

MINUTES OF
Budget and
Control Board
Meeting

June 24, 1980

MINUTES OF BUDGET AND CONTROL BOARD MEETING

JUNE 24, 1980 10:30 A. M.

The Budget and Control Board met at 10:30 a.m. on Tuesday, June 24, 1980, in the Governor's conference room with the following members in attendance:

Governor Richard W. Riley
Mr. Grady L. Patterson, Jr.
Mr. Earle E. Morris, Jr.
Representative Tom G. Mangum

Senator Rembert C. Dennis was absent from the meeting.

Staff members attending included Executive Director William T. Putnam; Governor's Executive Assistant Katherine M. Clarke; State Auditor Edgar A. Vaughn, Jr., and staff members John McPherson and George Oliver; General Services Division Director T. Michael Copeland and staff member James Simpson; State Personnel Division Director Jack S. Mullins and staff member Roy Cureton; Deputy Attorney General Frank K. Sloan; Senate Finance Committee staff members Cathy Garety and Bill Jordan; Ways and Means Committee staff member Beverly Beckwith; and Administrative Assistant Donna K. Williams.

MINUTES OF PREVIOUS MEETINGS - Budget and Control Board members previously had been provided with a draft version of the minutes of a meeting held on May 13 and of an executive session poll conducted on May 30, 1980.

Upon a motion by Mr. Patterson, seconded by Representative Mangum, the Budget and Control Board approved the referenced minutes as written.

BLUE AGENDA - Executive Director Putnam asked that the ratification of the action taken in an executive session poll conducted on May 30 be added to the blue agenda. He further advised that the Auditor's Office review of the financial information provided in connection with blue agenda item 1, relating to a Charleston County proposal to issue industrial revenue bonds, had not

2 - 6/24/80

yet been completed and requested that the Budget and Control Board approve this item subject to the satisfactory completion of the referenced reviews.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Budget and Control Board gave conditional approval to blue agenda item 1 and approved all other items on the blue agenda, including ratification of the May 30 poll.

Blue agenda items are identified as such in these minutes.

RATIFICATION OF ACTIONS APPROVED PREVIOUSLY (BLUE AGENDA) - In keeping with the spirit of the Freedom of Information Act, the Budget and Control Board, upon a motion by Mr. Patterson, seconded by Representative Mangum, ratified the following action which had been approved previously by means of a poll:

Executive session poll dated May 30, 1980, in which the Board, after having rejected the decision of the State Employee Grievance Committee on May 27, found that the appellant in a case involving the University of South Carolina should be reinstated to his former position.

Details on this action may be found in the referenced minutes.

INDUSTRIAL REVENUE BONDS (BLUE AGENDA #1) - After being advised that the required reviews by the Attorney General's Office had been completed with satisfactory results but that the Auditor's Office reviews were incomplete, the Budget and Control Board, upon a motion by Mr. Patterson, seconded by Mr. Morris, approved a Charleston County proposal to issue \$2,000,000 Industrial Revenue Bonds on behalf of the Norton Company on the condition that the required reviews by the Auditor's Office be completed with satisfactory results.

[Secretary's Note: Subsequent to the meeting, the required reviews were completed with satisfactory results.]

Information relating to this matter has been retained in these files and is identified as Exhibit 1.

CLEMSON UNIVERSITY - A&E SELECTION APPROVAL REQUEST (BLUE AGENDA #2) -

After being advised that the required selection procedure had been followed, the Budget and Control Board, upon a motion by Mr. Patterson, seconded by Mr. Morris, approved the selection of J. L. Rogers and Callcott Engineers, Inc., to provide the services required in connection with a project to improve water plant instrumentation.

Information relating to this matter has been retained in these files and is identified as Exhibit 2.

COLLEGE OF CHARLESTON - A&E SELECTION APPROVAL REQUEST (BLUE AGENDA #3) -

After being advised that the required selection procedure had been followed, the Budget and Control Board, upon a motion by Mr. Patterson, seconded by Mr. Morris, approved under the small projects procedure the selection of George Rast & Associates to provide the services necessary in connection with the installation of a new heating and airconditioning system in the Lesesne Dormitory for a fee of \$3,768 which will be paid from operation and maintenance funds of the College.

Information relating to this matter has been retained in these files and is identified as Exhibit 3.

DIVISION OF GENERAL SERVICES - A&E SELECTION APPROVAL REQUEST

(BLUE AGENDA #4) - After being advised that the required selection procedure had been followed, the Budget and Control Board, upon a motion by Mr. Patterson, seconded by Mr. Morris, approved under the small projects procedure the selection of Wilton E. Finkenstadt to survey and prepare plat of the General William R. Davie cemetery property in Chester County for a fee of \$630.

Information relating to this matter has been retained in these files and is identified as Exhibit 4.

CONSULTANT SERVICES CONTRACTS (BLUE AGENDA #5) - Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Budget and Control Board approved the following consultant services contracts:

1. STATE DEVELOPMENT BOARD
Consultant: Truman H. Safford, Columbia, SC
Maximum Amount: \$10,000, including expenses; 100% state funds
Time Period: Fiscal year 1980-81
Purpose: To provide expertise in environmental matters, paper and pulp processes, other chemical wet processes, water quality and resources.
2. OFFICE OF THE GOVERNOR
Consultant: Margaret Bethea, Washington, D.C.
Maximum Amount: \$47,000 (\$28,000 salary, \$19,000 office expenses), 100% state funds
Time Period: Fiscal year 1980-81
Purpose: To serve the State of South Carolina as a consultant/ liaison and to maintain a close working relationship with Representatives and Senators in Washington.
3. OFFICE OF THE GOVERNOR
Consultant: Suzanne Rhodes, Columbia, SC
Maximum Amount: Amendment to allow travel related expenses in addition to maximum amount of contract (\$17,500); Regional Southern Solar Energy Center Programs funding
Time Period: 10/1/79 - 9/30/80
Purpose: To provide professional research, planning and coordinating services to implement Southern Solar Energy Center Programs and to accelerate the commercialization of solar energy in South Carolina.
4. MEDICAL UNIVERSITY
Consultant: Marsh & McLennan, Columbia, SC
Maximum Amount: \$25,000
Time Period: 7/15/80 - 6/81 and ongoing
Purpose: To develop a comprehensive risk management/quality assurance program.

5. DEPARTMENT OF SOCIAL SERVICES

Consultant: James C. Beall, DDS, Charleston, SC

Maximum Amount: \$15,000; 70% federal, 30% state

Time Period: Fiscal year 1980-81

Purpose: To review and pass on plans of dental treatment for eligibles in the EPSDT program; determine necessity, appropriateness and quality of treatment rendered; recommend policy, establish criteria and procedures for program parameters; perform liaison duties between providers and the agency and function as an information source on all dental matters pertaining to the Title XX program; plan, direct and supervise the dental services reviewer in post payment review section; and evaluate all potential aberrant providers and determine those to be sent to the Dental Peer Review Committee.

6. DEPARTMENT OF SOCIAL SERVICES

Consultant: Arthur J. Dean, MD, Columbia, SC

Maximum Amount: \$15,000; 70% federal, 30% state

Time Period: Fiscal year 1980-81

Purpose: To provide physician review of all sterilization and abortion claims, approximately 300 monthly; to provide post payment monitoring of PSRO performance; to provide physician monitoring to recommend policy for covered services and establish criteria for medical necessity and appropriateness of services; approve for medical necessity and appropriateness durable medical equipment, prosthetic or orthotic appliances, averaging 200 applications monthly; review all medical appeal cases, averaging five per month; provide input into covered claims and medical necessity of prepayment review of hospital and physician claims, requiring approximately 25 hours per month.

Information relating to this matter has been retained in these files and is identified as Exhibit 5.

STATE COLLEGE BOARD OF TRUSTEES (COLLEGE OF CHARLESTON) - BOND

ANTICIPATION NOTES - Bond Attorney Theodore B. Guerard and College of Charleston President Collins appeared before the Board on this matter. Mr. Guerard advised the Board that the resolution proposed for adoption would authorize the issuance of not exceeding \$3,030,000 Bond Anticipation Notes in anticipation of the

issuance of Student and Faculty Housing Revenue Bonds of the College of Charleston. He indicated that this resolution would change the financing to a temporary arrangement for a three-year period.

Following this discussion, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board adopted a resolution approving the issuance by the State College Board of Trustees of not exceeding \$3,030,000 Bond Anticipation Notes to defray the cost of the new residence hall at the College of Charleston in anticipation of the issuance of \$3,030,000 Student and Faculty Housing Revenue Bonds of the College.

Information relating to this matter has been retained in these files and is identified as Exhibit 6.

WORKMEN'S COMPENSATION FUND - LEGAL REPRESENTATION - Fund Director

John W. Scott advised the Board that a 1980 Act provides that legal representation for the Fund shall be provided by a chief counsel and such attorneys as are necessary to be appointed by the Fund Director with the approval of the Attorney General. He further advised that, after consultation with the Attorney General and his staff, it has been determined that two attorneys and one legal secretary are needed.

Mr. Scott noted also that no funds were provided to support his legal staff and he requested Board approval of the transfer of \$100,000 from Fund reserves, under the authority of Code Section 42-7-90, to provide the operating monies needed.

After being advised that these three positions are not included in the budget for 1980-81, the Board without objection agreed that no action

should be taken on the matter pending the establishment of the new Joint Committee on Personal Service Financing and Budgeting.

Information relating to this matter has been retained in these files and is identified as Exhibit 7.

TECHNICAL AND COMPREHENSIVE EDUCATION - PROPERTY DONATION TO BEAUFORT

TEC - Executive Director Dudley and Associate Executive Director Shealy of the State Board for Technical and Comprehensive Education appeared before the Board to advise that the Kinghorn family of Beaufort wishes to donate a 1.8 acre parcel of land and two buildings to the Beaufort Technical College and that the State Board had recommended acceptance of this donation.

Following this discussion, upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board accepted a donation from the Kinghorn family of Beaufort of 1.8 acres of land with improvements and assigned this property to the State Board for Technical and Comprehensive Education on the condition that the Attorney General's Office approve the terms under which such assignment is made.

Information relating to this matter has been retained in these files and is identified as Exhibit 8.

FINANCE DIVISION - BUDGET HEARING PROCEDURE - State Auditor Edgar

A. Vaughn, Jr., appeared before the Board to describe briefly the proposed schedule for budget hearings. Mr. Vaughn indicated that the schedule to be proposed to the Board provides for beginning the process late in July and completing the hearing portion of it by mid-August. He indicated that a proposed schedule with dates and formats will be mailed to each member later today

8 - 6/24/80

or tomorrow and that the staff would be back in touch with each member seeking approval or modification of the proposed process later in this week.

Mr. Vaughn reported that the cooperation of the agencies with the new process has been excellent and that they have been very enthusiastic about it thus far.

TREASURER'S OFFICE - RESOLUTION ON ISSUANCE OF \$70,000,000 CAPITAL IMPROVEMENT BONDS - Mr. Patterson noted that the proposed resolution would provide for the issuance of the referenced bonds to support on-going projects. He also stressed that the Board action should authorize the issuance of bonds or anticipation notes at the discretion of the State Treasurer after determining the bond market situation. Mr. Patterson also advised that \$5.9 million of State School Bonds would be included in the proposed issue and that these school bonds would be the last to be issued under the phase-out of that process for financing school building aid.

Following this discussion, upon a motion by Mr. Patterson, seconded by Representative Mangum, the Board adopted a resolution providing for the issuance of \$70,000,000 of Capital Improvement Bonds or Bond Anticipation Notes.

Upon a motion by Mr. Patterson, seconded by Representative Mangum, the Board approved the issuance of \$5.9 million of State School Bonds or Bond Anticipation Notes.

Information relating to this matter has been retained in these files and is identified as Exhibit 9.

EXECUTIVE DIRECTOR - PROCEDURE UNDER SECTION 3 OF 1980 BOND ACT -

The Board was advised that Section 3 of the 1980 Bond Act provides that no project or purpose authorized in the Act may be established or implemented in any way and that no bonds or bond anticipation notes may be issued until the Board, after consulting with the Joint Bond Review Committee, has determined that the money market situation has stabilized to the point where bonds of the State and its institutions can be marketed successfully at reasonable rates of interest.

