750
1982	250,000	36,125	30,500	316,625
1983	250,000	30,500	24,750	305,250
1984	250,000	24,750	19,000	293,750
1985	200,000	19,000	14,300	233,300
1986	200,000	14,300	9,600	223,900
1987	200,000	9,600	4,800	214,400
1988	200,000	4,800	--	204,800
	\$1,950,000	\$224,825	\$224,825	\$2,399,650

TABLE 4 Relating to Issue of September 1, 1977 in the original amount of \$3,300,000.

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ 67,687.50	\$ 67,687.50
1980	200,000	67,687.50	62,937.50	330,625.00
1981	200,000	62,937.50	58,187.50	321,125.00
1982	200,000	58,187.50	53,437.50	311,625.00
1983	250,000	53,437.50	47,562.50	351,000.00
1984	250,000	47,562.50	42,562.50	340,125.00
1985	250,000	42,562.50	37,562.50	330,125.00
1986	250,000	37,562.50	32,562.50	320,125.00
1987	250,000	32,562.50	27,437.50	310,000.00
1988	250,000	27,437.50	22,125.00	299,562.50
1989	250,000	22,125.00	16,750.00	288,875.00
1990	250,000	16,750.00	11,250.00	278,000.00
1991	250,000	11,250.00	5,625.00	266,875.00
1992	250,000	5,625.00	--	255,625.00
	\$3,100,000	\$485,687.50	\$485,687.50	\$4,071,375.00

SCHEDULE II  
SHOWING AMOUNT OF SURPLUS IN SPECIAL FUND TO BE APPLIED TO  
THE DEFEASANCE OF BONDS, BONDS TO BE DEFEASED, TOGETHER WITH  
DEBT SERVICE REQUIREMENTS FOR SUCH BONDS.

The sum of \$785,000 is found to be available to effect the defeasance of bonds in accordance with the provisions of Code Section 59-107-180. Such sum shall be added to the corpus of the special trust fund created for State Institution Bonds of Clemson University.

Such corpus and the income earned thereon shall be applied to the payment of the principal and interest on the bonds declared below to be defeased.

All of the remaining outstanding \$400,000 of the original issue of \$4,000,000 dated May 1, 1967 shall be defeased. In addition \$385,000 of the now outstanding \$1,850,000 of the issue dated March 1, 1971 shall be defeased. The bonds to be defeased shall be \$55,000 of the \$200,000 of bonds maturing on December 1, 1979 (fiscal year 1980), \$55,000 of the \$300,000 of bonds maturing on December 1 in the calendar years 1980 to 1982 inclusive (fiscal year 1981 to 1983) and \$55,000 of the \$250,000 of bonds maturing on December 1 in the calendar years 1983 to 1985 inclusive (fiscal year 1984 to 1986). In so providing, it is found and determined that the income from the corpus of the trust will be more than ample to provide for the payment of the interest to become due on the defeased bonds.

TABLE 1 - Showing Future Debt Service Requirements  
of Bonds (Defeased) of the Issue of  
5-1-67

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Provided for	\$ Provided for	\$ ---
1980	200,000	6,200	3,100	209,300
1981	200,000	3,100	---	203,100
	\$ 400,000	\$ 9,300	\$ 3,100	\$ 412,400

TABLE 2 - Issue of 3/1/71

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Provided for	\$ Provided for	\$ ---
1980	55,000	7,920.00	6,888.75	69,808.75
1981	55,000	6,888.75	5,816.25	67,705.00
1982	55,000	5,816.25	4,716.25	65,532.50
1983	55,000	4,716.25	3,588.75	63,305.00
1984	55,000	3,588.75	2,420.00	61,008.75
1985	55,000	2,420.00	1,223.75	58,643.75
1986	55,000	1,223.75	---	56,223.75
	\$ 385,000	\$ 32,573.75	\$ 24,653.75	\$ 442,227.50



SCHEDULE III  
SHOWING DEBT SERVICE REQUIREMENTS ON ALL STATE  
INSTITUTION BONDS OF CLEMSON UNIVERSITY WHICH  
HAVE NOT BEEN DEFEASED: INCLUDING COMPOSITE  
ANNUAL DEBT SERVICE REQUIREMENTS (ALL TABLES  
ARE ON A FISCAL YEAR BASIS)

TABLE 1 - Issue of 3/1/71

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Provided for	\$ Provided for	\$ --
1980	145,000	30,142.50	27,423.75	202,566.25
1981	245,000	27,423.75	22,646.25	295,070.00
1982	245,000	22,646.25	17,746.25	285,392.50
1983	245,000	17,746.25	12,723.75	275,470.00
1984	195,000	12,723.75	8,580.00	216,303.75
1985	195,000	8,580.00	4,338.75	207,918.75
1986	195,000	4,338.75	--	199,338.75
	\$1,465,000	\$123,601.25	\$ 93,458.75	\$1,682,060.00

TABLE 2 - Issue of 4/1/73

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Provided for	\$ Provided for	\$ --
1980	200,000	45,125	40,625	285,750
1981	200,000	40,625	36,125	276,750
1982	250,000	36,125	30,500	316,625
1983	250,000	30,500	24,750	305,250
1984	250,000	24,750	19,000	293,750
1985	200,000	19,000	14,300	233,300
1986	200,000	14,300	9,600	223,900
1987	200,000	9,600	4,800	214,400
1988	200,000	4,800	--	204,800
	\$1,950,000	\$224,825	\$179,700	\$2,354,525

TABLE 3 - Issue of 9/1/77

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Provided for	\$ Provided for	\$ --
1980	200,000	67,687.50	62,937.50	330,625.00
1981	200,000	62,937.50	58,187.50	321,125.00
1982	200,000	58,187.50	53,437.50	311,625.00
1983	250,000	53,437.50	47,562.50	351,000.00
1984	250,000	47,562.50	42,562.50	340,125.00
1985	250,000	42,562.50	37,562.50	330,125.00
1986	250,000	37,562.50	32,562.50	320,125.00
1987	250,000	32,562.50	27,437.50	310,000.00
1988	250,000	27,437.50	22,125.00	299,562.50
1989	250,000	22,125.00	16,750.00	288,875.00
1990	250,000	16,750.00	11,250.00	278,000.00
1991	250,000	11,250.00	5,625.00	266,875.00
1992	250,000	5,625.00	--	255,625.00
	\$3,100,000	\$485,687.50	\$418,000.00	\$4,003,687.50

TABLE 4 - Composite Debt Table of Principal and Interest Requirements of Outstanding State Institution Bonds of Clemson University following the defeasance of certain bonds

FISCAL YEAR ENDING 6/30	ISSUE OF 3/1/71	ISSUE OF 4/1/73	ISSUE OF 9/1/77	TOTAL FOR FISCAL YEAR
1979	\$ --	\$ --	\$ --	\$ --
1980	202,566.25	285,750.00	330,625.00	818,941.25
1981	295,070.00	276,750.00	321,125.00	892,945.00
1982	285,392.50	316,625.00	311,625.00	913,642.50
1983	275,470.00	305,250.00	351,000.00	931,720.00
1984	216,303.75	293,750.00	340,125.00	850,178.75
1985	207,918.75	233,300.00	330,125.00	771,343.75
1986	199,338.75	223,900.00	320,125.00	743,363.75
1987	---	214,400.00	310,000.00	524,400.00
1988	---	204,800.00	299,562.50	504,362.50
1989	---	---	288,875.00	288,875.00
1990	---	---	278,000.00	278,000.00
1991	---	---	266,875.00	266,875.00
1992	---	---	255,625.00	255,625.00
	\$1,682,060.00	\$2,354,525.00	\$4,003,687.50	\$8,040,272.50

SCHEDULE IV  
ESTABLISHING COMPLIANCE WITH REQUIREMENTS OF  
SECTION 59-107-200

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Amount now in Special Fund (as of 12-2-78).....	\$ 1,877,663.70
Amount required to pay debt service for remainder of present Fiscal Year (Interest on June 1, 1979).....	\$ 157,075.00
Maximum annual debt service following defeasance (as per Schedule III).....	\$ 931,720.00
Amount used for defeasance (as per Schedule II).....	\$ 785,000.00
Margin .....	\$ 3,868.70*

\*The remaining sum \$3,868.70 shall remain in the special fund established by, and shall be applied in conformity with, the provisions of Code Section 59-107-180.



SCHEDULES RELATING TO DEFEASANCE OF STATE  
INSTITUTION BONDS FOR WINTHROP COLLEGE  
SOUTH CAROLINA

SCHEDULE I  
SHOWING DEBT SERVICE REQUIREMENTS OF ALL STATE  
INSTITUTION BONDS FOR WINTHROP COLLEGE  
WHICH ARE NOW OUTSTANDING

TABLE 1 - Relating to Issue of 3/1/71 in the  
original amount of \$900,000.

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Paid	\$ 9,531.25	\$ 9,531.25
1980	75,000	9,531.25	8,125.00	92,656.25
1981	100,000	8,125.00	6,175.00	114,300.00
1982	100,000	6,175.00	4,175.00	110,350.00
1983	100,000	4,175.00	2,125.00	106,300.00
1984	100,000	2,125.00	--	102,125.00
	\$ 475,000	\$ 30,131.25	\$ 30,131.25	\$ 535,262.50

TABLE 2 - Relating to Issue of 9/1/77 in the  
original amount of \$925,000.

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Provided for	\$ Provided for	\$ --
1980	100,000	18,037.50	15,662.50	133,700.00
1981	100,000	15,662.50	13,287.50	128,950.00
1982	100,000	13,287.50	10,912.50	124,200.00
1983	100,000	10,912.50	8,562.50	119,475.00
1984	100,000	8,562.50	6,562.50	115,125.00
1985	100,000	6,562.50	4,562.50	111,125.00
1986	100,000	4,562.50	2,562.50	107,125.00
1987	125,000	2,562.50	--	127,562.50
	\$ 825,000	\$ 80,150.00	\$ 62,112.50	\$ 967,262.50

SCHEDULE II  
SHOWING AMOUNT OF SURPLUS IN SPECIAL FUND TO BE APPLIED TO  
THE DEFEASANCE OF BONDS, BONDS TO BE DEFEASED, TOGETHER WITH  
DEBT SERVICE REQUIREMENTS FOR SUCH BONDS.

The sum of \$300,000 is found to be available to effect the defeasance of bonds in accordance with the provisions of Code Section 59-107-180. Such sum shall be added to the corpus of the special trust fund created for State Institution Bonds of Winthrop College.

Such corpus and the income earned thereon shall be applied to the payment of the principal and interest on the bonds declared below to be defeased.

\$300,000 of the now outstanding \$475,000 of the issue dated March 1, 1971 shall be defeased. The bonds to be defeased shall be \$60,000 of the bonds maturing on December 1 in each of the years 1979 to 1984 inclusive. In so providing, it is found and determined that the income from the corpus of the trust will be more than ample to provide for the payment of the interest to become due on the defeased bonds.

TABLE 1 - Showing Future Debt Service Requirements  
of Bonds (Defeased) of the Issue of  
3/1/71

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Provided for	\$ Provided for	\$ --
1980	60,000	6,000	4,875	70,875
1981	60,000	4,875	3,705	68,580
1982	60,000	3,705	2,505	66,210
1983	60,000	2,505	1,275	63,780
1984	60,000	1,275	--	61,275
	<u>\$300,000</u>	<u>\$ 18,360</u>	<u>\$ 12,360</u>	<u>\$330,720</u>

SCHEDULE III  
SHOWING DEBT SERVICE REQUIREMENTS ON ALL STATE  
INSTITUTION BONDS OF WINTHROP COLLEGE WHICH  
HAVE NOT BEEN DEFEASED: INCLUDING COMPOSITE  
ANNUAL DEBT SERVICE REQUIREMENTS (ALL TABLES  
ARE ON A FISCAL YEAR BASIS)

TABLE 1 - Issue of 3/1/71

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Provided for	\$ Provided for	\$ ---
1980	15,000	3,531.25	3,250.00	21,781.25
1981	40,000	3,250.00	2,470.00	45,720.00
1982	40,000	2,470.00	1,670.00	44,140.00
1983	40,000	1,670.00	850.00	42,520.00
1984	40,000	850.00	--	40,850.00
	<hr/>	<hr/>	<hr/>	
	\$ 175,000	\$ 11,771.25	\$ 8,240.00	\$ 195,011.25

TABLE 2 - Relating to Issue of 9/1/77 in the  
original amount of \$925,000.

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ Paid	\$ Provided for	\$ Provided for	\$ --
1980	100,000	18,037.50	15,662.50	133,700.00
1981	100,000	15,662.50	13,287.50	128,950.00
1982	100,000	13,287.50	10,912.50	124,200.00
1983	100,000	10,912.50	8,562.50	119,475.00
1984	100,000	8,562.50	6,562.50	115,125.00
1985	100,000	6,562.50	4,562.50	111,125.00
1986	100,000	4,562.50	2,562.50	107,125.00
1987	125,000	2,562.50	--	127,562.50
	<hr/>	<hr/>	<hr/>	
	\$ 825,000	\$ 80,150.00	\$ 62,112.50	\$ 967,262.50



TABLE 3 - Composite Debt Table of Principal and  
Interest Requirements on Outstanding State  
Institution Bonds of Winthrop College  
following the defeasance of certain bonds

FISCAL YEAR ENDING 6/30	ISSUE OF 3/1/71	ISSUE OF 9/1/77	TOTAL FOR FISCAL YEAR
1979	\$ ---	\$ ---	\$ ---
1980	21,781.25	133,700.00	155,481.25
1981	45,720.00	128,950.00	174,670.00
1982	44,140.00	124,200.00	168,340.00
1983	42,520.00	119,475.00	161,995.00
1984	40,850.00	115,125.00	155,975.00
1985	---	111,125.00	111,125.00
1986	---	107,125.00	107,125.00
1987	---	127,562.50	127,562.50
	<hr/>	<hr/>	<hr/>
	\$195,011.25	\$ 967,262.50	\$1,162,273.75

SCHEDULE IV  
ESTABLISHING COMPLIANCE WITH REQUIREMENTS OF  
SECTION 59-107-200

Amount now in Special Fund (as of 12-2-78) .....	\$ 502,405.17
Amount required to pay debt service for remainder of present Fiscal Year (Interest on June 1, 1979).....	\$ 27,568.75
Maximum annual debt service following defeasance (as per Schedule III) .....	\$ 174,670.00
Amount used for defeasance (as per Schedule II) .....	\$ 300,000.00
Margin .....	\$ 66.42*

\*The remaining sum \$66.42 shall remain in the special fund established by, and shall be applied in conformity with, the provisions of Code Section 59-107-180.

ORIGINAL

12/21/78

EXHIBIT XVII

12/21/78

A RESOLUTION

MAKING PROVISION FOR THE ISSUANCE OF \$22,215,000 STATE INSTITUTION BONDS OF THE STATE OF SOUTH CAROLINA, TO BE DATED DECEMBER 1, 1978

BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF THE STATE OF SOUTH CAROLINA:

ARTICLE I

FINDINGS

As an incident to the adoption of this Resolution, the State Budget and Control Board of South Carolina (the State Board) acting pursuant to the authorizations of Chapter 107, Title 59, Code of Laws of South Carolina, 1976, as amended by new Article X of the Constitution of the State of South Carolina, Act No. 125 of the Acts of the General Assembly for the year 1977 and Act No. 646 of the Acts of the General Assembly for the year 1978 (Chapter 107), finds as follows:

SECTION 1.01

1. Applications have been made to the State Board for the issuance of State Institution Bonds pursuant to Chapter 107 by the following State Institutions, for the following amounts, which are proposed to be expended for the permanent improvements described in the applications of the respective State Institutions:

(i) University of South Carolina, for \$9,700,000 of State Institution Bonds.

(ii) Clemson University, for \$7,000,000 of State Institution Bonds.



(iii) The Citadel, the Military College of South Carolina, for \$1,015,000 of State Institution Bonds. (This application has been submitted on behalf of The Citadel by its Finance Director who was authorized to do so by action of the Board of Visitors some months ago. The formal application is to be presented prior to the sale of the bonds.)

(iv) The Medical University of South Carolina, for \$1,000,000 of State Institution Bonds.

(v) Trident Technical College, for \$3,500,000 of State Institution Bonds.

2. The State Board has duly and carefully considered the applications and has determined that they should be approved in substance, inasmuch as it has been determined that an immediate need exists for the permanent improvements set forth in the several applications.

By action taken pursuant to Code Section 59-107-200, the State Board has defeased additional State Institution Bonds for the University of South Carolina, Clemson University and Winthrop College.

As of December 2, 1978, there were outstanding \$29,782,000 of State Institution Bonds. \$2,435,000 of such bonds have now been defeased pursuant to Section 59-107-200, leaving \$27,347,000 "outstanding" against the \$50,000,000 authorization contained in Section 59-107-90.

3. On the basis of the foregoing, the State Board adopts this Resolution for the purpose of making the findings required of it by Section 59-107-50, and in order to make formal request to the Governor and the State Treasurer pursuant to Section 59-107-60, Code of Laws of South Carolina, 1976, as amended, for the issuance of \$22,215,000 of State Institution Bonds pursuant to Chapter 107.

## ARTICLE II

### DETERMINATIONS

#### SECTION 2.01

The State Board has ascertained and hereby determines:

1. That a definite and immediate need exists for permanent improvements at the State Institutions, whose applications have been approved, as hereinafter in Paragraph (2) set forth.

2. That the specific definite and immediate needs are as follows:

(i) For University of South Carolina:

(a) an addition to the Biological Science Building which will connect it to the Physical Science Building and which will provide laboratory facilities;

(b) the renovation and restoration of Barnwell College; the renovation of the Armory; the renovation of Hamilton College and the

construction of access facilities for handicapped students for each of the buildings;

(c) the renovation of Rutledge Chapel together with the dormitory facilities contiguous thereto;

(d) construction and equipping of a Physical Education Center at the University of South Carolina - Lancaster Campus;

(e) construction and equipping of the Library Science Building at the University of South Carolina - Salkehatchie Campus; and

(f) the renovation of the Central School at the University of South Carolina - Union Campus, in order to provide offices for the administration and to provide additional living facilities.

(Items (d), (e) and (f) are authorized by Act No. 646 of 1978.)

(ii) For Clemson University:

(a) the final phase of the enlargement of the Library Building;

(b) the final phase of the renovation of Sarrine Hall;

(c) the renovation of Tillman Hall; and

(d) such other plant improvements as shall, prior to the issuance of the proposed bonds, have



received the approval of the Board of Trustees of Clemson University and the State Board.

(iii) For The Citadel, the Military College of South Carolina:

(a) the restoration and renovation of the Murray Infirmary Building;

(b) the repair and replacement of certain parts of the heating facility which serves the entire campus of The Citadel;

(c) the installation of fire safety devices for the campus;

(d) the widening of the roadway known as Lee Avenue and the widening and relocation of Lesesne Gate;

(e) the repair of the foundation of Summerall Chapel in order to stabilize and reinforce the walls of same; and

(f) such other plant improvements as shall, prior to the issuance of the proposed bonds, have received the approval of the Board of Visitors of The Citadel and the State Board.

(iv) For The Medical University of South Carolina:

(a) general renovations of student rooms in the Alumni House;

(b) conversion of the existing air conditioning facilities to a variable volume

system in the Basic Science Building in order to achieve energy conservation;

(c) construction and modification of facilities for storage of class I and II flammable liquids (various campus locations);

(d) alter existing sprinkler systems in Buildings A, B, D:

(e) provide additional emergency showers;

(f) renovate balcony in Baruch Auditorium;

(g) renovate clinic area, first floor, research building;

(h) additional modifications for energy conservation;

(i) other general renovations (roofing, etc.) to existing facilities; and

(j) such other plant improvements as shall, prior to the issuance of the proposed bonds, have received the approval of the Board of Trustees of the Medical University and the State Board.

(v) For Trident Technical College:

(a) a multi-story classroom building to be located on a tract of land already owned by Trident Technical College on the east bank of the Ashley River south of the campus of The Citadel in the City of Charleston.

3. That the bonds to be issued for the several State Institutions, whose applications are hereby approved, shall be sold at public sale, and sealed bids for the purchase of the bonds be received by the Governor and the State Treasurer until 11:00 a.m. (local time) on a date to be fixed by the State Treasurer, which date shall be not less than ten days subsequent to the publication of a notice of sale as prescribed by Section 59-107-160, Code of Laws of South Carolina, 1976, as amended. The Notice of Sale shall be substantially as that set forth as "Exhibit B" attached hereto.