Following a discussion on the procedure to be followed in response to Section 3 of the 1980 Bond Act, the Board reaffirmed that no project or purpose authorized in the 1980 Bond Act would be authorized for release until the Board, after consultation with the Joint Bond Review Committee, agrees that all projects can be released.

PARKS, RECREATION AND TOURISM - LAKE WARREN AND CAESAR'S HEAD

ACQUISITIONS - PRT staff member Robert Gunter appeared before the Board to request authorization to expend \$300,000 from the Recreation Land Trust Fund for the acquisition of property for the Lake Warren State Park and to expend \$80,000 from that Fund for Phase II acquisitions for the Caesar's Head State Park. Because some of the funds necessary to finance these actions are authorized in the 1980 bond act, Mr. Gunter proposed that PRT be authorized to advance for these two purposes presently-available bond funds authorized for other purposes pending the release of the 1980 bond funds.

Following a brief discussion, upon a motion by Representative Mangum, seconded by Mr. Morris, the Board approved the PRT request to utilize \$380,000

10 - 6/24/80

of previously-authorized bond funds for the Lake Warren State Park project and the second phase of the Caesar's Head State Park project with the understanding that previously-authorized projects requiring a like amount of money would be postponed until such time as the new bond authorizations are freed for expenditure and that the funds advanced would be reimbursed at that time.

Information relating to this matter has been retained in these files and is identified as Exhibit 10.

THE CITADEL AND PRT - RELEASE OF PROJECTS - Upon a motion by Mr. Morris, seconded by Representative Mangum, the Board authorized The Citadel to proceed with the advertising for construction bids on the project to renovate McAlisster Field House. In this same action, the Board also authorized PRT to advertise for bids on the Lynches River swimming pool project.

Information relating to this matter has been retained in these files and is identified as Exhibit 11.

PARKS, RECREATION AND TOURISM - A&E SELECTION APPROVAL REQUEST AND PROJECT RELEASE - PRT Planner Hanvy advises that the following firms, listed in order of preference, have been selected to provide the design services required in connection with a recreation building to be located at Goodale State Park:

| <u>Firm</u> | <u>Location</u> | <u>Reported State Work in Prior Two Years</u> |
|--------------------------------|-----------------|---|
| (1) Design Collaborative, Inc. | Columbia | \$ 250,000+ |
| (2) Anderson Associates | Columbia | \$ -0- |
| (3) Architects Boudreaux, Ltd. | Columbia | \$ 500,000 |

After having been advised that the required selection procedure had been followed, upon a motion by Mr. Patterson, seconded by Mr. Morris, the

Board approved the selection of Design Collaborative, Inc., for the referenced project and released the A&E portion of the project.

Information relating to this matter has been retained in these files and is identified as Exhibit 12.

FINANCE DIVISION (ENGINEERING) - PROJECTS RELEASED BY STAFF - Acting pursuant to the procedure approved by the Board at its June 10, 1980 meeting, the Board, upon a motion by Representative Mangum, seconded by Mr. Patterson, received as information a report listing the projects released by staff during the June 10 - 24, 1980 period. The list included four projects for the Adjutant General's Office, all of which were to invite bids, as follows: (1) E24-021, Hemingway Armory - HVAC upgrade; (2) E24-019, Leesburg Road - classroom renovation; (3) E24-023, Spartanburg Armory - equipment storage facility; and (4) E24-021, Sumter Armory - equipment storage facility. Also released was Educational Television Commission project H67-006, renovation/alteration of ETV technical areas for the purpose of inviting bids on the project.

Information relating to this matter has been retained in these files and is identified as Exhibit 13.

EXECUTIVE DIRECTOR - REPORT ON DORCHESTER COUNTY PRISON SITE ISSUE - Mr. Putnam advised the Board on his visit with Dorchester County Council Chairman and Vice Chairman Kenneth F. Waggoner and Rollins Edwards, respectively, and of the Council's response to his visit. The Council advised that it will be prepared to make a tentative decision concerning the location of the prison facility by July 7 but that it does reserve the right to call a special meeting and make a final decision no later than July 15.

12 - 6/24/80

The Board received Mr. Putnam's report as information.

Information relating to this matter has been retained in these files and is identified as Exhibit 14.

GOVERNOR'S OFFICE - BUMPER STICKERS ON ENERGY CONSERVATION - Governor Riley and staff member David Reid reported that bumper stickers urging motorists to drive at 55 miles per hour or less in the interest of energy conservation are available from the Division of Energy Resources. They reported that the Division of Motor Vehicle Management is willing to place these stickers on the 415 vehicles under its direct control and Governor Riley indicated that he would like to see a sticker on all State-owned vehicles.

Governor Riley asked the Board to require that the stickers be placed on all State-owned passenger vehicles except those used for law enforcement, school buses and maintenance vehicles in the interest of having the State government set an example in energy conservation.

Mr. Patterson noted that State employees are now making a conscientious effort to comply with the 55 miles per hour speed limit and Mr. Morris observed that some 480,000 gallons of gasoline a day less is now being used in the State as a result of that limit.

Following this discussion, upon a motion by Mr. Patterson, seconded by Representative Mangum, the Board authorized the Governor's Office Division of Energy Resources to ask agency heads to display bumper stickers relating to energy conservation on State-owned non-law enforcement passenger vehicles.

HEALTH COORDINATING COUNCIL - TRAVEL AND PER DIEM EXPENSES - Mr.

Samuel Lyons, Chairman of the Implementation Committee of the Statewide Health Coordinating Council, advised the Board by letter that an advisory group to his Committee has been created and that this group is comprised of both members and non-members of the Health Coordinating Council. He further advised that the non-Council members are not eligible for reimbursement for travel expenses nor are they eligible for per diem. He further advised that funds are available for reimbursing travel but that he had been advised that authorization to pay travel costs to non-Council members is needed from the Board or from the General Assembly. He further indicated that both the funds and the authorization are needed if per diem is to be paid to the non-Council members.

Mr. Lyons specific request was for authorization to reimburse travel expenses for ten persons for four meetings and, secondly, he requested an allocation of \$1,400 from the Civil Contingent Fund to pay the per diem for these persons and he requested authorization to make such payments.

Following a brief discussion, the Board without objection determined that reimbursement for actual travel and subsistence expenses may be paid to persons who participated in the activities of the Implementation Committee of the Health Coordinating Council but that per diem is allowed only for official members of boards, committees and commissions.

Information relating to this matter has been retained in these files and is identified as Exhibit 15.

EXECUTIVE DIRECTOR - PROTECTION AND ADVOCACY SYSTEM FUNDING - In

response to a request by Executive Director Louise R. Ravenel, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board authorized the South Carolina Protection and Advocacy System for the Handicapped, Inc., to draw the first quarter of funds due in the amount of \$49,375 for fiscal year 1980-81, contingent upon meeting all other legal requirements.

Information relating to this matter has been retained in these files and is identified as Exhibit 16.

TECHNICAL AND COMPREHENSIVE EDUCATION - FOREIGN TRAVEL - Upon a

motion by Mr. Morris, seconded by Mr. Patterson, the Board approved the travel of Training Consultant Wallace Starnes to England during the June 28 - July 5, 1980 period for the purpose of visiting the parent plant of Lucas-CAV at an estimated cost of \$1,200 to \$1,500 to be paid from funds in the special schools budget of TEC.

Information relating to this matter has been retained in these files and is identified as Exhibit 17.

EXECUTIVE DIRECTOR - TRANSFER OF POSITION FROM RESEARCH AND STATISTICAL

SERIVCES - Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board authorized the transfer of one unclassified position from the Division of Research and Statistical Services to the Office of Executive Director.

GENERAL SERVICES - CAPITOL TERRACE MOTEL LEASE - As a follow-up

to the action taken at the Board meeting on May 13, 1980 which authorized General Services to negotiate the assignment of the existing lease on the Capitol Terrace Motel, the Division advised that a 17-year lease has been prepared and accepted by the proposed lessee, Legislative Consultant Services,

subject to approval by the Board. The Division advised further that the monthly rental amount will be \$800 for the seventeen years for a total of \$163,200. The Division recommended approval of the referenced lease.

Following a brief discussion, the Board without objection agreed to carry over to a future meeting its consideration of the assignment of an existing lease on the Capitol Terrace Motel property.

Information relating to this matter has been retained in these files and is identified as Exhibit 18.

GENERAL SERVICES - LEASE OF SPACE FOR PUBLIC SERVICE COMMISSION -

Division Director Mike Copeland appeared before the Board to recommend that the Division of General Services be authorized to lease 26,500 square feet of office space at 111 Doctors Circle for ten years at \$7.25 per square foot for use by the Public Service Commission.

Mr. Copeland advised that the Public Service Commission has been asked to vacate the space presently leased from the Siebels Bruce Company and that that company is willing to pay \$100,000 on the costs of renovation at another location provided the PSC vacates its present space by September 15, 1980 or no later than September 30, 1980. Mr. Copeland further advised that the space proposed is acceptable to the Public Service Commission and that the renovation costs for this space will be approximately \$178,000. This cost, he reported, includes moving structural pillars in order to give the Commission a sixty foot by forty foot hearing room. Mr. Copeland also stated that the owners of the space proposed for lease will provide the additional amount required for renovation above the \$100,000 to be provided by Siebels Bruce on the condition that the Public Service Commission signs a ten-year

16 - 6/24/80

lease at \$7.25 per square foot.

Following a discussion on this matter, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board authorized the Division of General Services to lease 26,500 square feet of office space at 111 Doctors Circle for ten years at \$7.25 per square foot for use by the Public Service Commission.

Information relating to this matter has been retained in these files and is identified as Exhibit 19.

GENERAL SERVICES - LEASE/PURCHASE OF BUILDING FOR DHEC IN BEAUFORT -

Division Director Copeland advised the Board that, in September of 1979, General Services was asked by DHEC to negotiate a lease with an option to purchase a building owned by Beaufort County located at 1713 Prince Street in Beaufort. He advised that a lease agreement and option has been finalized for a monthly rental of \$737 for a twenty-year term with an exclusive option to purchase at any time during the lease. He also indicated that this lease and option has been approved by the DHEC Board. Mr. Copeland recommended Board approval of the lease agreement and option with Beaufort County as described.

Following a discussion in which Board members expressed concern for the precedent which may be represented in this proposed action and also inquired about present policies regarding the responsibility of counties for supplying facilities, the Board without objection agreed to carry over its consideration of this item.

Information relating to this matter has been retained in these files and is identified as Exhibit 20.

GENERAL SERVICES - LEASE/PURCHASE AGREEMENT FOR DEPARTMENT OF

INSURANCE - Division Director Copeland advised the Board that the Insurance Department would like to purchase an IBM System 6 which is being cancelled by the Attorney General's Office. Mr. Copeland indicated that the State has an accrual in excess of \$8,700 in this machine and that if it is placed on a lease/purchase agreement a monthly savings of \$369.53 would result as compared with a straight lease price. The total purchase price will be \$29,968.20 and includes 9½% interest for a term of sixty months.

The Division of General Services recommended that the Board approve the referenced lease/purchase arrangement because of the savings involved.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board approved the Division recommendation that the Insurance Department be authorized to enter into a lease/purchase agreement for an IBM System 6 for a total purchase price of \$29,968.20 which includes 9½% interest for a term of sixty months.

Information relating to this matter has been retained in these files and is identified as Exhibit 21.

GENERAL SERVICES - AIRCRAFT INSURANCE - Division Director Copeland advised that bids were received from four companies to provide State aircraft insurance for a period of one year beginning July 15, 1980. Mr. Copeland recommended that the bid be awarded to the low bidder which was Stuart Hope Agency for the Federal Insurance Company which bid \$142,201.

Upon a motion by Mr. Patterson, seconded by Representative Mangum, the Board approved the awarding of a one-year aircraft insurance contract to the Stuart Hope Agency for the Federal Insurance Company at a cost of \$142,201.

Information relating to this matter has been retained in these files and is identified as Exhibit 22.

FINANCE DIVISION (GRANTS AND CONTRACTS) - Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board approved the recommendations of the Grants and Contracts Subcommittee on a package of 75 projects involving \$16,125,452 of federal funds, \$2,154,798 of State funds, and \$3,188,531 of other funds for a total of \$21,468,801.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board approved a project involving the Finance Division's Computer Systems Management Section the purpose of which is to continue a program to evaluate the objectives of criminal justice programs and to determine the adequacy of meeting these needs by subcontractors.