4. That a satisfactory and proper schedule of tuition fees is in effect at each of said State Institutions as follows:

(i) For University of South Carolina:

<u>TYPE OF STUDENT</u>	<u>TUITION FEES FOR ENTIRE ACADEMIC YEAR</u>
Resident	\$ 150.00
Non-Resident	400.00

(ii) For Clemson University:

<u>TYPE OF STUDENT</u>	<u>TUITION FEES FOR ENTIRE ACADEMIC YEAR</u>
Resident	\$ 160.00
Non-Resident	410.00

(iii) For The Citadel, the Military College of South Carolina:

<u>TYPE OF STUDENT</u>	<u>TUITION FEES FOR ENTIRE ACADEMIC YEAR</u>
Resident	\$ 160.00
Non-Resident	410.00



(iv) For The Medical University of South Carolina:

<u>TYPE OF STUDENT</u>	<u>TUITION FEES FOR ENTIRE ACADEMIC YEAR (FOR RESIDENT STUDENTS)*</u>
Medicine	\$ 1,100
Pharmacy	360
Nursing	360
Dental	1,100
Allied Health Sciences	360
Graduate Studies (without teaching assignment)**	300

\*Non-resident fees are double those for residents

\*\*Students enrolled in Graduate Studies who have teaching assignments are not charged tuition

(v) For Trident Technical College:

<u>TYPE OF STUDENT</u>	<u>TUITION FEES FOR EACH OF FOUR QUARTERS CON- DUCTED BY TRIDENT</u>
Full-time Student	\$25.00 per quarter
Part-time Student	\$2.50 per hour per quarter

On the basis of the maturity schedules hereinafter prescribed and the tuition fees actually received by the respective State Institutions during the fiscal year ended June 30, 1978, it appears that maximum annual debt service on all State Institution Bonds for each State Institution, including the bonds herein authorized for such State Institutions will not exceed ninety percent (90%) of the sums received by each such State Institution by way of tuition fees in the fiscal year ended June 30, 1978.

The aggregate tuition fees received by the several State Institutions for the fiscal year ended June 30, 1978 are as follows:

<u>NAME OF INSTITUTION</u>	<u>TUITION FEES RECEIVED</u>
University of South Carolina	\$ 3,152,185
Clemson University	1,808,041
The Citadel, the Military College of South Carolina	580,546
The Medical University of South Carolina	1,132,902
Trident Technical College	417,597.50

6. The Board of Trustees of the University of South Carolina, the Board of Trustees of Clemson University, the Board of Visitors of The Citadel, the Military College of South Carolina, the Board of Trustees of The Medical University of South Carolina, and the State Board for Technical and Comprehensive Education with respect to Trident Technical College, have agreed that such schedules of tuition fees in effect at such Institutions may be revised from time to time and whenever necessary to provide not less than the sum needed to pay the principal and interest requirements of the proposed bonds for each of said Institutions.

7. The State Board has made the findings required of it by Section 59-107-50 and hereby approves the applications of the several State Institutions above referred to.

### ARTICLE III

#### STATUTORY REQUIREMENTS

##### SECTION 3.01

In order to comply with the provisions of Chapter 107, the State Board hereby sets forth the following:

1. The names of the State Institutions seeking funds and the amount of each respective application are as follows:

University of South Carolina	\$9,700,000
Clemson University	\$7,000,000
The Citadel, the Military College of South Carolina	\$1,015,000
The Medical University of South Carolina	\$1,000,000
Trident Technical College	\$3,500,000

2. The annual principal and interest requirements of all outstanding bonds issued for such Institutions, the proposed maturity schedule of the bonds now sought to be issued, and the aggregate annual principal and interest requirements of the bonds now sought to be issued (computed at 6%), are set forth in Schedules 1 through 5, inclusive. Such schedules likewise set forth the sum received by each such Institution from tuition fees for the fiscal year ended June 30, 1978, and further establish that the coverage tests prescribed by Section 13(6)(b) of Article X of the South Carolina Constitution have been met.

#### ARTICLE IV

##### DEBT LIMITATION PROVISIONS OBSERVED

##### SECTION 4.01

The State Board finds that the total aggregate principal amount of State Institution Bonds to be outstanding, following the issuance of the State Institution Bonds sought to be issued, will be the sum of \$49,562,000. This sum is less than the statutory limit established by



Section 59-107-90, Code of Laws of South Carolina, 1976, as amended, as shown by the summary set forth in Table 4.

ARTICLE V

ISSUANCE OF BONDS

SECTION 5.01

State Institution Bonds in the aggregate principal amount of \$22,215,000 shall be issued. Such issue shall be comprised as follows:

(i) University of South Carolina:

Negotiable coupon bonds in the principal amount of \$9,700,000, in the denomination of \$5,000 each, numbered A-1 to A-1940, inclusive, payable to bearer, but with the privilege to the holder of having the same registered on books of the State Treasurer, as to principal only, or as to both principal and interest. Said bonds shall be dated December 1, 1978, shall mature on December 1 in the years and amounts as follows:

\$ 200,000 in each of the years 1979 and 1980;  
\$ 300,000 in each of the years 1981 and 1982;  
\$ 400,000 in each of the years 1983 and 1984;  
\$ 500,000 in each of the years 1985 and 1986;  
\$ 750,000 in each of the years 1987 and 1988;  
\$1,000,000 in each of the years 1989 to 1991,  
inclusive; and  
\$1,200,000 in each of the years 1992 and 1993.

(ii) Clemson University: Negotiable coupon bonds in the principal amount of \$7,000,000, in the denomination of \$5,000 each, numbered B-1 to B-1400, inclusive, payable to bearer, but with the

privilege to the holder of having the same registered on books of the State Treasurer, as to principal only, or as to both principal and interest. Said bonds shall be dated December 1, 1978, and shall mature on December 1 in the years and amounts as follows:

\$ 25,000 in each of the years 1979 and 1980;  
\$100,000 in the year 1981;  
\$150,000 in the year 1982;  
\$200,000 in each of the years 1983 and 1984;  
\$300,000 in the year 1985;  
\$400,000 in each of the years 1986 and 1987;  
\$500,000 in each of the years 1988 and 1989;  
\$600,000 in each of the years 1990 and 1991;  
\$700,000 in each of the years 1992 and 1993;  
and  
\$800,000 in each of the years 1994 and 1995.

(iii) For The Citadel, the Military College of South Carolina: Negotiable coupon bonds in the principal amount of \$1,015,000, in the denomination of \$5,000 each, numbered C-1 to C-203, inclusive, payable to bearer, but with the privilege to the holder of having the same registered on books of the State Treasurer, as to principal only, or as to both principal and interest. Said bonds shall be dated December 1, 1978, and shall mature on December 1 in the years and amounts as follows:

\$40,000 in each of the years 1979 to 1981,  
inclusive;  
\$50,000 in each of the years 1982 to 1985,  
incusive;  
\$55,000 in the year 1986;  
\$60,000 in each of the years 1987 and 1988;  
\$70,000 in the year 1989; and  
\$75,000 in each of the years 1990 to 1995,  
inclusive.

(iv) For The Medical University of South Carolina: Negotiable coupon bonds in the principal amount of \$1,000,000, in the denomination of \$5,000 each, numbered E-1 to E-200, inclusive, payable to bearer, but with the privilege to the holder of having the same registered on books of the State Treasurer, as to principal only, or as to both principal and interest. Said bonds shall be dated December 1, 1978 and shall mature on December 1 in the years and amounts as follows:

\$100,000 in each of the years 1979 to 1988, inclusive.

(f) For Trident Technical College: Negotiable coupon bonds in the principal amount of \$3,500,000, in the denomination of \$5,000 each, numbered F-1 to F-700, inclusive, payable to bearer, but with the privilege to the holder of having the same registered on books of the State Treasurer, as to principal only, or as to both principal and interest. Said bonds shall be dated December 1, 1978, and shall mature on December 1 in the years and amounts as follows:

\$150,000 in each of the years 1979 to 1983, inclusive;  
\$200,000 in each of the years 1984 to 1988, inclusive; and  
\$250,000 in each of the years 1989 to 1995, inclusive.



SECTION 5.02

In accordance with the provisions of Act 426 of 1978 and in order to provide for the punctual payment of the principal of and interest on the State Institution Bonds herein authorized, the State Treasurer is hereby directed to set aside from such tuition fees received in each fiscal year in which the interest on and principal of State Institution Bonds herein authorized are due or will become due so much of the revenues derived from such tuition fees as may be necessary in order to pay the interest on and principal of all State Institution Bonds for such institution due and falling due in such fiscal year and the State Treasurer shall thereafter apply such moneys to the punctual payment of such principal and interest as the same respectively fall due. In the event that the revenues derived from the tuition fee so pledged prove insufficient to meet the payments of the interest on and principal of such State Institution Bonds in such fiscal year, then the State Treasurer is authorized and directed to set aside from the general tax revenues received in such fiscal year so much of such general tax revenues as become needed for such purpose and to apply the same to the punctual payment of the interest on and principal of such State Institution Bonds due or to become due in such fiscal year.

ARTICLE VI  
PAYING AGENT FOR BONDS

SECTION 6.01

The bonds and the interest thereon (except in the case of bonds registered as to principal, or bonds fully registered as to both principal and interest) shall be payable at not more than two banks or trust companies, whose names will be printed on the bonds and coupons, to be mutually agreed upon by the State Treasurer and the successful purchaser, provided that:

(a) one shall be a bank organized under the laws of the State of South Carolina, or the United States, having an office in the City of Columbia, South Carolina; and

(b) The remaining financial institution shall be a bank or trust company organized under the laws of one of the States of the United States, or of the United States, located in a city agreeable to the State Treasurer.

ARTICLE VII  
INTEREST RATES TO BE BORNE BY BONDS

SECTION 7.01

The bonds shall bear such rate or rates of interest, payable on June 1 and December 1 of each year, commencing June 1, 1979, as shall at the sale of such bonds reflect the lowest interest cost to the State of South Carolina, at a

price of not less than par and accrued interest to the date of delivery, but:

- (1) no rate of interest named shall exceed 6%;
- (2) all bonds of the same maturity shall bear the same rate of interest;
- (3) all interest payments shall be evidenced by single coupons;
- (4) No interest rate named shall be more than 1% higher than the lowest rate of interest named;
- (5) Each interest rate named shall be a multiple of 1/8th or 1/20th of one per centum (1%); and
- (6) any sum named by way of premium shall be paid in cash as a part of the purchase price.

For the purposes of this section, interest cost shall mean the aggregate of interest on the bonds from December 1, 1978 until their respective maturities, less any sum named by way of premium.

The form of the bonds to be issued shall be substantially as that set forth in "Exhibit A" attached hereto.



ARTICLE VIII  
EXECUTION OF BONDS

SECTION 8.01

All bonds shall be duly executed in the manner prescribed by Section 59-107-130, Code of Laws of South Carolina, 1976, as amended.

ARTICLE IX  
OPTIONAL REDEMPTION OF BONDS

SECTION 9.01

Exercising powers granted by Section 59-107-120, Code of Laws of South Carolina, 1976, as amended, it is determined that all of such bonds maturing on and after December 1, 1989, shall be subject to redemption at the option of the State of South Carolina, on December 1, 1988, and all subsequent interest payment dates, at a price of par and accrued interest to the date of redemption, plus a redemption premium of two per centum of the principal amount of each bond that shall be redeemed. The redemption provisions shall apply to each series of bonds separately, rather than to the entire issue as a whole.

The numbering of the bonds of the above institutions which are subject to redemption are as follows:

- (i) University of South Carolina: Bonds numbered A-861 to A-1940, inclusive;
- (ii) Clemson University: Bonds numbered B-461 to B-1400, inclusive;

(iii) The Citadel, the Military College of South Carolina: Bonds numbered C-100 to C-203, inclusive;

(iv) Trident Technical College: Bonds numbered F-351 to F-700, inclusive.

#### SECTION 9.02

If the option to redeem shall be exercised, notice of redemption, describing the bonds to be redeemed and specifying the redemption date, shall be given by the State by publication at least once, not less than thirty days nor more than sixty days prior to the redemption date, in a financial journal published in the Borough of Manhattan, City and State of New York.

Interest on the bonds to be redeemed shall cease to accrue from and after the redemption date specified in such notice, unless the State defaults in the payment of the redemption price thereof.

### ARTICLE X

#### APPLICATION TO GOVERNOR AND TREASURER

#### SECTION 10.01

The State Board does hereby direct that formal request be made of the Governor and the State Treasurer to make provision for the issuance of State Institution Bonds herein described. Such request shall be evidenced by the delivery to each of the Governor and the State Treasurer by a copy of this Resolution, duly certified by the Secretary of this Board.

SCHEDULE I

Table 1

(University of South Carolina)

DEBT SERVICE REQUIREMENTS ON ALL OUTSTANDING STATE INSTITUTION  
BONDS OF THE UNIVERSITY OF SOUTH CAROLINA\*

FISCAL YEAR ENDING 6/30	ISSUE OF 6/1/68	ISSUE OF 3/1/71	ISSUE OF 4/1/73	ISSUE OF 9/1/77	TOTAL FOR FISCAL YEAR
1979	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
1980	96,285.00	342,362.50	672,275.00	506,625.00	1,617,547.50
1981	108,810.00	430,850.00	652,025.00	492,375.00	1,684,060.00
1982	106,110.00	417,025.00	680,650.00	478,125.00	1,681,910.00
1983	103,410.00	402,850.00	706,750.00	561,600.00	1,774,610.00
1984	100,710.00	388,237.50	681,450.00	544,200.00	1,714,597.50
1985	98,010.00	373,187.50	655,875.00	528,200.00	1,655,272.50
1986	95,310.00	357,787.50	727,675.00	512,200.00	1,692,972.50
1987	92,610.00	---	696,800.00	496,000.00	1,285,410.00
1988	42,630.00	---	665,600.00	479,300.00	1,187,530.00
1989	---	---	---	462,200.00	462,200.00
1990	---	---	---	444,800.00	444,800.00
1991	---	---	---	427,000.00	427,000.00
1992	---	---	---	409,000.00	409,000.00
	\$843,885.00	\$2,712,300.00	\$6,139,100.00	\$6,341,625.00	\$16,036,910.00

\*\$1,350,000 of such bonds were defeased by action of the State Board  
on December 21, 1978.



SCHEDULE I

Table 2

(University of South Carolina)

PRO FORMA DEBT SERVICE REQUIREMENTS ON PROPOSED ISSUE OF  
\$9,700,000 STATE INSTITUTION BONDS FOR THE UNIVERSITY OF  
SOUTH CAROLINA, DATED DECEMER 1, 1978, INTEREST COMPUTED  
AT 6%

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$	\$	\$ 291,000	\$ 291,000
1980	200,000	291,000	285,000	776,000
1981	200,000	285,000	279,000	764,000
1982	300,000	279,000	270,000	849,000
1983	300,000	270,000	261,000	831,000
1984	400,000	261,000	249,000	910,000
1985	400,000	249,000	237,000	886,000
1986	500,000	237,000	222,000	959,000
1987	500,000	222,000	207,000	929,000
1988	750,000	207,000	184,500	1,141,500
1989	750,000	184,500	162,000	1,096,500
1990	1,000,000	162,000	132,000	1,294,000
1991	1,000,000	132,000	102,000	1,234,000
1992	1,000,000	102,000	72,000	1,174,000
1993	1,200,000	72,000	36,000	1,308,000
1994	<u>1,200,000</u>	<u>36,000</u>	<u>--</u>	<u>1,236,000</u>
	\$9,700,000	\$2,989,500	\$2,989,500	\$15,679,000

SCHEDULE I

Table 3

(University of South Carolina)

COMPOSITE DEBT SERVICE REQUIREMENTS ON ALL OUTSTANDING STATE  
INSTITUTION BONDS FOR THE UNIVERSITY OF SOUTH CAROLINA TOGETHER  
WITH DEBT SERVICE REQUIREMENTS ON PROPOSED ISSUE OF  
\$9,700,000 STATE INSTITUTION BONDS FOR THE UNIVERSITY OF  
SOUTH CAROLINA

FISCAL YEAR ENDED 6/30	PRINCIPAL & INTEREST ON OUTSTANDING BONDS	PRINCIPAL & INTEREST ON PROPOSED BONDS	TOTAL
1979	\$	\$ 291,000.00	\$ 291,000.00
1980	1,617,547.50	776,000.00	2,393,547.50
1981	1,684,060.00	764,000.00	2,448,060.00
1982	1,681,910.00	849,000.00	2,530,910.00
1983	1,774,610.00	831,000.00	2,605,610.00
1984	1,714,597.50	910,000.00	2,624,597.50
1985	1,655,272.50	886,000.00	2,541,272.50
1986	1,692,972.50	959,000.00	2,651,972.50
1987	1,285,410.00	929,000.00	2,214,410.00
1988	1,187,530.00	1,141,500.00	2,329,030.00
1989	462,200.00	1,096,500.00	1,558,700.00
1990	444,800.00	1,294,000.00	1,738,800.00
1991	427,000.00	1,234,000.00	1,661,000.00
1992	409,000.00	1,174,000.00	1,583,000.00
1993		1,308,000.00	1,308,000.00
1994		1,236,000.00	1,236,000.00
	<hr/>	<hr/>	<hr/>
	\$16,036,910.00	\$15,679,000.00	\$31,715,910.00

SCHEDULE I

Table 4

(University of South Carolina)

PROOF SHOWING COMPLIANCE WITH CHAPTER 107, TITLE 59, SOUTH  
CAROLINA CODE OF LAWS OF 1976, AS AMENDED

Aggregate of tuition fees received by	
the University during preceding fiscal year . . . . .	\$3,152,185.00
Multiply by . . . . .	90%
Product . . . . .	2,836,966.50
Maximum Annual Debt Service on all	
State Institution Bonds of the University	
(including the proposed issue of \$9,700,000) . . . . .	2,805,310.00
Margin . . . . .	\$ 31,656.50



SCHEDULE II

Table 1

(Clemson University)

DEBT SERVICE REQUIREMENTS ON ALL OUTSTANDING STATE INSTITUTION  
BONDS OF CLEMSON UNIVERSITY\*

FISCAL YEAR ENDING 6/30	ISSUE OF 3/1/71	ISSUE OF 4/1/73	ISSUE OF 9/1/77	TOTAL FOR FISCAL YEAR
1979	\$ --	\$ --	\$ --	\$ --
1980	202,566.25	285,750.00	330,625.00	818,941.25
1981	295,070.00	276,750.00	321,125.00	892,945.00
1982	285,392.50	316,625.00	311,625.00	913,642.50
1983	275,470.00	305,250.00	351,000.00	931,720.00
1984	216,303.75	293,750.00	340,125.00	850,178.75
1985	207,918.75	233,300.00	330,125.00	771,343.75
1986	199,338.75	223,900.00	320,125.00	743,363.75
1987	---	214,400.00	310,000.00	524,400.00
1988	---	204,800.00	299,562.50	504,362.50
1989	---	---	288,875.00	288,875.00
1990	---	---	278,000.00	278,000.00
1991	---	---	266,875.00	266,875.00
1992	---	---	255,625.00	255,625.00
	<hr/>	<hr/>	<hr/>	<hr/>
	\$1,682,060.00	\$2,354,525.00	\$4,003,687.50	\$8,040,272.50

\*\$785,000 of such bonds were defeased by action of the State Board on  
December 21, 1978.