Information relating to this matter has been retained in these files and is identified as Exhibit 23.

STATE FIRE COMMISSION - FIRE MARSHAL'S APPEALS BOARD - Chief David A. MacLellan, Chairman of the State Fire Commission, recommended that the Board appoint the following membership of the Appeals Board for the Fire Marshal's Office with the terms of the appointees beginning on May 21, 1980 and ending on July 15, 1981 or until their successors have been named and accepted: Lewis Lee, Chairman; Alex Gundry, Vice Chairman; Harold Tarleton, Jr.; Donald Simons; Joseph Floyd; Mrs. Pernyece Gerideau; and Carl R. Dickert.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board appointed the referenced membership of the Fire Marshal's Appeals Board as recommended by Chief MacLellan.

Information relating to this matter has been retained in these files and is identified as Exhibit 24.

RETIREMENT DIVISION/FRANCIS MARION COLLEGE - POSITIONS ABOVE NUMBER

AUTHORIZED - The Board without objection agreed to carry over to a future meeting its consideration of requests by the Retirement Division and by Francis Marion College for positions above the number authorized.

Information relating to this matter has been retained in these files and is identified as Exhibit 25.

PARKS, RECREATION AND TOURISM - RELEASE OF PERMANENT IMPROVEMENT

PROJECT - Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board corrected an action taken at its meeting on June 10 so as to authorize the Parks, Recreation and Tourism Department to utilize \$46,000 to finance the design of a swimming pool to be located at Myrtle Beach State Park rather than \$7,000 as had been requested originally.

Information relating to this matter has been retained in these files and is identified as Exhibit 26.

ATTORNEY GENERAL'S OFFICE - INFORMATION SCIENCE, INC., CONSULTANT

FEES - Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board approved an Attorney General's Office request to encumber \$1,050 of Civil Contingent Fund monies for 1979-80 for the payment of consultant fees to Marion Woodbury in connection with the Information Science, Inc., project.

Information relating to this matter has been retained in these files and is identified as Exhibit 27.

BUDGET AND CONTROL BOARD - FUTURE MEETING - The Board agreed to

hold its next regular meeting at 10:30 a.m. on Tuesday, July 8, 1980 in the Governor's conference room and also agreed to hold an early fall meeting at Patriots Point Development Authority facilities in Charleston.

EXECUTIVE SESSION - Mr. Putnam announced that three personnel items, several salary matters, one extension of service request and three grievance reports had been proposed for consideration in executive session. Upon a motion by Representative Mangum, seconded by Mr. Patterson, the Board agreed to consider these matters whereupon Governor Riley declared the meeting to be in executive session.

RATIFICATION OF EXECUTIVE SESSION ACTIONS - Following the Board's consideration of executive session items, the meeting was opened and the Board, upon a motion by Mr. Morris, seconded by Representative Mangum, ratified the following actions taken in executive session:

(1) Approved the salaries of the Chief Commissioner, the State Highway Engineer, and the Secretary-Treasurer of the Department of Highways and Public Transportation;

(2) Approved a DHEC request to pay \$4,000 to Robert S. Jackson, M.D., for consultant services involving public health, organization and administrative matters pertaining to DHEC;

[Secretary's Note: On the afternoon of June 25, 1980, at the request of Governor Riley, Board members were polled and agreed to reconsider this item.]

(3) Approved the encumbrance of not to exceed \$34,000 of Civil Contingent Fund monies for 1980-81 for the Office of Executive Director to fund one classified position and attendant costs during fiscal year 1980-81;

(4) Approved salary adjustments for one staff member at the Commission on Higher Education; two at Clemson University; and one at USC - Sumter;

(5) Authorized the State Personnel Division to approve salaries of medical doctors at levels above those of agency head salaries;

(6) Renamed Ms. Ruby Gray, Ms. Helen Murray; Mr. James Turner and Mr. Tryon Face to the State Employee Grievance Committee;

(7) Adopted resolutions recognizing and commending Bernestine C. Bradshaw, B. K. Jones and Bruce R. Templeton for their dedicated and productive service as members of the State Employee Grievance Committee;

(8) Carried over to a future meeting the appointment of three replacement members to the State Employee Grievance Committee but agreed to appoint James A. Dawkins, Sandra K. Avant, and Norman C. Smith to the Committee in the event Lois McGaha is ineligible;

(9) Approved the extension of service of Mr. M. G. Browning of the School for the Deaf and the Blind for fiscal year 1980-81;

(10) Received as information and agreed to let the time expire on State Employee Grievance Committee findings and decisions in cases involving the Department of Mental Health and the Department of Labor; and

(11) Modified the State Employee Grievance Committee decision in a case involving the Department of Mental Health.

The meeting was adjourned at 1:30 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 Press Secretary in the State House and near the Board Secretary's office in the Wade Hampton Office Building on June 23, 1980.]

The State of South Carolina

JUN 23 1980



EXHIBIT

JUN 24 1980

NO. 1

Office of the Attorney General

STATE BUDGET & CONTROL BOARD

KAREN LeCRAFT HENDERSON
Senior Assistant Attorney General

WADE HAMPTON OFFICE BUILDING
POST OFFICE BOX 11549
COLUMBIA, S. C. 29211
TELEPHONE 803-758-8667

DANIEL R. McLEOD
ATTORNEY GENERAL

June 16, 1980

Honorable William T. Putnam
Executive Director
State Budget and Control Board
Wade Hampton State Office Building
Columbia, South Carolina

Re: \$2,000,000 Charleston County,
South Carolina, Industrial
Revenue Bonds, Series 1980
(Norton Company Project)

Dear Mr. Putnam:

Regarding the above-referenced bonds, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 4-29-10 et seq., CODE OF LAWS OF SOUTH CAROLINA, 1976, as amended, and the same appear, in our opinion, to be in order.

With kind regards,

A handwritten signature in cursive script that reads 'Karen LeCraft Henderson'.

Karen LeCraft Henderson
Senior Assistant Attorney General

KLH:jvh

EXHIBIT

JUN 24 1980 NO. 1

STATE BUDGET & CONTROL BOARD

A RESOLUTION

APPROVING THE FINANCING OF THE ACQUISITION, CONSTRUCTION, AND INSTALLATION OF INDUSTRIAL AND COMMERCIAL FACILITIES IN CHARLESTON COUNTY, SOUTH CAROLINA, BY NORTON COMPANY THROUGH THE ISSUANCE OF \$2,000,000, OR SUCH ADDITIONAL AMOUNT AS SHALL HEREINAFTER BE APPROVED, OF CHARLESTON COUNTY, SOUTH CAROLINA, INDUSTRIAL DEVELOPMENT REVENUE BONDS, (NORTON COMPANY PROJECT) SERIES 1980; AND AUTHORIZING THE PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR ITS APPROVAL OF SUCH UNDERTAKING PURSUANT TO THE INDUSTRIAL DEVELOPMENT PROJECTS ACT, SECTIONS 4-29-10 ET SEQ. OF THE SOUTH CAROLINA CODE.

As an incident to the adoption of this Resolution, the County Council of Charleston County (the "County Board") has made the following findings:

1. The Industrial Development Projects Act, S.C. Code §4-29-10 et seq., as amended (the "Act"), authorizes the governing body of the several counties of the State of South Carolina to issue industrial development bonds.
2. The Regulations promulgated pursuant to the Internal Revenue Code of 1954, as amended (the "Code") require that the issuer of such bonds adopt a bond resolution with respect to such bonds or take some other similar official action toward the issuance of such bonds prior to the construction or acquisition of such facilities.
3. The County Board considers the acquisition, construction, enlargement, improvement and expansion of certain industrial development facilities (the "Project") by

Norton Company, a Massachusetts corporation (the "Company"), to be in furtherance of the purposes of the Act and the public purposes of the County Board, and that the financing of the additional facilities will have the effect of maintaining employment, increasing the tax base in the area, and promoting the general health and welfare of the inhabitants of Charleston County.

4. The County Board issued on November 8, 1978 bonds in the face amount of \$1,000,000 to finance a portion of the Project (the "1978 Bonds"). On December 20, 1979 the County Board issued additional bonds to finance enlarging, improving and expanding the Project (the "1979 Series A Bonds"). Resolutions adopted by the County Board with respect to such prior bonds expressed the County Board's intention to finance the completion of the Project by the issuance of additional bonds including the bonds authorized pursuant to this Resolution.

5. The County Board undertakes by the issuance of its Charleston County, South Carolina Industrial Development Revenue Bonds (Norton Company Project) Series 1980 (the "Series 1980 Bonds") to finance the completion of the acquisition, construction and installation of the Project commenced with the prior issues of bonds.

6. The County Board will issue and sell the Series 1980 Bonds pursuant to the provisions of the Act in a principal amount sufficient to pay the balance of the cost of financing the Project, more fully described in Exhibit A attached hereto, together with costs incident to the authorization, sale, and issuance of the Series 1980 Bonds, the aggregate of such costs being presently estimated to be not in excess of \$2,000,000. To that end, and pursuant to the request of the Company, the County Board intends to issue the Series 1980 Bonds in the face amount of \$2,000,000.

7. The County Board may also increase the authorized amount of the Series 1980 Bonds or issue such additional bonds pursuant to the provisions of the Act in a principal amount sufficient to pay any cost overruns or additional costs of the Project in excess of the presently estimated costs, or the costs of any further modifications or additions to the Project, but the aggregate face amount of all such bonds, including the 1978 Bonds and the 1979 Series A Bonds, shall not exceed \$10,000,000 or such other limitation prescribed by law.

8. The proceeds of the Series 1980 Bonds will be used to enlarge, improve and expand the Project; in particular, to finance additions to Project facilities located in Charleston County but outside the incorporated limits of the City of North Charleston.

9. The County Board will enter into a lease agreement (the "Lease Agreement") with the Company for the Series 1980 Bonds, supplemental to those lease agreements governing the 1978 Bonds and the 1979 Series A Bonds and the Company has submitted to the County Board a form of the proposed Lease Agreement which has been presented at this meeting under which the Company will agree to pay for the use of the Project facilities that are financed by the Series 1980 Bonds an amount sufficient to provide for the payment of principal of, premium, if any, and interest on the Series 1980 Bonds as the same become due.

10. As additional terms of the Lease Agreement, the Company will agree to effect the completion of the Project if the proceeds of the Series 1980 Bonds prove insufficient, to pay the cost of maintaining the Project in good repair, and to pay the cost of keeping the Project properly insured. The Lease Agreement will provide that upon full payment of the Series 1980 Bonds, or provision therefor, the Company shall purchase the Project facilities that are financed by the Series 1980 Bonds for the sum of \$100.00.

11. The Series 1980 Bonds will be issued pursuant to a supplemental indenture of trust (the "Indenture") between Charleston County and a bank yet to be named as Trustee (the "Trustee") prescribing the terms and conditions of the

Series 1980 Bonds and the security therefor. The Indenture will be substantially in the form presented at this meeting, setting forth the maturity of the Series 1980 Bonds and provisions for redemption. The Series 1980 Bonds will bear interest at a rate or rates to be determined prior to the sale of the Series 1980 Bonds.

12. In view of the well established credit of the Company, it is hereby found to be unnecessary to establish reserve funds for the payment of principal, interest or any premium on the Series 1980 Bonds.

13. The County Board will not unreasonably withhold its approval of such proceedings or the execution and delivery of such documents as may be necessary or advisable for the authorization, issuance, and sale of the Series 1980 Bonds, the enlarging, improving and expanding of the Project, and the execution of financing agreements with the Company with respect to the Project.

14. The County Board will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

15. The Series 1980 Bonds shall specifically provide that they shall be payable solely out of the revenues derived from the Lease Agreement with respect to the

improvements to the Project financed with such series of bonds and that they shall never constitute the debt or indebtedness of the County Board or Charleston County within the meaning of any provision or limitation of the Constitution or statutes of the State of South Carolina.

16. The Company has advised the County Board that the Company has arranged for the sale of the Series 1980 Bonds with E.F. Hutton & Company, Inc., New York, New York.

17. The Series 1980 Bonds will be issued as tax-exempt bonds pursuant to the provisions of §103(b)(6) of the Code, and the County Board will file the certificates or other documents necessary to evidence its election pursuant to §103(b)(6)(D) of the Code and the Income Tax Regulations thereunder.

18. It is intended that this Resolution shall constitute "some other similar official action" toward the issuance of the Series 1980 Bonds within the meaning of §1.103-8(a)(5) of the Regulations prescribed with respect to the Code by the United States Treasury Department.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CHARLESTON COUNTY, IN MEETING DULY ASSEMBLED:

That the County Board finds that the facts set forth above are in all respects true and correct and on such basis determines to finance the enlargement, improvement and

expansion of the Project described above and in Exhibit A,
and to authorize and sell the Series 1980 Bonds by
Charleston County as aforesaid.

BE IT FURTHER RESOLVED:

That the Petition in form substantially as attached
hereto be presented to the State Budget and Control Board of
South Carolina to seek the approval required by §4-29-140 of
the Act; and that said Petition shall be duly executed by
the Chairman of the County Council and attested by its Clerk.

Lawrence B. Stone, Jr.
Chairman of the County Council
of Charleston County

[SEAL]

Attest:

Sara B. Braithwaite
Clerk of the County Council of
Charleston County

Exhibit A

TO RESOLUTION DATED *June 3^d, 1980* BY THE COUNTY COUNCIL
OF CHARLESTON COUNTY REPRESENTING "SOME OTHER SIMILAR
OFFICIAL ACTION" TOWARD ISSUANCE OF BONDS TO FINANCE THE
FACILITIES DESCRIBED HEREIN.

DESCRIPTION OF PROJECT

The Project includes the existing Norton Company (Safety Products Division) plant located in unincorporated areas of Charleston County, South Carolina, consisting of an existing building and the equipment acquired and installed therein constituting a facility for the manufacture of butyl rubber gloves. The Project will be enlarged, improved and expanded to include the following:

The acquisition and construction of such land, building, equipment and appurtenant facilities necessary for the efficient operation of an applied development, engineering and office facility adjacent to the existing Norton Company butyl nitrile plant.

Norton Company
Financial Statement Review

Re: \$2,000,000 Industrial Revenue Bonds by
Charleston County

1. There is no reason not to approve this issue based on the financial statement review.
2. This is a publicly-held company that is regularly evaluated by the SEC and others.
3. The financial position of the company appears adequate to support the proposed and existing debt.
4. The auditors have rendered "clean" opinions for the past four years.

William B. Fulmer

6-26-80

EXHIBIT

JUN 24 1980

NO. 1

STATE BUDGET & CONTROL BOARD

EXHIBIT

JUN 24 1980 NO. 1

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

TO THE STATE BUDGET AND CONTROL
BOARD OF SOUTH CAROLINA

PETITION

The Petition of the County Council of Charleston County (the "County Board") pursuant to the Industrial Development Projects Act, S.C. Code §4-29-10 et seq. (the "Act"), and in particular §4-29-140 thereof, respectfully shows:

1. The County Board is the governing body of Charleston County, as established by S.C. Code §4-9-10(b) (1976), as amended, and as such is the "County Board" of Charleston County as defined in the Act.
2. The Act authorizes the County Board, subject to obtaining the approval and findings from the State Budget and Control Board of South Carolina as required by §4-29-140 of the Act, to enter into agreements with any industry to purchase, install, enlarge, improve and expand facilities to be used for the purpose of industry, commerce, or research, to enter into lease agreements with such industry prescribing the terms and conditions of the payments to be made by the industry to the County or its assignee to meet the payments that shall become due on bonds issued pursuant to the Act; and to issue bonds for the purpose of defraying

the cost of purchasing, installing, constructing, or improving such industrial, commercial, or research facilities.

3. The County Board has agreed to undertake to finance the acquisition, construction, enlargement, improvement and expansion of certain industrial and commercial facilities (the "Project") by Norton Company, a Massachusetts corporation (the "Company")

4. The County Board is advised by the Company that the total cost of acquiring, constructing, enlarging, improving and expanding the Project will be approximately \$10,000,000, a portion of which has already been financed by the issuance of bonds on November 8, 1978 by the County Board in the face amount of \$1,000,000, and by additional bonds issued on December 20, 1979 by the County Board in the face amount of \$2,800,000.

5. The County Board is advised by the Company that its present needs call for the issuance of additional bonds with an aggregate face amount of no more than \$2,000,000 (the "Series 1980 Bonds"), the proceeds of which will be used to defray the cost of acquiring, constructing, enlarging, improving and expanding the Project. Bonds to finance any additional costs of enlarging, improving or expanding of the Project may be issued if and when deemed advisable; provided

that in no case shall the aggregate face amount of all such bonds issued with respect to the Project exceed \$10,000,000 or such other statutory limitation then in effect.

6. For the reasons set forth above and hereinafter disclosed, the County Board has found as follows:

- A. The acquisition, construction, enlargement, improvement and expansion of the Project is in furtherance of the purposes of the Act and the public purposes of the County Board, and the financing of the facilities will have the effect of maintaining employment, increasing the tax base in the area, and the promotion of the general health and welfare of the inhabitants of Charleston County.
- B. The financing of the enlarging, improving or expanding of the Project will not cause any pecuniary liability on the part of the County nor will there be any charge against the County's general credit or taxing power of the County.
- C. The Lease Agreement to be entered into between the County and the Company in substantially the form enclosed herewith contains a covenant obligating the Company to effect the completion of the enlarging, improving or expanding of the Project if the proceeds of the Series 1980 Bonds prove insufficient, and further obligates the Company (a) to pay the principal of, premium, if any, and interest on the Series 1980 Bonds; and (b) to pay the cost of maintaining the Project in good repair and the cost of keeping it properly insured. In view of the well established credit of the Company, there is no need to establish and maintain any reserves in connection with the issuance of the Series 1980 Bonds.
- D. The Lease Agreement further provides, as permitted by the Act, that the Company will, for the sum of \$100.00, purchase the Project facilities that are financed by the Series 1980 Bonds upon termination of the Lease and full payment of said Series 1980 Bonds.

- E. The principal, interest and premium, if any, on the Series 1980 Bonds shall be secured by a pledge of the revenues payable to the County pursuant to the Lease Agreement and neither the Series 1980 Bonds nor any coupon attached thereto shall ever constitute an indebtedness of the County or the County Board within the meaning of any State constitutional provision or statutory limitation, nor ever constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

7. Pursuant to §4-29-140 of the Act, the County Board sets forth the following information:

- A. The facilities to be financed out of the proceeds of the Series 1980 Bonds consist of the acquisition, construction, enlargement, improvement and expansion of the Norton Company (Safety Products Division) butyl nitrile plant located in Charleston County but outside the incorporated limits of the City of North Charleston, constituting the land, building equipment and appurtenant facilities necessary for the efficient operation of an applied development, engineering and office facility.
- B. The total cost of the Project and additions thereto is approximately \$10,000,000, of which \$3,800,000 has already been financed by the issuance of bonds on November 8, 1978 and December 20, 1979.
- C. The proposed Lease Agreement, a draft copy of which is enclosed with this Petition, provides in general:
- (a) To finance the cost of the acquisition, construction, enlargement, improvement, and expansion of the Project, the County will issue its industrial development revenue bonds in the face amount of no more than \$2,000,000, or such additional sum as may later be deemed advisable, to be secured by a pledge of the payments to be made by the Company pursuant to the Lease Agreement, and to be issued pursuant to an Indenture of Trust, as authorized by the Act, between the County and a bank, yet to be named, as Trustee.

(b) Proceeds derived from the sale of the Series 1980 Bonds will be deposited with the Trustee under said Indenture of Trust and will be applied solely for the payment of the costs incident to the acquisition, construction, enlargement, improvement and expansion of the Project facilities and the issuance of the Series 1980 Bonds (including the repayment to the Company of any advances made for such purposes).

(c) Under the terms of the Lease Agreement, the Company obligates itself to effect the completion of the Project if the proceeds derived from the sale of the Bonds prove insufficient, to pay the amount necessary to meet the payment of principal and interest and premium, if any, on the bonds as the same become due, and to pay the cost of maintaining the Project, including the additions thereto, in good repair and the cost of keeping it properly insured.

(d) The Lease Agreement provides that the Company shall pay to the proper taxing authorities an amount in lieu of taxes in such amount as would result from taxes levied on the Project by such taxing authority if the Project, including the additions thereto, were owned by the Company.

(e) The Lease Agreement contains no provision imposing any pecuniary liability upon the County or which would create a charge upon its general credit or taxing power.

8. The proposed Indenture of Trust is in conventional form and prescribes the terms and conditions upon which the bonds will be issued. A draft copy of the Indenture of Trust is enclosed with this Petition. The Indenture of Trust makes provision for the issuance of the Series 1980 Bonds in an amount not to exceed \$2,000,000. The Indenture of Trust provides for the payment and redemption of the

Series 1980 Bonds, the establishment of a Bond Fund in which the proceeds of the payments made by the Company pursuant to the Lease Agreement are placed, and for the use of the said fund for the payment of the Series 1980 Bonds. The Indenture of Trust contains no provision imposing any pecuniary liability upon the County or which would create a charge upon its general credit or taxing power.

9. It is the intent of the County Board that the Lease Agreement and Indenture of Trust shall be finally executed and delivered in substantially the form of those documents as enclosed herewith, and, although changes may be made in the enclosed forms, it is not expected that there will be any changes which will substantially affect the undertaking of the County as now outlined therein.

Upon the basis of the foregoing, the County Board respectfully prays that the State Budget and Control Board accept the filing of this Petition and the documents enclosed herewith above described, and that the State Board as soon as practical make such investigation as it deems advisable, and that if it finds that the Project facilities are intended to promote the proposes of the Act and may be reasonably anticipated to effect such result, it approve the proposed financing of the enlargement, improvement and expansion of the Project by the County through the issuance

of the Series 1980 Bonds pursuant to the Act, including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking of the County, and give published notice of its approval in the manner set forth in §4-29-140 of the Act.

Respectfully submitted,

CHARLESTON COUNTY, SOUTH CAROLINA

By Paul B. Ste, Jr.
Chairman of the County Council
of Charleston County

[SEAL]

Attest:

Sara B. Driskill
Clerk of the County Council of
Charleston County

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

I, the undersigned, Clerk of the County Council of
Charleston County, South Carolina, DO HEREBY CERTIFY:

That the foregoing is a true, correct and verbatim copy of
the Resolution unanimously adopted by the said County Council at
a duly called and regularly held meeting at which all members
attended and remained throughout on June 3, 1980.

That the said Resolution was proposed by Councilman Ketley,
and seconded by Councilman Clay, and the same is now in
full force and effect and has not been modified, amended,
repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my Hand and the Seal
of the said County Council this 5th day of June, 1980.

Sam B. Driskant
Clerk of the County Council of
Charleston County

[SEAL]

ORIGINAL

EXHIBIT

JUN 24 1980

NO. 1

A RESOLUTION

STATE BUDGET & CONTROL BOARD

APPROVING THE UNDERTAKING OF CHARLESTON COUNTY TO ISSUE \$2,000,000, OR SUCH ADDITIONAL AMOUNT AS SHALL HEREINAFTER BE APPROVED, OF CHARLESTON COUNTY, SOUTH CAROLINA INDUSTRIAL DEVELOPMENT REVENUE BONDS (NORTON COMPANY PROJECT) SERIES 1980, PURSUANT TO THE INDUSTRIAL DEVELOPMENT PROJECTS ACT, SECTIONS 4-29-10 ET SEQ., OF THE SOUTH CAROLINA CODE.