SCHEDULE II

Table 2

(Clemson University)

PRO FORMA DEBT SERVICE REQUIREMENTS ON PROPOSED ISSUE OF  
\$7,000,000 STATE INSTITUTION BONDS FOR CLEMSON UNIVERSITY  
TO BE DATED DECEMBER 1, 1978, INTEREST COMPUTED AT 6%

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$	\$	\$ 210,000	\$ 210,000
1980	25,000	210,000	209,250	444,250
1981	25,000	209,250	208,500	442,750
1982	100,000	208,500	205,500	514,000
1983	150,000	205,500	201,000	556,500
1984	200,000	201,000	195,000	596,000
1985	200,000	195,000	189,000	584,000
1986	300,000	189,000	180,000	669,000
1987	400,000	180,000	168,000	748,000
1988	400,000	168,000	156,000	724,000
1989	500,000	156,000	141,000	797,000
1990	500,000	141,000	126,000	767,000
1991	600,000	126,000	108,000	834,000
1992	600,000	108,000	90,000	798,000
1993	700,000	90,000	69,000	859,000
1994	700,000	69,000	48,000	817,000
1995	800,000	48,000	24,000	872,000
1996	800,000	24,000	-	824,000
	<u>\$7,000,000</u>	<u>\$2,528,250</u>	<u>\$2,528,250</u>	<u>\$12,056,500</u>

SCHEDULE II

Table 3

(Clemson University)

COMPOSITE DEBT SERVICE REQUIREMENTS ON ALL OUTSTANDING STATE  
INSTITUTION BONDS FOR CLEMSON UNIVERSITY TOGETHER WITH DEBT  
SERVICE REQUIREMENTS ON PROPOSED ISSUE OF \$7,000,000 STATE  
INSTITUTION BONDS FOR CLEMSON UNIVERSITY

FISCAL YEAR ENDED 6/30	PRINCIPAL & INTEREST ON OUTSTANDING BONDS	PRINCIPAL & INTEREST ON PROPOSED BONDS	TOTAL
1979	\$	\$ 210,000.00	\$ 210,000.00
1980	818,941.25	444,250.00	1,263,191.25
1981	892,945.00	442,750.00	1,335,695.00
1982	913,642.50	514,000.00	1,427,642.50
1983	931,720.00	556,500.00	1,488,220.00
1984	850,178.75	596,000.00	1,446,178.75
1985	771,343.75	584,000.00	1,355,343.75
1986	743,363.75	669,000.00	1,412,363.75
1987	524,400.00	748,000.00	1,272,400.00
1988	504,362.50	724,000.00	1,228,362.50
1989	288,875.00	797,000.00	1,085,875.00
1990	278,000.00	767,000.00	1,045,000.00
1991	266,875.00	834,000.00	1,100,875.00
1992	255,625.00	798,000.00	1,053,625.00
1993		859,000.00	859,000.00
1994		817,000.00	817,000.00
1995		872,000.00	872,000.00
1996		824,000.00	824,000.00
	<hr/>	<hr/>	<hr/>
	\$8,040,272.50	\$12,056,500.00	\$20,096,772.50



SCHEDULE II

Table 4

(Clemson University)

PROOF SHOWING COMPLIANCE WITH CHAPTER 107, TITLE 59, SOUTH  
CAROLINA CODE OF LAWS OF 1976, AS AMENDED

Aggregate of tuition fees received by

Clemson University during preceding fiscal year . . \$1,808,041.00

Multiply by . . . . . 90%

Product . . . . . 1,627,237.00

Maximum Annual Debt Service on all

State Institution Bonds of Clemson University

(including the proposed issue of \$7,000,000) . . . . 1,606,500.00

Margin . . . . . \$ 20,737.00

SCHEDULE III

Table 1

(The Citadel, the Military College of South Carolina)

DEBT SERVICE REQUIREMENTS ON ALL OUTSTANDING STATE INSTITUTION  
BONDS OF THE CITADEL, THE MILITARY COLLEGE OF SOUTH CAROLINA

FISCAL YEAR ENDING 6/30	ISSUE OF 5/1/67	ISSUE OF 5/1/71	ISSUE OF 5/1/77	TOTAL FOR FISCAL YEAR
1979	\$ 91,587.50	\$ 78,642.50	\$ 260,437.50	\$ 430,667.50
1980	88,952.50	76,805.00	253,312.50	419,070.00
1981	86,317.50	74,892.50	246,187.50	407,397.50
1982		131,717.50	239,062.50	370,780.00
1983		127,262.50	280,800.00	408,062.50
1984		127,563.75	272,100.00	399,663.75
1985		122,618.75	264,100.00	386,718.75
1986		117,558.75	256,100.00	373,658.75
1987			248,000.00	248,000.00
1988			239,650.00	239,650.00
1989			231,100.00	231,100.00
1990			222,400.00	222,400.00
1991			213,500.00	213,500.00
1992			204,500.00	204,500.00
	<hr/>	<hr/>	<hr/>	<hr/>
	\$266,857.50	\$857,061.25	\$3,431,250.00	\$4,555,168.75

SCHEDULE III

Table 2

(The Citadel, the Military College of South Carolina)

PRO FORMA DEBT SERVICE REQUIREMENTS ON PROPOSED ISSUE OF  
\$1,015,000 STATE INSTITUTION BONDS FOR THE CITADEL, THE  
MILITARY COLLEGE OF SOUTH CAROLINA, TO BE DATED DECEMBER 1,  
1978, INTEREST COMPUTED AT 6%

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ --	\$ --	\$ 30,450	\$ 30,450
1980	40,000	30,450	29,250	99,700
1981	40,000	29,250	28,050	97,300
1982	40,000	28,050	26,850	94,900
1983	50,000	26,850	25,350	102,200
1984	50,000	25,350	23,850	99,200
1985	50,000	23,850	22,350	96,200
1986	50,000	22,350	20,850	93,200
1987	55,000	20,850	19,200	95,050
1988	60,000	19,200	17,400	96,600
1989	60,000	17,400	15,600	93,000
1990	70,000	15,600	13,500	99,100
1991	75,000	13,500	11,250	99,750
1992	75,000	11,250	9,000	95,250
1993	75,000	9,000	6,750	90,750
1994	75,000	6,750	4,500	86,250
1995	75,000	4,500	2,250	81,750
1996	75,000	2,250	--	77,250
	<u>\$1,015,000</u>	<u>\$306,450</u>	<u>\$306,450</u>	<u>\$1,627,900</u>



SCHEDULE III

Table 3

(The Citadel, the Military College of South Carolina)

COMPOSITE DEBT SERVICE REQUIREMENTS ON ALL OUTSTANDING STATE INSTITUTION BONDS FOR THE CITADEL, THE MILITARY COLLEGE OF SOUTH CAROLINA TOGETHER WITH DEBT SERVICE REQUIREMENTS ON PROPOSED ISSUE OF \$1,015,000 STATE INSTITUTION BONDS FOR THE CITADEL, THE MILITARY COLLEGE OF SOUTH CAROLINA

FISCAL YEAR ENDING 6/30	PRINCIPAL DUE 12/1	INTEREST DUE 12/1	INTEREST DUE 6/1	TOTAL FOR FISCAL YEAR
1979	\$ 285,000	\$ 75,723.75	\$100,393.75	\$ 461,117.50
1980	325,000	100,393.75	93,376.25	518,770.00
1981	325,000	93,376.25	86,321.25	504,697.50
1982	300,000	86,321.25	79,358.75	465,680.00
1983	360,000	79,358.75	70,903.75	510,262.50
1984	365,000	70,903.75	62,960.00	498,863.75
1985	365,000	62,960.00	54,958.75	482,918.75
1986	365,000	54,958.75	46,900.00	466,858.75
1987	255,000	46,900.00	41,150.00	343,050.00
1988	260,000	41,150.00	35,100.00	336,250.00
1989	260,000	35,100.00	29,000.00	324,100.00
1990	270,000	29,000.00	22,500.00	321,500.00
1991	275,000	22,500.00	15,750.00	313,250.00
1992	275,000	15,750.00	9,000.00	299,750.00
1993	75,000	9,000.00	6,750.00	90,750.00
1994	75,000	6,750.00	4,500.00	86,250.00
1995	75,000	4,500.00	2,250.00	81,750.00
1996	75,000	2,250.00	--	77,250.00
	<u>\$4,585,000</u>	<u>\$836,896.25</u>	<u>\$761,172.50</u>	<u>\$6,183,068.75</u>

SCHEDULE III

Table 4

(The Citadel, the Military College of South Carolina)

PROOF SHOWING COMPLIANCE WITH CHAPTER 107, TITLE 59, SOUTH  
CAROLINA CODE OF LAWS OF 1976, AS AMENDED

Aggregate of tuition fees received by

The Citadel during preceding fiscal year . . . . . \$ 580,546

Multiply by . . . . . 90%

Product . . . . . 522,491

Maximum Annual Debt Service on all

State Institution Bonds of The Citadel

(including the proposed issue of \$1,015,000) . . . 518,770

Margin . . . . . 3,721

SCHEDULE IV

Table 1

(THE MEDICAL UNIVERSITY OF SOUTH CAROLINA)

DEBT SERVICE REQUIREMENTS ON ALL OUTSTANDING STATE INSTITUTION  
BONDS OF THE MEDICAL UNIVERSITY OF SOUTH CAROLINA

FISCAL YEAR ENDED 6/30	PRINCIPAL 12-1	INTEREST 12-1	INTEREST 6-1	TOTAL
1979	\$300,000	\$84,987.50	\$77,862.50	\$462,850.00
1980	300,000	77,862.50	70,737.50	448,600.00
1981	300,000	70,737.50	63,612.50	434,350.00
1982	300,000	63,612.50	56,487.50	420,100.00
1983	300,000	56,487.50	49,437.50	405,925.00
1984	300,000	49,437.50	43,437.50	392,875.00
1985	300,000	43,437.50	37,437.50	380,875.00
1986	300,000	37,437.50	31,437.50	368,875.00
1987	250,000	31,437.50	26,312.50	307,750.00
1988	250,000	26,312.50	21,000.00	297,312.50
1989	250,000	21,000.00	15,625.00	286,625.00
1990	250,000	15,625.00	10,125.00	275,750.00
1991	250,000	10,125.00	4,500.00	264,625.00
1992	200,000	4,500.00		204,500.00
	\$3,850,000	\$593,000.00	\$508,012.50	\$4,951,012.50



SCHEDULE IV

Table 2

(The Medical University of South Carolina)

PRO FORMA DEBT SERVICE REQUIREMENTS ON PROPOSED ISSUE OF  
\$1,000,000 STATE INSTITUTION BONDS FOR THE MEDICAL UNIVERSITY  
OF SOUTH CAROLINA, DATED DECEMBER 1, 1978, INTEREST COMPUTED  
AT 6%

FISCAL YEAR ENDED 6/30	PRINCIPAL 12/1	INTEREST 12/1	INTEREST 6/1	TOTAL
1979	\$ 300,000	\$ 84,987.50	\$107,862.50	\$ 492,850.00
1980	400,000	107,862.50	97,737.50	605,600.00
1981	400,000	97,737.50	87,612.50	585,350.00
1982	400,000	87,612.50	77,487.50	565,100.00
1983	400,000	77,487.50	67,437.50	544,925.00
1984	400,000	67,437.50	58,437.50	525,875.00
1985	400,000	58,437.50	49,437.50	507,875.00
1986	400,000	49,437.50	40,437.50	489,875.00
1987	350,000	40,437.50	32,312.50	422,750.00
1988	350,000	32,312.50	24,000.00	406,312.50
1989	350,000	24,000.00	15,625.00	389,625.00
1990	250,000	15,625.00	10,125.00	275,750.00
1991	250,000	10,125.00	4,500.00	264,625.00
1992	200,000	4,500.00		204,500.00
	\$4,850,000	\$758,000.00	\$673,012.50	\$6,281,012.50

SCHEDULE IV

Table 3

(The Medical University of South Carolina)