WHEREAS, the County Council of Charleston County (the "County Board"), pursuant to the Industrial Development Projects Act, S.C. Code §4-29-10 et seq., as amended, (the "Act") has petitioned the State Budget and Control Board of South Carolina (the "State Board") seeking the approval of the State Board to an undertaking by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking consists of the issuance of \$2,000,000, or such additional amount as shall hereinafter be approved, of Charleston County, South Carolina Industrial Development Revenue Bonds (Norton Company Project) Series 1980 (the "Series 1980 Bonds") by the County Board pursuant to the Act, the proceeds of which will be used in order to defray the cost of acquiring, constructing, and installing improvements to certain industrial development facilities (the "Project") to be leased to Norton Company, a Massachusetts corporation (the

"Company") in Charleston County, South Carolina, more fully described in Exhibit A, attached hereto; in particular, using the proceeds of the Series 1980 Bonds to finance the balance of the cost of enlarging, improving and expanding the existing Project facilities located in Charleston County but outside the incorporated limits of the City of North Charleston; and

WHEREAS, the County Board has previously issued bonds to finance the initial acquisition, construction and installation of Project facilities (the "Series 1978 Bonds") pursuant to an Indenture of Trust dated as of October 1, 1978, and leased said facilities to the Company by a Lease Agreement dated as of that date; and

WHEREAS, the County Board subsequently issued additional bonds to finance enlarging, improving and expanding the Project (the "Series A 1979 Bonds") pursuant to a First Supplemental Indenture of Trust dated as of December 1, 1979, and leased said improvements to the Company pursuant to a First Supplemental Lease Agreement of the same date; and

WHEREAS, the County Board proposes to enter into a supplemental lease agreement (the "Second Supplemental Lease") with the Company for the Series 1980 Bonds pursuant to which the Company will agree to pay for the use of the

Project facilities that are financed by the Series 1980 Bonds an amount which, when added to other amounts available therefor, is sufficient to provide for the payment of principal of, premium, if any, and interest on the Series 1978 Bonds, the Series A 1979 Bonds and the Series 1980 Bonds (collectively, the "Bonds") as the same become due; and

WHEREAS, the County Board proposes to enter into a supplemental indenture of trust (the "Second Supplemental Indenture") for the Series 1980 Bonds with a bank yet to be named as Trustee (the "Trustee") prescribing the terms and conditions upon which the Series 1980 Bonds will be issued and pledging to the payment of the Series 1980 Bonds the payments to be made pursuant to the Second Supplemental Lease; and

WHEREAS, the forms of the Second Supplemental Lease between Charleston County and the Company and of the Second Supplemental Indenture have been considered by this Board;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD, IN MEETING ASSEMBLED:

1. It has been found and determined by the State Board:

- A. That the statement of facts set forth in the recitals of this Resolution are in all respects true and correct.

B. That the County Board has filed a proper petition to the State Board in accordance with the provisions of §4-29-140 of the Act, setting forth a brief description of the improvements to the Project, a reasonable estimate of the cost of the improvements to the Project, and a general summary of the terms and conditions of the Second Supplemental Lease and the Second Supplemental Indenture.

C. The financing of the improvements to the Project by the County Board through the issuance of the Series 1980 Bonds will promote the purposes of the Act and the public purposes of the County Board, namely: the maintaining of employment, the increasing of the tax base in the area, and the promoting of the general health and welfare of the inhabitants of Charleston County.

2. On the basis of the foregoing findings the proposed undertaking of the County Board (i) to enter into the Second Supplemental Indenture and issue the Series 1980 Bonds; (ii) to use the proceeds for the purpose of defraying the cost of acquiring, constructing, and installing the improvements to the Project; and (iii) to enter into the Second Supplemental Lease with the Company, providing for the payment of the Series 1980 Bonds, which shall be payable solely from the revenues to be derived by the County under the Second Supplemental Lease, all pursuant to the Act (including changes in any details of the said undertaking as finally consummated which do not materially affect the said undertaking) be, and the same hereby are approved, and the County Board may proceed therewith.

3. Notice of the action taken by the State Board in giving approval to the above described undertaking of Charleston County shall be published in a newspaper having general circulation in Charleston County.

Exhibit A

TO RESOLUTION DATED June 24 , 19 80 BY THE STATE BUDGET
AND CONTROL BOARD.

DESCRIPTION OF PROJECT

The Project includes the existing Norton Company (Safety Products Division) plant located in unincorporated areas of Charleston County, South Carolina, consisting of an existing building and the equipment acquired and installed therein constituting a facility for the manufacture of butyl rubber gloves. The Project will be enlarged, improved and expanded to include the following:

The acquisition and construction of such land, building, equipment and appurtenant facilities necessary for the efficient operation of an applied development, engineering and office facility adjacent to the existing Norton Company butyl nitrile plant.

NOTICE PURSUANT TO THE INDUSTRIAL DEVELOPMENT PROJECTS ACT,
S.C. CODE §4-29-10 et seq., AS AMENDED.

NOTICE IS HEREBY GIVEN that following the filing of a Petition by the County Council of Charleston County (the "County Board") to the State Budget and Control Board of South Carolina (the "State Board"), approval has been given by the State Board to the following undertaking (including changes in any details of the said undertaking as finally consummated which do not materially affect the said undertaking), viz:

The issuance by the County Board of \$2,000,000 Charleston County, South Carolina Industrial Development Revenue Bonds (Norton Company Project) Series 1980 (the "Series 1980 Bonds") pursuant to the "Industrial Development Projects Act", S.C. Code §4-29-10 et seq., as amended (the "Act"), the proceeds of which shall be used to finance a certain project to consist of land, a building and all necessary or useful furnishings, equipment and related property comprising an applied development, engineering and office facility in order to promote the purposes of the Act, and particularly to maintain employment, increase the tax base in the area, and promote the general health and welfare of the inhabitants of Charleston County, the project to be leased to Norton Company (the "Company"), a Massachusetts corporation duly qualified to do business in the State of South Carolina; the execution and delivery of a Lease Agreement for the Series 1980 Bonds between Charleston County and the Company, pursuant to which the Company will agree to make payments sufficient to repay the principal and interest on the Series 1980 Bonds when due; and the execution and delivery of an Indenture of Trust for the Series 1980 Bonds between Charleston County and the First National Bank of South Carolina, as trustee, prescribing the terms and conditions under which the Series 1980 Bonds will be issued and pledging to the payment of the Series 1980 Bonds the payments to be made pursuant to the Lease Agreement.

Drafts of said Lease Agreement and Indenture of Trust are on file at the office of the County Board, located in the Charleston County Office Building, Charleston, South Carolina.

NOTICE IS FURTHER GIVEN that any interested party may at any time within twenty days after the date of publication of this Notice, but not afterwards, challenge the validity of the action of the State Board in approving the said undertaking of the County Board, by action de novo instituted in the Court of Common Pleas for Charleston County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: _____
Secretary

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

I, WILLIAM A. McINNIS, Secretary to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the said State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina at 10:30 a.m., Tuesday, June 24, 1980, was given to all members in writing, and at least four (4) days prior to said meeting; that all members of said Board were present at said meeting, with the exception of:

Senator Rembert C. Dennis

That at said meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Patterson, who moved its adoption; said motion was seconded by Mr. Morris, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

4

AGAINST MOTION

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of said Board in my custody as its Secretary.

Secretary

June 30, 1980

KUTAK ROCK & HUIE

1101 CONNECTICUT AVENUE, N. W.

WASHINGTON, D. C. 20036

(202) 828-2400

JUN 13 1980

MINNESOTA

4644 IDS TOWER
MINNEAPOLIS, MINNESOTA 55402
(612) 338-1460

OMAHA

THE OMAHA BUILDING
1650 FARNAM STREET
OMAHA, NEBRASKA 68102
(402) 346-6000

ATLANTA

1200 STANDARD FEDERAL
SAVINGS BUILDING
ATLANTA, GEORGIA 30303
(404) 522-8700

DENVER

1330 COLORADO NATIONAL BUILDING
DENVER, COLORADO 80202
(303) 534-1330

June 12, 1980

EXHIBIT

JUN 24 1980 NO. 1

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control
Board of South Carolina
Box 12444
Columbia, South Carolina 29211

\$2,000,000
Charleston County, South Carolina
Industrial Development Revenue Bonds
(Norton Company Project)
Series 1980

Dear Mr. McInnis:

Enclosed please find the following:

(1) An executed copy of the resolution adopted by the Charleston County Council on June 3, 1980 and the petition to the State Budget and Control Board of the same date with respect to the above referenced financing;

(2) a form of Supplemental Lease and Supplemental Indenture for the proposed financing;

(3) a form of resolution for consideration of the State Budget and Control Board with accompanying suggested language for the published notice required by the Industrial Development Projects Act; and

(4) annual statements of the Norton Company for the past five (5) years.

I believe this documentation satisfies the requirements of the State Budget and Control Board for consideration of the enclosed petition.

KUTAK ROCK & HUIE

EXHIBIT

JUN 24 1980

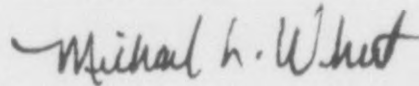
NO. 1

Mr. William A. McInnis
June 12, 1980
Page Two

STATE BUDGET & CONTROL BOARD

We hope to have this proposal placed on the agenda of the State Board for its next scheduled meeting in the first week of July or such other meeting of the State Board as occurs in the interim. If any further documentation is required or if you require any assistance please feel free to contact Mitchell Bragin or myself at the telephone number which appears above.

Sincerely,



Michael L. Wheet

sam

enclosures

EXHIBIT

JUN 24 1980

NO. 1

STATE BUDGET & CONTROL BOARD

CHARLESTON COUNTY, SOUTH CAROLINA

TO

FIRST NATIONAL BANK OF SOUTH CAROLINA,
as Trustee

SECOND SUPPLEMENTAL INDENTURE OF TRUST

Dated as of

1, 1980

THIS SECOND SUPPLEMENTAL INDENTURE OF TRUST dated as of 1, 1980 between Charleston County, South Carolina ("Issuer"), a political subdivision duly organized and existing under the Constitution and laws of the State of South Carolina acting by and through the County Council of Charleston County, and First National Bank of South Carolina, of Charleston, South Carolina, a national banking association organized and existing under the laws of the United States with its principal office located at Charleston, South Carolina ("Trustee"),

W I T N E S S E T H :

WHEREAS, the Industrial Development Projects Act, S.C. Code §4-29-10 et seq., as amended (the "Act"), has been enacted by the Legislature of South Carolina and remains in full force and effect; and

WHEREAS, the Act provides that a county has the power, subject to obtaining the approval of the State Budget and Control Board of South Carolina, to acquire, whether by construction, purchase, devise, gift or lease, or any one or more of such methods, one or more projects, including any land, building or other improvement, and all real and personal properties deemed necessary in connection therewith, whether or not now in existence, which shall be suitable for use for manufacturing or industrial enterprises, located within the jurisdiction of the county, and that the county may lease any such project to others for such rentals and upon such terms and conditions as the county may deem advisable; and

WHEREAS, the Act provides that a county may issue revenue bonds payable solely from the revenues derived from any project for the purpose of defraying the cost of acquiring and enlarging, improving and expanding such project; and

WHEREAS, the Act provides that the principal of and interest on any such bonds shall be secured by a pledge of the revenues out of which such bonds shall be made payable, and may be secured by a trust indenture covering all or any part of the project from which the revenues so pledged are derived or by a pledge of the lease of such project; and

WHEREAS, Section 2.10 of the Indenture of Trust dated as of October 1, 1978 between Issuer and the Trustee (the "Original Indenture") pursuant to which bonds, the proceeds of

which were used to finance the initial acquisition, construction and installation of certain manufacturing facilities in unincorporated areas of Charleston County, South Carolina (the "Project") were issued authorizes the issuance of Additional Bonds (as defined therein) by Issuer in accordance with the provisions thereof and of Section 4.9 of the Lease Agreement dated as of October 1, 1978 (the "Original Lease") between Issuer and Norton Company, a corporation incorporated under the laws of The Commonwealth of Massachusetts, as lessee ("Lessee"); and

WHEREAS, pursuant to and in accordance with the Act and the Original Indenture Issuer has issued Additional Bonds to finance enlarging, improving and expanding the Project pursuant to a First Supplemental Indenture of Trust between Issuer and Trustee, dated as of December 1, 1979; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, by written resolution of Issuer, in furtherance of the purposes of the Act, Issuer now proposes to issue Additional Bonds in order to complete the enlarging, improving and expanding of the Project by means of the acquisition, construction and installation of certain manufacturing facilities to be acquired and constructed pursuant to plans and specifications which are more fully referred to in the Original Lease, and to be leased under the Original Lease, as supplemented and amended by a Second Supplemental Lease Agreement (the "Second Supplemental Lease") to Lessee; and

WHEREAS, Issuer has determined to issue its Industrial Development Revenue Bonds (Norton Company Project) Series 1980 in the aggregate principal amount of \$2,000,000 (the "Series 1980 Bonds");

WHEREAS, the fully registered Bonds, the coupon Bonds, the interest coupons to be attached thereto, and trustee's certificate of authentication to be endorsed on such Bonds are to be in substantially the following form, with appropriate variations, omissions and insertions as permitted or required by the Original Indenture, the First Supplemental Indenture of Trust or this Second Supplemental Indenture of Trust, to wit:

(FORM OF FULLY REGISTERED BOND)

UNITED STATES OF AMERICA

STATE OF SOUTH CAROLINA

CHARLESTON COUNTY, SOUTH CAROLINA

INDUSTRIAL DEVELOPMENT REVENUE BOND

(Norton Company Project)

SERIES 1980

No. R-

\$

KNOW ALL MEN BY THESE PRESENTS that Charleston County, South Carolina, a political subdivision organized and existing under the Constitution and laws of the State of South Carolina acting by and through the County Council of Charleston County ("Issuer"), for value received, promises to pay from the source and as hereinafter provided to , on 1, 2010, the principal sum of , and in like manner to pay interest on said sum from the date hereof at the rate of percent (%) per annum semiannually on 1 and 1 of each year, commencing 1, 1981, until said principal sum is paid, except as the provisions hereinafter set forth with respect to redemption of this Bond prior to maturity may become applicable hereto, both principal of and interest on this Bond being payable in lawful money of the United States of America at the principal office of the First National Bank of South Carolina, in the City of Charleston, South Carolina, as Trustee or its successor in trust ("Trustee"), or, at the option of the holder hereof, at the principal office of The Chase Manhattan Bank, N.A., as co-paying agent, in The City of New York, New York.

This Bond is one of an authorized issue of Bonds limited in aggregate principal amount to \$2,000,000 (the "Series 1980 Bonds") issued for the purpose of providing a portion of the funds to pay the cost of acquiring, constructing, enlarging, improving and expanding a Project consisting of industrial facilities (the "Project"), and leasing the same to Norton Company, a Massachusetts corporation ("Lessee"), and paying necessary expenses incidental thereto. To provide for the payment of the Bonds, as that term is hereinafter defined,

the Project has been leased by Issuer to Lessee under the terms of a Lease Agreement dated as of October 1, 1978, as supplemented and amended by a First Supplemental Lease Agreement dated as of December 1, 1979 and as further supplemented and amended by a Second Supplemental Lease Agreement dated as of _____ 1, 1980 (which agreement, as from time to time amended and supplemented, is hereinafter referred to as the "Lease"), under which Lessee is obligated to pay as basic rental amounts which are sufficient to pay (1) the principal of and premium, if any, and interest on the 1979 Bonds as the same shall become due in accordance with their terms and provisions, and the terms and provisions of the Indenture (as hereinafter defined), and (2) as additional rental the fees and expenses of Trustee properly payable under the Indenture (as defined hereinafter) and certain expenses of Issuer related to the Project.

The Series 1980 Bonds are all issued under and are equally and ratably secured by and entitled to the protection of an Indenture of Trust dated as of October 1, 1978 (the "Original Indenture"), as supplemented and amended by a First Supplemental Indenture of Trust dated as of December 1, 1979, and as further supplemented by a Second Supplemental Indenture of Trust dated as of _____ 1, 1980 all by and between Issuer and Trustee (which indenture of trust, as from time to time amended and supplemented, is hereinafter referred to as the "Indenture"), duly executed and delivered by Issuer to Trustee and pursuant to which all rental payments due from Lessee to Issuer under the Lease are assigned to Trustee to secure the payment of principal of and premium, if any, and interest on the Bonds. The Indenture provides for the issuance of Additional Bonds by Issuer from time to time under certain terms contained in the Original Indenture. Pursuant to that provision, and the Second Supplemental Indenture of Trust, this Bond is being issued as one of a series of such Additional Bonds. This Bond and the Series of which it is a part ranks pari passu with the Bonds issued under the Original Indenture and all other Additional Bonds issued thereunder, and are equally and ratably secured by and entitled to the protection of the Indenture. All such Additional Bonds together with the Bonds issued under the Original Indenture are herein collectively referred to as the "Bonds." Reference is hereby made to the Indenture for a description of the property pledged and assigned, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of Issuer, Trustee and the holders of the Bonds and the terms upon which the Bonds are issued and secured.

This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the principal office of Trustee in Charleston, South Carolina, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer, a new registered Bond or Bonds of the same series designations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

Issuer and Trustee may deem and treat the registered holder hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and premium, if any, and interest due hereon and for all other purposes and neither Issuer nor Trustee shall be affected by any notice to the contrary.

The Series 1980 Bonds are issuable as coupon Bonds, registrable as to principal only, in the denomination of \$5,000, and as registered Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and upon payment of the charges provided in the Indenture, registered Bonds without coupons may be exchanged for a like aggregate principal amount of coupon Bonds of the same series and the same maturity, bearing all unmatured coupons (and any matured coupons in default) or for a like aggregate principal amount of registered Bonds without coupons of other authorized denominations of the same series and the same maturity, and coupon Bonds bearing all unmatured coupons (and any matured coupons in default) may be exchanged for a like aggregate principal amount of registered Bonds without coupons of authorized denominations of the same series and the same maturity.

The Series 1980 Bonds are noncallable for redemption prior to 1, 1990, except in the event (1) the Project or any portion thereof is damaged or destroyed or taken in a condemnation proceeding to which Section 6.2(b) of the Lease is applied, (2) Lessee shall exercise its option to purchase the Project as provided in Section 10.2(a), (b), (c) or (d) of the Lease or (3) Lessee shall be obligated to redeem the Bonds as provided in Section 10.5 of the Lease. If called for redemption pursuant to (1) or (2) above, the Series 1980 Bonds shall be subject to redemption by Issuer prior to maturity on any interest payment date, in whole or

in the case of redemption pursuant to Section 6.2(b) of the Lease in part in the inverse order of their maturities, less than all of the Series 1980 Bonds of a single maturity to be selected by lot in such manner as Trustee may determine, at the principal amount thereof plus accrued interest to the redemption date. If called for redemption pursuant to (3) above, any outstanding Bonds held by a requesting holder will be purchased by Trustee in whole, within 60 days after receipt by it of such holder's written request, at a price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption plus a premium equal to 4% for each six-month period or part thereof elapsed between the Event of Taxability (as defined in the Lease) and the date of redemption. Any person who was a Bondholder both at the time of an Event of Taxability (as defined in the Lease) and at the time of retirement thereof prior to the aforesaid selection of a redemption date shall, upon presentation to Trustee in writing of proof satisfactory to Trustee that he was a holder of such Bond at such times, be entitled to an amount equal to 4% for each six-month period or part thereof elapsed between the Event of Taxability and the date the Bond was paid or redeemed. Any moneys deposited and held by Trustee for the benefit of claimants, if any, for five years after the date upon which so deposited shall be repaid to Lessee, and thereupon and thereafter no claimant shall have any rights to or in respect of such moneys.

The Series 1980 Bonds are also subject to redemption by Issuer prior to maturity on or after 1, 1990, in whole at any time or in part on any interest payment date, and if in part, then by lot in such manner as Trustee may determine, at the redemption prices (expressed as percentages of principal amount) as set forth in the following table plus accrued interest to the redemption date:

| <u>Redemption Dates</u> | | <u>Redemption Price</u> |
|-------------------------|----------|-------------------------|
| 1, 1990 through | 30, 1991 | 103 % |
| 1, 1991 through | 30, 1992 | 102-1/2 |
| 1, 1992 through | 30, 1993 | 102 |
| 1, 1993 through | 30, 1994 | 101-1/2 |
| 1, 1994 through | 30, 1995 | 101 |
| 1, 1995 and thereafter | | 100 |

Any Bond, whether coupon or registered, issued to replace any other Bond or Bonds, is subject to redemption pursuant to the

preceding sentence in the same manner and order and in the same amount as the Bond or Bonds being replaced.

The Series 1980 Bonds are also subject to mandatory redemption, pursuant to the terms of the mandatory sinking fund provided in the Indenture, on 1, 2001, and on each 1 thereafter to and including 1, 2010, at 100 percent of the principal amount thereof plus accrued interest to the redemption date, in the following principal amounts and order:

| <u>1</u> <u>of the Year</u> | <u>Principal</u> <u>Amount</u> |
|--------------------------------|-----------------------------------|
| 2001 | \$ |
| 2002 | |
| 2003 | |
| 2004 | |
| 2005 | |
| 2006 | |
| 2007 | |
| 2008 | |
| 2009 | |
| 2010 | * |

*Final Maturity

Any Bond, whether coupon or registered, issued to replace any other Bond or Bonds, is subject to redemption pursuant to the above sinking fund in the same manner and order and in the same amount as the Bond or Bonds being replaced.

In the event any of the Bonds or portions thereof (which shall be \$5,000 or any integral multiple thereof) are called for redemption as aforesaid, notice thereof indentifying the Bonds or portions thereof to be redeemed will be given by Trustee by publication at least twice in a newspaper or financial journal of general circulation published in The City of New York, New York and the City of Charleston, South Carolina, the first of which shall be published not less than thirty days prior to the redemption date, and in the case of the redemption of Bonds at the time registered as to principal (except to bearer) or fully registered upon mailing a copy of the redemption notice by registered or certified mail at least thirty days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the

address shown on the registration books; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Bond with respect to which no such failure has occurred. If all of the Bonds to be redeemed in whole or in part are at that time registered as to principal (except to bearer) or fully registered, notice by mailing given by registered or certified mail to the owner or owners thereof not less than thirty days prior to the date fixed for redemption shall be sufficient and published notice of the call for redemption need not be given; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Bond with respect to which no such failure has occurred. All Bonds so called for redemption will cease to bear interest after the specified redemption date provided funds for their redemption are on deposit at the place of payment at that time. If, because of the temporary or permanent suspension of the publication or general circulation of any newspaper or financial journal or for any other reason, it is impossible or impractical to publish such notice of call for redemption in the manner herein provided, then such publication in lieu thereof as shall be determined by Trustee shall constitute a sufficient publication of notice.

The Series 1980 Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of South Carolina, particularly the Industrial Development Projects Act, S.C. Code §4-29-10 et seq., as amended, and pursuant to a resolution adopted by Issuer which authorizes the execution and delivery of the Second Supplemental Lease Agreement and the Second Supplemental Indenture of Trust. THE BONDS SHALL BE LIMITED OBLIGATIONS OF ISSUER. THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE BONDS SHALL BE PAYABLE SOLELY OUT OF THE REVENUES DERIVED FROM THE LEASING OF THE PROJECT TO BE FINANCED BY THE BONDS. THE BONDS AND INTEREST THEREON SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF ISSUER WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF ISSUER OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS. Neither the faith and credit nor the taxing power of the State of South Carolina, or any political subdivision thereof, is pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto. Rental payments sufficient for the prompt payment, when due, of the principal of and premium, if any, and interest on the Bonds are to be

paid to Trustee for the account of Issuer and deposited in a special account created by Issuer and designated "Charleston County, South Carolina Industrial Development Revenue Bond Fund (Norton Company Project), Series 1978," and such rental payments have been duly pledged and assigned for that purpose, and in addition the rights of Issuer under the Lease have been assigned to Trustee to secure payment of such principal and premium, if any, and interest under the Indenture.

The holder of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of Issuer and the rights of the holders of the Bonds at any time by Issuer with the consent of the holders of two-thirds in aggregate principal amount of the Bonds at the time outstanding, as defined in the Indenture. Any such consent or waiver by the holder of this Bond shall be conclusive and binding upon such holder and upon all future holders of this Bond and of any Bond issued in replacement thereof whether or not notation of such consent or waiver is made upon this Bond. The Indenture also contains provisions permitting Trustee to waive certain past defaults under the Indenture and their consequences.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law; that the issuance of this Bond and the issue of which it forms a part, together with all other obligations of Issuer, does not exceed or violate any constitutional or statutory limitation; and that the rentals payable under the Lease and pledged to the payment of the principal of and premium, if any, and interest on this Bond and the issue of which it forms a part, as the same become due, will be sufficient in amount for that purpose.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by Trustee.