COMPOSITE DEBT SERVICE REQUIREMENTS ON ALL OUTSTANDING STATE  
INSTITUTION BONDS FOR THE MEDICAL UNIVERSITY OF SOUTH CAROLINA  
TOGETHER WITH DEBT SERVICE REQUIREMENTS ON PROPOSED ISSUE OF  
\$1,000,000 STATE INSTITUTION BONDS OF THE MEDICAL UNIVERSITY  
OF SOUTH CAROLINA

FISCAL YEAR ENDED 6/30	PRINCIPAL 12/1	INTEREST 12/1	INTEREST 6/1	TOTAL
1979	\$ 300,000	\$ 84,987.50	\$107,862.50	\$ 492,850.00
1980	400,000	107,862.50	97,737.50	605,600.00
1981	400,000	97,737.50	87,612.50	585,350.00
1982	400,000	87,612.50	77,487.50	565,100.00
1983	400,000	77,487.50	67,437.50	544,925.00
1984	400,000	67,437.50	58,437.50	525,875.00
1985	400,000	58,437.50	49,437.50	507,875.00
1986	400,000	49,437.50	40,437.50	489,875.00
1987	350,000	40,437.50	32,312.50	422,750.00
1988	350,000	32,312.50	24,000.00	406,312.50
1989	350,000	24,000.00	15,625.00	389,625.00
1990	250,000	15,625.00	10,125.00	275,750.00
1991	250,000	10,125.00	4,500.00	264,625.00
1992	200,000	4,500.00		204,500.00
	<u>\$4,850,000</u>	<u>\$758,000.00</u>	<u>\$673,012.50</u>	<u>\$6,281,012.50</u>

SCHEDULE IV

Table 4

(The Medical University of South Carolina)

PROOF SHOWING COMPLIANCE WITH CHAPTER 107, TITLE 59,  
SOUTH CAROLINA CODE OF LAWS OF 1976, AS AMENDED

Aggregate of tuition fees received by the Medical University of South Carolina during preceding fiscal year	\$1,132,902.00
Multiply by 90%*	
Product	1,019,611.80
Maximum Annual Debt Service on all State Institution Bonds of the Medical University (including the proposed issue of \$1,000,000)	605,600.00
Margin	\$ 414,011.80

\*Test established by Article X, Section 13(6)(b), South Carolina  
Constitution



SCHEDULE V

Table 1

(Trident Technical College)

THERE ARE PRESENTLY NO OUTSTANDING STATE INSTITUTION BONDS ISSUED  
ON BEHALF OF TRIDENT TECHNICAL COLLEGE

SCHEDULE V

Table 2

(Trident Technical College)

PRO FORMA DEBT SERVICE REQUIREMENTS ON PROPOSED ISSUE OF  
\$3,500,000 STATE INSTITUTION BONDS FOR TRIDENT TECHNICAL  
COLLEGE, TO BE DATED DECEMBER 1, 1978, INTEREST COMPUTED  
AT 6%

FISCAL YEAR ENDING 6/30	PRINCIPAL 12/1	INTEREST 12/1	INTEREST 6/1	TOTAL FOR FISCAL YEAR
1979	\$	\$	\$105,000	\$105,000
1980	150,000	105,000	100,500	355,500
1981	150,000	100,500	96,000	346,500
1982	150,000	96,000	91,500	337,500
1983	150,000	91,500	87,000	328,500
1984	150,000	87,000	82,500	319,500
1985	200,000	82,500	76,500	359,000
1986	200,000	76,500	70,500	347,000
1987	200,000	70,500	64,500	335,000
1988	200,000	64,500	58,500	323,000
1989	200,000	58,500	52,500	311,000
1990	250,000	52,500	45,000	347,500
1991	250,000	45,000	37,500	332,500
1992	250,000	37,500	30,000	317,500
1993	250,000	30,000	22,500	302,500
1994	250,000	22,500	15,000	287,500
1995	250,000	15,000	7,500	272,500
1996	250,000	7,500		257,000

SCHEDULE V

Table 3

(Trident Technical College)

PROOF SHOWING COMPLIANCE WITH CHAPTER 107, TITLE 59,  
SOUTH CAROLINA CODE OF LAWS OF 1976, AS AMENDED

Amount of tuition fees collected in fiscal year ended June 30, 1978	\$417,597.50
Multiply by 90%	375,837.75*
Maximum annual debt service	<u>359,000.00</u>
Margin	\$ 16,837.75

\*Reference is made to subparagraph (b) of paragraph 6 of Section  
13 of new Article X, South Carolina Constitution



EXHIBIT A\*

UNITED STATES OF AMERICA  
STATE OF SOUTH CAROLINA  
STATE INSTITUTION BOND  
SERIES A

(ISSUED ON BEHALF OF UNIVERSITY OF SOUTH CAROLINA)

\$5,000  
Number A-\_\_

\$5,000  
Number A-\_\_

The STATE OF SOUTH CAROLINA hereby acknowledges that it is indebted and for value received, promises to pay to the BEARER hereof, or, if this bond be registered, to the REGISTERED HOLDER hereof, the sum of

FIVE THOUSAND DOLLARS

on the first day of December, 19\_\_ (unless this bond be subject to redemption and shall have been duly called for previous redemption and payment of the redemption price made or provided for), with interest thereon, from the date of this bond, at the rate of \_\_\_\_\_ per centum (\_\_\_\_%) per annum, payable on June 1 and December 1 of each year, beginning on June 1, 1979, according to the tenor, and upon presentation and surrender, of the annexed coupons as

\_\_\_\_\_

\*Appropriate changes are to be made for the Series B, C, E and F Bonds which are issued respectively for Clemson University, The Citadel, the Military College of South Carolina, The Medical University of South Carolina, and Trident Technical College. In the case of the Series E Bonds, language relating to redemption prior to the stated maturities of the bonds would be omitted.

they severally become due, or, if this bond be registered as to both principal and interest, to the registered holder hereof. Both the principal of and interest on this bond are payable in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts. Unless this bond be registered, payment of both principal and interest will be made at the principal office of \_\_\_\_\_, in the City of New York, State of New York, or, at the option of the holder, at the principal office of \_\_\_\_\_, in the City of Columbia, State of South Carolina.

At the written request of the holder, and upon presentation of this bond to the State Treasurer of South Carolina, this bond will be registered in the holder's name on the books of the State Treasurer as to principal only, or as to both principal and interest, and such registration noted hereon by the State Treasurer, after which no transfer of this bond shall be valid unless made on said books and noted hereon, or, unless in case of registration as to principal only, the last registered transfer so noted shall have been to bearer. Registration as to principal only shall not affect the negotiability of the coupons hereto attached, which shall continue to pass by delivery. If this bond be registered as to principal only, payment of the principal of this bond, upon maturity, will be made to the registered holder upon surrender of this bond to the State

Treasurer. In case of registration as to both principal and interest, all unmatured coupons will be cut off and destroyed by the State Treasurer, and that fact noted hereon by him, and thereafter interest evidenced by such surrendered coupons will be paid by check or draft by the State Treasurer at the times provided herein by mail to the registered holder of this bond at the address shown on the registration books, and in such case payment of the principal of this bond, upon maturity, will be made to the registered holder upon surrender of this bond to the State Treasurer.

The bonds of this series maturing on and after December 1, 1989 (being bonds numbered A-\_\_\_\_ to A-\_\_\_\_, inclusive), are subject to redemption, at the option of the State of South Carolina, in whole or in part, but if in part, in inverse numerical order, on December 1, 1988, and on all subsequent interest payment dates, upon published notice as hereinafter provided, at a redemption price, for each bond redeemed, equal to the principal amount of such bond, plus a redemption premium of two per centum (2%) of the principal amount thereof, together with accrued interest to the redemption date. If bonds are called for redemption prior to their stated maturity, notice of redemption, describing the bonds to be redeemed and specifying the redemption date, must be given by the State of South Carolina, by publication at least once, not less than thirty days and not more than



sixty days prior to the redemption date, in a financial journal published in the Borough of Manhattan, City and State of New York. Interest on the bonds to be redeemed shall cease to accrue from and after the redemption date specified in such notice, unless the State of South Carolina defaults in payment of the redemption price thereof.

This bond is one of a series of bonds in the aggregate principal amount of Nine Million Seven Hundred Thousand Dollars (\$9,700,000), of like tenor, except as to number, rate of interest, date of maturity and redemption provisions, issued pursuant to and in accordance with the Constitution and Laws of the State of South Carolina, including particularly the provisions of Chapter 107, Title 59, Code of Laws of South Carolina, 1976, as amended, for the purpose of financing permanent improvements at the University of South Carolina.

For the payment of the principal of and interest on this bond there are hereby pledged the full faith, credit and taxing power of the State of South Carolina, and in addition thereto, but subject to the provisions of the statute law above referred to, all tuition fees received by the University of South Carolina.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Statutes of the State of South Carolina to exist, be performed or happen precedent to or in the issuance of this bond, exist, have

been performed and have happened, and that the amount of this bond, together with all other indebtedness of the State of South Carolina, does not exceed any limit prescribed by such Constitution or Statutes.

IN WITNESS WHEREOF, the STATE OF SOUTH CAROLINA has caused this bond to be signed by the facsimile signature of the Governor of South Carolina and by the manual signature of the State Treasurer of South Carolina, and has caused the Great Seal of the State of South Carolina to be reproduced hereon and attested by the facsimile signature of the Secretary of State of South Carolina, and the coupons hereto attached to be authenticated by the facsimile signature of the State Treasurer in office on the date of this bond, and this bond to be dated December 1, 1978.

(SEAL)

\_\_\_\_\_  
Governor

\_\_\_\_\_  
State Treasurer

Attest:

\_\_\_\_\_  
Secretary of State

(FORM OF COUPON)

On the first day of \_\_\_\_\_, 19\_\_, the STATE OF SOUTH CAROLINA (unless the bond mentioned below be sooner redeemed or its redemption be provided for), will pay to

BEARER \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_), at the principal office of \_\_\_\_\_, in the City of New York, State of New York, or, at the option of the holder, at the principal office of \_\_\_\_\_, in the City of Columbia, State of South Carolina, in any coin or currency of the United States of America which is then legal tender for the payment of public and private debts, being the interest then due on its STATE INSTITUTION BOND, SERIES A (issued on behalf of the University of South Carolina), dated December 1, 1978, No. A-\_\_\_\_\_.