IN WITNESS WHEREOF, Charleston County, South Carolina has caused this Bond to be executed in its name by the manual or facsimile signature of the Chairman of the County Council of Charleston County and its official seal to be hereunto impressed or imprinted hereon and attested by the manual or facsimile signature of its County Clerk, all as of the day of _____, 1980.

[SEAL]

CHARLESTON COUNTY, SOUTH
CAROLINA

Attest:

By _____
County Clerk

By _____
Chairman, County Council of
Charleston County

(Form of Trustee's Certificate of Authentication)

This Bond is one of the Bonds of the issue described in the within-mentioned Indenture of Trust.

FIRST NATIONAL BANK OF
SOUTH CAROLINA

By _____
Authorized Officer

* * * *

CERTIFICATE OF REGISTRATION

This Bond may be registered in the name of the holder on the books of Issuer kept by Trustee as Bond Registrar for that purpose, as to principal alone, such registration being noted hereon by the Bond Registrar in the registration blank below, after which no transfer hereof shall be valid unless made on said books at the request of the registered owner or attorney duly authorized and such transfer is similarly noted in the registration blank below, but it may be discharged from registration by being transferred to bearer after which it shall be transferable by delivery, but it may be again registered as before. The registration of this Bond as to principal alone shall not restrain the negotiability of the coupons by delivery merely, but the coupons may be surrendered and the interest made payable to the registered owner, in which event the Bond Registrar shall note in the registration blank below that the bond is registered as to interest, as well as to principal. At the request of the registered owner or his attorney, this Bond when converted into a bond registered as to both principal and interest may be reconverted into a coupon bond and such coupon bond again be converted into a bond registered as to both principal and interest as hereinabove provided. Upon reconversion of this Bond, when registered as to principal and interest into a coupon bond, all coupons then unmatured which were detached herefrom shall be reattached hereto by the Bond Registrar, and the Bond Registrar shall note in the registration blank

below whether the bond is registered as to principal only or payable to bearer.

| DATE OF REGISTRATION | IN WHOSE NAME REGISTERED | MANNER OF REGISTRATION | BOND REGISTRAR |
|-------------------------|-----------------------------|---------------------------|-------------------|
|-------------------------|-----------------------------|---------------------------|-------------------|

| | | | |
|--|--|--|--|
| | | | |
| | | | |
| | | | |

(FORM OF COUPON BOND)

UNITED STATES OF AMERICA

STATE OF SOUTH CAROLINA

CHARLESTON COUNTY, SOUTH CAROLINA

INDUSTRIAL DEVELOPMENT REVENUE BOND

(Norton Company Project)

SERIES 1980

No.

\$5,000

KNOW ALL MEN BY THESE PRESENTS that Charleston County, South Carolina, a political subdivision organized and existing under the Constitution and laws of the State of South Carolina acting by and through the County Council of Charleston County ("Issuer"), for value received promises to pay from the source and as hereinafter provided, to bearer, or, if this Bond be registered, to the registered owner hereof, on 1, 2010, the principal sum of five thousand dollars and in like manner to pay interest on said sum from the date hereof at the rate of _____ percent (_____ %) per annum semiannually on 1 and 1 of each year, commencing 1, 1981, until said principal sum is paid, except as the provisions hereinafter set forth with respect to redemption of this Bond prior to maturity may become applicable hereto, both principal of and interest on this Bond being payable in lawful money of the United States of America at the principal office of the First National Bank of South Carolina, in the City of Charleston, South Carolina, as Trustee or its successor in trust ("Trustee"), or, at the

option of the holder hereof, at the principal office of The Chase Manhattan Bank, N.A., as co-paying agent, in The City of New York, New York.

This Bond is one of an authorized issue of Bonds limited in aggregate principal amount to \$2,000,000 (the "Series 1980 Bonds") issued for the purpose of providing a portion of the funds to pay the cost of acquiring, constructing and improving a Project consisting of industrial facilities (the "Project"), and leasing the same to Norton Company, a Massachusetts corporation ("Lessee"), and paying necessary expenses incidental thereto. To provide for the payment of the Bonds, as that term is hereinafter defined, the Project has been leased by Issuer to Lessee under the terms of a Lease Agreement dated as of October 1, 1978, as supplemented and amended by a First Supplemental Lease Agreement dated as of December 1, 1979 and as further supplemented and amended by a Second Supplemental Lease Agreement dated as of 1, 1980 (which agreement, as from time to time amended and supplemented, is hereinafter referred to as the "Lease"), under which Lessee is obligated to pay as basic rental amounts which are sufficient to pay (1) the principal of and premium, if any, and interest on the Bonds as the same shall become due in accordance with their terms and provisions, and the terms and provisions of the Indenture (as hereinafter defined), and (2) as additional rental the fees and expenses of Trustee properly payable under the Indenture (as defined hereinafter) and certain expenses of Issuer related to the Project.

The Series 1980 Bonds are all issued under and are equally and ratably secured by and entitled to the protection of an Indenture of Trust dated as of October 1, 1978 (the "Original Indenture"), as supplemented and amended by a First Supplemental Indenture of Trust dated as of December 1, 1979, and as further supplemented and amended by a Second Supplemental Indenture of Trust, dated as of 1, 1980 all by and between Issuer and Trustee (which indenture of trust, as from time to time amended and supplemented, is hereinafter referred to as the "Indenture"), duly executed and delivered by Issuer to Trustee and pursuant to which all rental payments due from Lessee to Issuer under the Lease are assigned to Trustee to secure the payment of principal of and premium, if any, and interest on the Bonds. The Indenture provides for the issuance of Additional Bonds by Issuer from time to time under certain terms contained in the Indenture. Pursuant to those provisions this Bond is being issued as one of a series of such Additional Bonds. This Bond and the Series of

which it is a part ranks pari passu with the Bonds issued under the Original Indenture and all other Additional bonds issued thereunder, and are equally and ratably secured by and entitled to the protection of the Indenture. All such additional Bonds together with the Bonds issued under the Original Indenture are hereinafter collectively referred to as the "Bonds". Reference is hereby made to the Indenture for a description of the property pledged and assigned, the provisions, among other, with respect to the nature and extent of the security, the rights, duties and obligations of Issuer, Trustee and the holders of the Bonds, and the terms upon which the Bonds are issued and secured.

This Bond and appurtenant coupons are fully negotiable, but this Bond may be registered as to payment of principal on the registration books of Issuer in the office of Trustee in accordance with the provisions endorsed on the reverse side hereof. The principal of this Bond, if registered, unless registered to bearer, shall be payable only to the registered owner or his legal representative. Interest accruing on this Bond will be paid only on presentation and surrender of the attached interest coupons as they respectively become due, and registration of this Bond as to principal as aforesaid will not affect the transferability by delivery of such coupons.

The Bonds are issuable as coupon Bonds, registrable as to principal only, in the denomination of \$5,000, and as registered Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and upon payment of the charges provided in the Indenture, registered Bonds without coupons may be exchanged for a like aggregate principal amount of coupon Bonds of the same series and the same maturity, bearing all unmatured coupons (and any matured coupons in default) or for a like aggregate principal amount of registered Bonds without coupons of other authorized denominations of the same series and the same maturity, and coupon Bonds bearing all unmatured coupons (and any matured coupons in default) may be exchanged for a like aggregate principal amount of registered Bonds without coupons of authorized denominations of the same series and the same maturity.

The Series 1980 Bonds are noncallable for redemption prior to 1, 1990, except in the event (1) the Project or any portion thereof is damaged or destroyed or taken in a condemnation proceeding to which Section 6.2(b) of the

Lease is applied, (2) Lessee shall exercise its option to purchase the Project as provided in Section 10.2(a), (b), (c) or (d) of the Lease or (3) Lessee shall be obligated to redeem the Bonds as provided in Section 10.5 of the Lease. If called for redemption pursuant to (1) or (2) above, the Series 1980 Bonds shall be subject to redemption by Issuer prior to maturity on any interest payment date, in whole or in the case of redemption pursuant to Section 6.2(b) of the Lease in part in the inverse order of their maturities, less than all of the Series 1980 Bonds of a single maturity to be selected by lot in such manner as Trustee may determine, at the principal amount thereof plus accrued interest to the redemption date. If called for redemption pursuant to (3) above, any outstanding Bonds held by a requesting holder will be purchased by Trustee in whole, within 60 days after receipt by it of such holder's written request, at a price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption plus a premium equal to 4% for each six-month period or part thereof elapsed between the Event of Taxability (as defined in the Lease) and the date of redemption. Any person who was a Bondholder both at the time of an Event of Taxability (as defined in the Lease) and at the time of retirement thereof prior to the aforesaid selection of a redemption date shall, upon presentation to Trustee in writing of proof satisfactory to Trustee that he was a holder of such Bond at such times, be entitled to an amount equal to 4% for each six-month period or part thereof elapsed between the Event of Taxability and the date the Bond was paid or redeemed. Any moneys deposited and held by Trustee for the benefit of claimants, if any, for five years after the date upon which so deposited shall be repaid to Lessee, and thereupon and thereafter no claimant shall have any rights to or in respect of such moneys.

The Series 1980 Bonds are also subject to redemption by Issuer prior to maturity on or after 1, 1990, in whole at any time or in part on any interest payment date, and if in part, then by lot in such manner as Trustee may determine, at the redemption prices (expressed as percentages of principal amount) as set forth in the following table plus accrued interest to the redemption date:

| <u>Redemption Dates</u> | | <u>Redemption Price</u> |
|-------------------------|--------|---------------------------------|
| 1, 1990 through | , 1991 | 103 ³ / ₈ |
| 1, 1991 through | , 1992 | 102-1/2 |
| 1, 1992 through | , 1993 | 102 |
| 1, 1993 through | , 1994 | 101-1/2 |
| 1, 1994 through | , 1995 | 101 |
| 1, 1995 and thereafter | | 100 |

Any Bond, whether coupon or registered, issued to replace any other Bond or Bonds, is subject to redemption pursuant to the preceding sentence in the same manner and order and in the same amount as the Bond or Bonds being replaced.

The Series 1980 Bonds are also subject to mandatory redemption, pursuant to the terms of the mandatory sinking fund provided in the Indenture, on 1, 2001, and on each 1 thereafter to and including 1, 2010, at 100 percent of the principal amount thereof plus accrued interest to the redemption date, in the following principal amounts and order:

| <u>1 of the Year</u> | <u>Principal Amount</u> |
|--------------------------|-----------------------------|
| 2001 | \$ |
| 2002 | |
| 2003 | |
| 2004 | |
| 2005 | |
| 2006 | |
| 2007 | |
| 2008 | |
| 2009 | |
| 2010 | * |

*Final Maturity

Any Bond, whether coupon or registered, issued to replace any other Bond or Bonds, is subject to redemption pursuant to the above sinking fund in the same manner and order and in the same amount as the Bond or Bonds being replaced.

In the event any of the Bonds or portions thereof (which shall be \$5,000 or any integral multiple thereof) are called for redemption as aforesaid, notice thereof indentifying the Bonds or portions thereof to be redeemed will be given by

Trustee by publication at least twice in a newspaper or financial journal of general circulation published in the City of New York, New York and the City of Charleston, South Carolina, the first of which shall be published not less than thirty days prior to the redemption date, and in the case of the redemption of Bonds at the time registered as to principal (except to bearer) or fully registered upon mailing a copy of the redemption notice by registered or certified mail at least thirty days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Bond with respect to which no such failure has occurred. If all of the Bonds to be redeemed in whole or in part are at that time registered as to principal (except to bearer) or fully registered, notice by mailing given by registered or certified mail to the owner or owners thereof not less than thirty days prior to the date fixed for redemption shall be sufficient and published notice of the call for redemption need not be given; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Bond with respect to which no such failure has occurred. All Bonds so called for redemption will cease to bear interest after the specified redemption date provided funds for their redemption are on deposit at the place of payment at that time. If, because of the temporary or permanent suspension of the publication or general circulation of any newspaper or financial journal or for any other reason, it is impossible or impracticable to publish such notice of call for redemption in the manner herein provided, then such publication in lieu thereof as shall be determined by Trustee shall constitute a sufficient publication of notice.