\_\_\_\_\_  
State Treasurer

(FORM OF REGISTRATION TO APPEAR ON THE REVERSE OF EACH BOND)

IT IS HEREBY CERTIFIED that upon the written request of the holder of the within bond for its registration as to both principal and interest, I have this day cut off and destroyed all unmatured coupons of said bond, being \_\_\_\_ in number, and that the principal and interest of said bond are payable to the registered holder or his legal representative or successor.

DATED: \_\_\_\_\_, 19\_\_

\_\_\_\_\_  
State Treasurer



NO WRITING ON THIS BOND EXCEPT BY  
THE STATE TREASURER OR HIS DEPUTY

The registration indicated below is to be deemed to be  
as to principal only, unless the above certificate has been  
executed by the State Treasurer.

<u>DATE OF</u> <u>REGISTRATION</u>	<u>NAME OF</u> <u>REGISTERED HOLDER</u>	<u>SIGNATURE OF</u> <u>STATE TREASURER</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(FORM OF PANEL FOR BACK OF BOND)

NO. A-\_\_\_\_\_

STATE OF SOUTH CAROLINA

\$5,000

STATE INSTITUTION BOND

SERIES A

(ISSUED ON BEHALF OF UNIVERSITY OF SOUTH CAROLINA)

PER CENT

PRINCIPAL DUE

DECEMBER 1, 19

(UNLESS SOONER REDEEMED)\*

INTEREST PAYABLE

JUNE 1 AND DECEMBER 1

PRINCIPAL AND INTEREST PAYABLE

AT THE PRINCIPAL OFFICE OF

IN

OR

AT THE OPTION OF THE HOLDER,  
AT THE PRINCIPAL OFFICE OF

IN

COLUMBIA, SOUTH CAROLINA

\*On Bond Numbers A-\_\_ to A-\_\_, inclusive.

EXHIBIT B

\$22,215,000  
STATE INSTITUTION BONDS  
OF THE STATE OF SOUTH CAROLINA

SEALED PROPOSALS will be received by the Governor and the State Treasurer of the State of South Carolina, in the Office of the State Treasurer, in the Wade Hampton Office Building, in the City of Columbia, South Carolina, on \_\_\_\_\_, January \_\_, 1979, until 11:00 a.m. (local time), at which time the proposals will be publicly opened and announced for the purchase of \$22,215,000 State Institution Bonds of the State of South Carolina.

The foregoing bonds will consist of an issue with five series as enumerated below:

(i) \$9,700,000 State Institution Bonds,  
Series A, payable in installments on December 1 in  
each year as follows:

\$ 200,000 in each of the years 1979 and 1980;  
\$ 300,000 in each of the years 1981 and 1982;  
\$ 400,000 in each of the years 1983 and 1984;  
\$ 500,000 in each of the years 1985 and 1986;  
\$ 750,000 in each of the years 1987 and 1988;  
\$1,000,000 in each of the years 1989 to 1991,  
inclusive; and  
\$1,200,000 in each of the years 1992 and 1993,

issued to finance permanent improvements at the  
University of South Carolina.

(ii) \$7,000,000 State Institution Bonds,  
Series B, payable in installments on December 1 in  
each year as follows:



\$ 25,000 in each of the years 1979 and 1980;  
\$100,000 in the year 1981;  
\$150,000 in the year 1982;  
\$200,000 in each of the years 1983 and 1984;  
\$300,000 in the year 1985;  
\$400,000 in each of the years 1986 and 1987;  
\$500,000 in each of the years 1988 and 1989;  
\$600,000 in each of the years 1990 and 1991;  
\$700,000 in each of the years 1992 and 1993;  
and  
\$800,000 in each of the years 1994 and 1995,

issued to finance permanent improvements at  
Clemson University.

(iii) \$1,015,000 State Institution Bonds,  
Series C, payable in installments on December 1 in  
each year as follows:

\$40,000 in each of the years 1979 to 1981,  
inclusive;  
\$50,000 in each of the years 1982 to 1985,  
inclusive;  
\$55,000 in the year 1986;  
\$60,000 in each of the years 1987 and 1988;  
\$70,000 in the year 1989; and  
\$75,000 in each of the years 1990 to 1995,  
inclusive,

issued to finance permanent improvements at The  
Citadel, the Military College of South Carolina.

(iv) \$1,000,000 State Institution Bonds,  
Series E, payable in installments on December 1 in  
each year as follows:

\$100,000 in each of the years 1979 to 1988,  
inclusive,

issued to finance permanent improvements at The  
Medical University of South Carolina.

(v) \$3,500,000 State Institution Bonds,  
Series F, payable in installments on December 1 in  
each year as follows:

\$150,000 in each of the years 1979 to 1983,  
inclusive;  
\$200,000 in each of the years 1984 to 1988,  
inclusive; and  
\$250,000 in each of the years 1989 to 1995,  
inclusive,

issued to finance permanent improvements at  
Trident Technical College.

The bonds will be dated December 1, 1978 and will be in  
the denomination of \$5,000 each. The bonds will bear  
interest from their date and such interest will be payable  
on June 1 and December 1 of each year, beginning June 1,  
1979.

The bonds will be issued as coupon bonds, with the  
privilege of registration as to principal only, or as to  
both principal and interest, on registry books to be kept by  
the State Treasurer in the City of Columbia, South Carolina.  
If so registered in either manner, appropriate payments on  
account of principal, or principal and interest, will be  
made directly to the registered holder by the State  
Treasurer.

The bonds of each of the above five series of State  
Institution Bonds will be numbered consecutively from one  
(1) upwards in the order of their maturities and will bear a  
letter prefix to distinguish the five several series.

The composite maturity schedule of the State  
Institution Bonds is as follows:

<u>Calendar Year</u>	<u>Principal Amount</u>	<u>Calendar Year</u>	<u>Principal Amount</u>
1979	\$ 515,000	1988	\$1,610,000
1980	515,000	1989	1,820,000
1981	690,000	1990	1,925,000
1982	750,000	1991	1,925,000
1983	900,000	1992	2,225,000
1984	950,000	1993	2,225,000
1985	1,150,000	1994	1,125,000
1986	1,255,000	1995	1,125,000
1987	1,510,000		

The State Institution Bonds maturing on and after December 1, 1989, are subject to redemption, at the option of the State of South Carolina, in whole or in part, but if in part in inverse numerical order, on December 1, 1988, and on all subsequent interest payment dates, at par plus accrued interest to the date of redemption, plus a redemption premium of two per centum (2%) of the principal amount of each bond redeemed. The redemption provisions applicable to the State Institution Bonds apply to each of the individual series of State Institution Bonds described above separately, rather than to the issue as a whole.

The State Institution Bonds are issued pursuant to the provisions of Chapter 107, Title 59, Code of Laws of South Carolina, 1976, as amended by new Article X of the Constitution of the State of South Carolina and Act No. 125 of the Acts of the General Assembly of the State of South Carolina for the year 1977 (Chapter 107).

Bidders are invited to name the rate or rates of interest which the bonds will bear, under the following conditions:



- (1) no rate of interest shall exceed 6%;
- (2) all bonds of the same maturity, as set forth in the composite schedule shown above, shall bear the same rate of interest;
- (3) all interest payments shall be evidenced by single coupons;
- (4) no interest rate named shall be more than 1% higher than the lowest rate of interest named;
- (5) each interest rate named shall be a multiple of 1/8th or 1/20th of one per centum (1%); and
- (6) any sum named by way of premium shall be paid in cash as a part of the purchase price.

Interest cost will be determined by deducting premium, if any, from the aggregate of interest on the bonds from December 1, 1978, until their respective maturities. Bidders are requested to complete the tabulations on the official bid form, which must be used, but such tabulations are not required and will not be regarded as a part of the bid.

Unless all proposals are rejected, the proposal naming the lowest interest cost to the State will be accepted.

Both the principal of and interest on the bonds will be payable in any coin or currency of the United States of America which, at the time of payment, shall be legal tender for the payment of public and private debts. Except as to

bonds registered as to principal or as to bonds registered as to both principal and interest, such payments shall be made at not more than two banks or trust companies, whose names will be printed on the bonds and coupons, to be mutually agreed upon by the State Treasurer and the successful bidder, provided that:

(a) One shall be a bank or trust company organized under the laws of the State of South Carolina, or of the United States, having an office in the City of Columbia, South Carolina.

(b) The second shall be a bank or trust company organized under the laws of one of the States of the United States, or of the United States, located in a City agreeable to the State Treasurer.

Should it happen that the State Treasurer and the successful bidder shall fail to agree upon the banks or trust companies at which the bonds shall be payable, then, in such event, the bonds, both principal and interest, shall be payable at the principal office of a bank or trust company located in the City of New York, State of New York, or, at the option of the holder, at a bank or trust company having an office in the City of Columbia, State of South Carolina, both to be designated by the State Treasurer.

Each proposal must be submitted on the official bid form, must be enclosed in a sealed envelope and should be

addressed to the State Treasurer of the State of South Carolina, Wade Hampton Office Building, Columbia, South Carolina, and marked on the outside in substance "Proposal for State Institution Bonds". As a condition precedent to the consideration of its proposal, each bidder must enclose with it a certified or cashier's or treasurer's check drawn upon a bank or trust company, payable to the order of the State Treasurer of South Carolina for \$200,000 as a good faith deposit. The check of the successful bidder will be applied in part payment of the bonds or to secure the State from any loss resulting from the failure of such bidder to comply with the terms of its bid. The good faith deposit will be returned to the successful bidder if the State of South Carolina shall fail to deliver the bonds as provided in this Notice of Sale. No interest will be allowed on the good faith deposit of the successful bidder.

No proposal for the purchase of less than all of the \$22,215,000 of bonds, or at a price of less than par and accrued interest to the date of delivery will be considered.

Payment for the bonds must be made in Federal Funds or other immediately available funds.

The right to reject all bids is reserved and any bid not conforming to this notice may be rejected, but the right is reserved to waive technicalities.

The State will furnish, without cost to the successful bidder, the printed bonds and the opinions of The Honorable



Daniel R. McLeod, Attorney General of the State of South Carolina, and of Messrs. Sinkler Gibbs & Simons, Attorneys at Law, Charleston, South Carolina. The opinions to be issued will state in substance:

(1) the bonds are valid and legally binding obligations of the State of South Carolina;

(2) the full faith, credit and taxing power of the State of South Carolina are pledged to the payment of the principal of and interest on such bonds, as they become due and payable;

(3) the bonds, together with other State Institution Bonds heretofore and hereafter issued pursuant to Chapter 107, are additionally secured by a pledge of the tuition fees received by the State Institutions for which such bonds are issued.

The opinions with respect to each issue will also state that:

(a) interest on the bonds is exempt from Federal income taxes under Federal Statutes existing on the date of the delivery of the bonds, as then judicially construed; and

(b) the bonds and the interest thereon are exempt from all state, county, municipal, school district and all other taxes or assessments imposed thereon within the State of South

Carolina, except inheritance, estate or transfer taxes.

Upon the delivery of the bonds and payment therefor, the purchasers will also be furnished with the closing documents set forth under the heading "Legal Opinions and Certificates" in the Official Statement relating to the bonds.

The Official Statement will be mailed on or about \_\_\_\_\_, 19\_\_. The successful bidder will be furnished with 250 copies without cost.

The opinion of Messrs. Sinkler Gibbs & Simons will be printed on the back of each of the bonds.

The bonds will be delivered in New York, New York, within thirty days after the award.

Prospective purchasers may obtain, in advance of the sale, copies of the bid form and the Official Statement relating to the bonds from the undersigned State Treasurer.

GRADY L. PATTERSON, JR.  
State Treasurer

Publication Date:

\_\_\_\_\_, 19\_\_

BIDS FOR  
\$22,215,000 STATE INSTITUTION BONDS  
OF THE STATE OF SOUTH CAROLINA

\_\_\_\_\_, 19\_\_

The Honorable Grady L. Patterson, Jr.  
State Treasurer of South Carolina

State Treasurer's Office  
Wade Hampton Office Building  
Columbia, South Carolina

Dear Sirs:

Subject to the provisions and in accordance with the terms of the annexed Notice of Sale, which are hereby made a part of this bid, we offer to pay \_\_\_\_\_ Dollars (\$\_\_\_\_\_) for \$22,215,000 State Institution Bonds of the State of South Carolina, dated December 1, 1978. Said bonds mature as set forth in the annexed Notice of Sale, and bear interest, payable on June 1 and December 1 of each year, beginning June 1, 1979, at the rates set forth below:

Maturity Date	Principal Amount	Interest Rate
12-1-79	\$ 515,000	_____ %
12-1-80	515,000	_____ %
12-1-81	690,000	_____ %
12-1-82	750,000	_____ %
12-1-83	900,000	_____ %
12-1-84	950,000	_____ %
12-1-85	1,150,000	_____ %
12-1-86	1,255,000	_____ %
12-1-87	1,510,000	_____ %
12-1-88	1,610,000	_____ %
12-1-89	1,820,000	_____ %
12-1-90	1,925,000	_____ %
12-1-91	1,925,000	_____ %
12-1-92	2,225,000	_____ %
12-1-93	2,225,000	_____ %
12-1-94	1,125,000	_____ %
12-1-95	1,125,000	_____ %

We will also pay accrued interest from December 1, 1978, to the date of delivery.



We enclose herewith a certified check or cashier's or treasurer's check upon a bank or trust company, payable to the State Treasurer of South Carolina for \$200,000, to be applied in accordance with said Notice of Sale.

Very truly yours,

For your information only we have calculated the interest cost and average rate of interest on this bid as follows:

Aggregate of Interest	\$ _____
Less Premium	\$ _____
Net Interest Cost	\$ _____
Average Interest Rate	_____ %

STATE BUDGET AND CONTROL BOARD

EXHIBIT XVIII

MEETING OF December 21, 1978

AGENDA ITEM NUMBER

10 12/21/78

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Agency: Office of Executive Director

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Subject: Renovation of Forsythe Building

The complete renovation of the interior of the Forsythe Building, including bringing the building up to 1978 Building Code(s) and Life Safety requirements, is proposed.

The first floor of the renovated building is to be occupied by the Finance Division Auditing Section and the second floor is to be occupied by the Finance Division Engineering Section and by the Division of State Planning.

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Board Action Requested:

Chief Engineer McPherson recommends that the Board allow the Division of General Services to finance this renovation (presently estimated to cost \$175,000) from its depreciation reserve account and/or from uncommitted Capital Improvement Bond funds and that a request for \$175,000 be included in the request for Capital Improvement Bond authorizations.

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Staff Comment:

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Attachments:

McPherson 12/18/78 memo to Putnam

STATE OF SOUTH CAROLINA

OFFICE OF THE STATE AUDITOR  
P. O. BOX 11333  
COLUMBIA  
29211

EDGAR A. VAUGHN, JR., CPA  
STATE AUDITOR

Address Reply To  
CHIEF ENGINEER, FINANCE DIVISION  
STATE BUDGET AND CONTROL BOARD  
P.O. Box 11333  
Columbia, S.C. 29211

MEMORANDUM

TO: William T. Putnam, Executive Director, Budget & Control Board

FROM: John A. McPherson, Jr., P.E., Chief Engineer *John A. McPherson*

DATE: December 18, 1978

SUBJECT: Renovation of Forsythe Building

We have reviewed with Rudy Counts of General Services the proposed renovation of the Forsythe Building and Estimate the cost to be \$175,000.00 This renovation will bring the building up to meet the present (1978) Building Codes and Life Safety requirements.

The first floor will be occupied by the Auditing Section and the second floor will be occupied by the Engineering Section and Office of Planning.

In order that this renovation begin as soon as possible, to free up space for your Office, it is recommended that the Budget and Control Board allow General Services to temporarily finance this renovation from their depreciation reserve account and from uncommitted Capital Improvement Bond Fund; and that the Board include in the FY79-80 Permanent Improvement Bond Act \$175,000.00 to reimburse General Services.

cc: William A. McInnis ✓  
Rudy Counts

TELEPHONES (AREA CODE 803)

ADMINISTRATION  
756-7416

BUDGET DIVISION  
756-7415

AUDITING DIVISION  
756-8406

GRANTS AND CONTRACTS  
756-7707

ENGINEERING  
756-2657



STATE BUDGET AND CONTROL BOARD

MEETING OF December 21, 1978

AGENDA ITEM NUMBER

EXHIBIT XIX

11/21/78

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Agency: Division of General Services

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Subject: Sale of State Property to State Officials

The Division of General Services advises that, as each administration comes to a close, it has been customary for State officials to purchase certain items of furniture which they have used during their tenure for sentimental reasons.

The Division notes that as requests come in the items are being appraised by the Surplus Property Officer with one of the Division's State Purchasing Assistants and that, if approved, the proceeds from the sales will be returned to the appropriate Department to be applied toward purchase of like equipment.

The Division notes that requests have been received from the following officials to purchase certain items of furniture (desk, chair, and credenza; and in the case of the Secretary of State, an automobile): (1) Governor; (2) Administrative Assistant to the Governor; (3) Governor's Press Secretary; (4) Lieutenant Governor; (5) Secretary of State; and (6) Secretary to the Agriculture Study Committee.

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Board Action Requested:

Approve the sale of the referenced property, as recommended by the Division of General Services.

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Staff Comment:

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Attachments:

Division of General Services agenda notes

STATE BUDGET AND CONTROL BOARD  
DIVISION OF GENERAL SERVICES  
AGENDA

December 21, 1978

II. Sale of State Property to State Officials

As each administration comes to a close it has been customary for state officials to purchase certain items of furniture which they have used during their government career for sentimental reasons. This year we have requests from the following officials to purchase certain items of furniture (desk, chair, credenza, and an automobile for the Secretary of State). As requests come in these items are being appraised by the Surplus Property Officer with one of our State Purchasing Assistants. The funds will be returned to the appropriate department to be applied toward purchase of like equipment.

The officials who have thus far requested purchase of state property are as follows:

Governor  
Administrative Assistant to the Governor  
Press Secretary  
Lieutenant Governor  
Secretary of State  
Secretary to the Agriculture Study Committee

It is recommended that the Board approve these sales.

STATE BUDGET AND CONTROL BOARD

MEETING OF December 21, 1978

AGENDA ITEM NUMBER

EXHIBIT XX  
12/21/78  
12

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Agency: Division of General Services

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Subject: Insurance Program - Joint Underwriters Association

The Division of General Services notes that, on September 17, 1977, the Budget and Control Board approved a joint program with the Underwriters' Association to provide loss prevention programs for hospitals insured through the Insurance Reserve Fund. The Division further points out that the Joint Underwriters Association is headed by the Insurance Commissioner and that this is an on-going program.

The Division indicates that the original contract extended for only one year (through September of 1978).

---

Board Action Requested:

The Division of General Services recommends that the Board approve a continuation of the referenced program from October 1, 1978 until there are significant changes which should be approved by the Board at an annual cost of about \$75,000 to be paid from the Insurance Reserve Fund out of premiums collected from participating hospitals.

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Staff Comment:

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Attachments:

Division of General Services agenda notes



STATE BUDGET AND CONTROL BOARD  
DIVISION OF GENERAL SERVICES  
AGENDA

December 21, 1978

I. Insurance Program - Joint Underwriters Association

September 17, 1977, the Budget and Control Board approved a joint program with the Underwriters' Association to provide loss prevention programs for hospitals insured through the Insurance Reserve Fund. JUA is headed by the Insurance Commissioner and this is an ongoing program.

The original contract however extended only one year through September. It is recommended that the Board approve continuation of this program from October 1, 1978 until there are significant changes which should be approved by the Board. Annual cost of the program is about \$75,000 and is paid from the Reserve Fund out of premiums collected from participating hospitals.

STATE BUDGET AND CONTROL BOARD

MEETING OF December 21, 1978

AGENDA ITEM NUMBER

EXHIBIT XXI  
13 <sup>12/21/78</sup>

Agency: State Personnel Division

Subject: Amendment of Personnel Rules and Regulations Pertaining to Settlement Proposals

Board Action Requested:

Approve

Staff Comment:

State Personnel Division staff recommends approval.

Attachments:

Referenced amendment

Amendment to Section VII, S. C. Personnel Rules

7.09 It is the policy of the State Budget and Control Board that settlement proposals be presented to the Board for approval as outlined in the following:

1. In all situations where a settlement has not been negotiated or approved by the Office of the Attorney General under a plan approved by the Office of the Attorney General;
2. In all personnel-related matters, excluding Workmen's Compensation or Unemployment Compensation cases, after review by the State Personnel Director, who shall coordinate as necessary with the State Auditor and the Office of the Attorney General;
3. In any other situations where specific approval of the Board would be necessary to disburse funds mentioned under the settlement proposal.
4. All settlement proposals shall contain such information as the Board or its designee specifies.