The Series 1980 Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of South Carolina, particularly the Industrial Development Projects Act, S.C. Code §4-29-10 et seq., as amended, and pursuant to a resolution adopted by Issuer which authorizes the execution and delivery of the Second Supplemental Lease Agreement and the Second Supplemental Indenture of Trust. THE BONDS SHALL BE LIMITED OBLIGATIONS OF ISSUER. THE PRINCIPAL AND PREMIUM, IF ANY, AND INTEREST ON THE BONDS SHALL BE PAYABLE SOLELY OUT OF THE REVENUES DERIVED FROM THE LEASING OF THE PROJECT TO BE FINANCED BY THE BONDS. THE BONDS AND INTEREST COUPONS ATTACHED THERETO SHALL NEVER CONSTITUTE AN

INDEBTEDNESS OF ISSUER WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF ISSUER OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS. Neither the faith and credit nor the taxing power of the State of South Carolina, or any political subdivision thereof, is pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto. Rental payments sufficient for the prompt payment, when due, of the principal of and premium, if any, and interest on the Bonds are to be paid to Trustee for the account of Issuer and deposited in a special account created by Issuer and designated "Charleston County, South Carolina Industrial Development Revenue Bond Fund (Norton Company Project), Series 1978," and such rental payments have been duly pledged and assigned for that purpose, and in addition the rights of Issuer under the Lease have been assigned to Trustee to secure payment of such principal and premium, if any, and interest under the Indenture.

The holder of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of Issuer and the rights of the holders of the Bonds at any time by Issuer with the consent of the holders of two-thirds in aggregate principal amount of the Bonds at the time outstanding, as defined in the Indenture. Any such consent or waiver by the holder of this Bond shall be conclusive and binding upon such holder and upon all future holders of this Bond and of any Bond issued in replacement thereof whether or not notation of such consent or waiver is made upon this Bond. The Indenture also contains provisions permitting Trustee to waive certain past defaults under the Indenture and their consequences.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law; that the issuance of this Bond and the issue of which it forms a part, together with all other obligations of Issuer, does not exceed or violate any constitutional or statutory limitation; and that the rentals payable under the Lease and pledged to the payment of the principal of and premium, if any, and interest on this Bond and the issue of which it forms a part, as the same become due, will be sufficient in amount for that purpose.

This Bond and the coupons appertaining hereto shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by Trustee.

IN WITNESS WHEREOF, Charleston County, South Carolina has caused this Bond to be executed in its name by the manual or facsimile signature of the Chairman of the County Council of Charleston County and its official seal to be hereunto impressed or imprinted hereon and attested by the manual or facsimile signature of its County Clerk, and has caused the interest coupons attached hereto to be executed by the facsimile signature of said County Clerk, all as of the day of _____, 1980.

[SEAL]

CHARLESTON COUNTY, SOUTH
CAROLINA

Attest:

By _____
County Clerk

By _____
Chairman, County Council of
Charleston County

(Form of Trustee's Certificate of Authentication)

This Bond is one of the Bonds of the issue described in the within-mentioned Indenture of Trust.

FIRST NATIONAL BANK OF
SOUTH CAROLINA

By _____
Authorized Officer

(Form of Interest Coupon)

No. _____ \$ _____

On the first day of _____, _____, Charleston County, South Carolina (unless the Bond to which this coupon appertains shall have been duly called for previous redemption) will pay from the source and as designated in the Bond in lawful money of the United States of America, to bearer, subject to the provisions of the within-mentioned Indenture of Trust and upon presentation and surrender of this coupon at the principal office of the First National Bank of South Carolina, Charleston, South Carolina, as Trustee, or its successor in trust, or at the option of the holder hereof, at the principal office of The Chase Manhattan Bank, N.A., as co-paying agent, in The City of New York, New York, the amount shown hereon, as provided in and being semiannual interest then due on its Industrial Development Revenue Bond (Norton Company Project), Series 1980, dated _____ 1, 1980, numbered _____.

CHARLESTON COUNTY, SOUTH
CAROLINA

By _____
County Clerk

CERTIFICATE OF REGISTRATION

This Bond may be registered in the name of the holder on the books of Issuer kept by Trustee as Bond Registrar for that purpose, as to principal alone, such registration being noted hereon by the Bond Registrar in the registration blank below, after which no transfer hereof shall be valid unless made on said books at the request of the registered owner or attorney duly authorized and such transfer is similarly noted in the registration blank below, but it may be discharged from registration by being transferred to bearer after which it shall be transferable by delivery, but it may be again registered as before. The registration of this Bond as to principal alone shall not restrain the negotiability of the coupons by delivery merely, but the coupons may be surrendered and the interest made payable to the registered owner, in which event the Bond Registrar shall note in the registration blank below that the bond is registered as to interest, as well as to principal. At the request of the registered owner or attorney duly authorized, this Bond when converted into a bond registered as to both principal and interest may be reconverted into a coupon bond and such coupon bond again be converted into a bond registered as to both principal and interest as hereinabove provided. Upon reconversion of this Bond, when registered as to principal and interest into a coupon bond, all coupons then unmatured which were detached herefrom shall be reattached hereto by the Bond Registrar, and the Bond Registrar shall note in the registration blank below whether the bond is registered as to principal only or payable to bearer.

| DATE OF REGISTRATION | IN WHOSE NAME REGISTERED | MANNER OF REGISTRATION | BOND REGISTRAR |
|-------------------------|-----------------------------|---------------------------|-------------------|
|-------------------------|-----------------------------|---------------------------|-------------------|

WHEREAS, all things necessary to make the Series 1980 Bonds, when authenticated by the Trustee and issued as in the Indenture of Trust and this Second Supplemental Indenture provided, the valid, binding and legal obligations of the Issuer according to the import thereof, and a valid assignment and pledge of the amounts pledged to the payment of the

principal of, premium, if any, and interest on the Bonds and a valid assignment of the rights of the Issuer under the Lease have been done and performed, and the creation, execution and delivery of this Second Supplemental Indenture, and the creation, execution and issuance of the Series 1980 Bonds, subject to the terms hereof, have in all respect been duly authorized;

NOW, THEREFORE, THIS SECOND SUPPLEMENTAL INDENTURE OF TRUST WITNESSETH:

GRANTING CLAUSES

That Issuer in consideration of the premises and the acceptance by Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds by the holders and owners thereof, and of the sum of one dollar, lawful money of the United States of America, to it duly paid by Trustee at or before the execution and delivery of these presents, and for other good and valuable considerations, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of and premium, if any, and interest on the Bonds according to their tenor and effect and to secure the performance and observance by Issuer of all the covenants expressed or implied herein and in the Bonds, does hereby give, grant, pledge, sell and assign to the First National Bank of South Carolina, of Charleston, South Carolina, as Trustee, and its successors in trust and assigns forever, for the securing of the performance of the obligations of Issuer hereinafter set forth:

GRANTING CLAUSE FIRST

The Lease, including all extensions and renewals of the term thereof, if any, together with all right, title and interest of Issuer pursuant to the Lease, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive and receipt for any of the rents, sums, amounts, income, revenues, issues and profits and any other sums of money payable or receivable under the Lease, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which Issuer under the Lease or any lessor under the Lease is or may become entitled to.

GRANTING CLAUSE SECOND

All moneys and securities from time to time held by Trustee under the terms of this Indenture, except for moneys deposited with or paid to Trustee for the redemption of Bonds, notice of the redemption of which has been duly given.

GRANTING CLAUSE THIRD

Any and all other property of every name and nature (including, without limitation, any additional lease or leases covering the Project) from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder, by Issuer or by anyone in its behalf or with its written consent, to Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended so to be, to Trustee and its successors in said trust and to them and their assigns forever;

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth, for the equal and proportionate benefit, security and protection of all holders of the Bonds and interest coupons issued or to be issued under and secured by this Indenture, without preference, priority or distinction as to lien or otherwise of any of the Bonds or coupons over as to the others;

PROVIDED, HOWEVER, that if Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of and premium, if any, and interest on the Bonds due or to become due thereon, at the times and in the manner mentioned in the Bonds according to the true intent and meaning thereof, and shall cause the payments to be made on the Bonds as required under this Indenture or shall provide, as permitted hereby, for the payment thereof by depositing with Trustee the entire amount due or to become due thereon, and shall well and truly cause to be kept, performed and observed all of its covenants and conditions pursuant to the terms of this Indenture, and shall pay or cause to be paid to

Trustee all sums of money due or to become due thereunder, then upon the final payment thereof this Indenture and the rights hereby granted shall cease, determine and be void; otherwise this Indenture to be and remain in full force and effect.

THIS SECOND SUPPLEMENTAL INDENTURE OF TRUST FURTHER WITNESSETH, and it is expressly declared that, all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said property, rights and interests, including, without limitation, the Lease rentals and other amounts hereby assigned and pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as herein expressed, and Issuer has agreed and covenanted, and does hereby agree and covenant with Trustee and with the respective holders and owners of the Bonds or coupons as follows (subject, however, to the provisions of Section 2.03 of the Original Indenture):

ARTICLE I

DEFINITIONS

Section 1.1. Definitions in the Recitals. The terms "Original Lease", "Original Indenture", "First Supplemental Lease", "First Supplemental Indenture", and "Second Supplemental Lease" are defined in the recitals hereto and shall have the meanings ascribed to them therein when used herein, unless the context requires otherwise.

Section 1.2. Definitions in Other Instruments. Certain terms are defined in the Original Indenture and the Original Lease and shall have the meanings ascribed to them therein, when used herein, unless the context requires otherwise and except to the extent the definitions of such terms have been amended or supplemented by the First Supplemental Lease or the Second Supplemental Lease in which case the term shall have the meaning ascribed to it in such First Supplemental Lease or Second Supplemental Lease. Terms which are defined in the First Supplemental Lease or Second Supplemental Lease shall have the meaning ascribed to them therein when used herein unless the context requires otherwise.

ARTICLE II

THE BONDS

Section 2.1. The Series 1980 Bonds. There is hereby created and issued under, and secured by, the Indenture a new series of Bonds of the Issuer to be designated "Industrial Development Revenue Bonds (North Company Project) Series 1980". Except as provided in Section 2.10 of the Original Indenture, the Series 1980 Bonds shall be limited in aggregate principal amount to \$2,000,000. Such bonds shall bear interest from their respective dates and shall be issuable as coupon Bonds, registrable as to principal only, in the denomination of \$5,000 and as fully registered Bonds without coupons in the denominations of \$5,000 and any integral multiple thereof. Unless the Issuer shall otherwise direct, the Series 1980 fully registered Bonds shall be lettered R and shall be numbered separately from 1 upward, and the Series 1980 coupon bonds shall be numbered separately from 1 upward.

The Series 1980 coupon bonds shall be dated 1, 1980 and shall bear interest from such date payable semiannually on 1 and 1 of each year with the first interest payment to be made on 1, 1981. Fully registered Series 1980 Bonds shall be dated as of the date of their issuance and delivery, and shall bear interest payable semiannually from their date.

The Series 1980 Bonds shall bear interest at the rate of percent (%) per annum and shall mature on 1, 2010. The Series 1980 Bonds are subject to the sinking fund provisions of Section 2.02 of the Original Indenture, as amended by Section 2.4 of the First Supplemental Indenture.

As provided in the Original Indenture, the Bonds have been issued under the provisions of the Act and do not constitute an indebtedness of the Issuer or a loan of credit thereof within the meaning of any constitutional or statutory provisions but shall be payable solely from the revenues and receipts derived from the lease of the Project (except as provided in the Indenture and the Lease to the extent paid out of moneys attributable to the Bond proceeds or the income from the temporary investment thereof), which revenues and receipts are hereby specifically pledged to such purposes in the manner and to the extent provided herein and the Issuer shall not be obligated to pay the Bonds nor interest thereon except from such revenues and receipts.

Section 2.2. Issuer of Series 1980 Bonds. The Issuer may issue the Series 1980 Bonds following the execution of this Second Supplemental Indenture and upon compliance with the provisions of Section 2.10 of the Original Indenture; and the Trustee shall, at the Issuer's request, authenticate such Bonds and deliver them as specified in the request.

Section 2.3. Amendment to Section 3.01 of the Original Indenture. Section 3.01 of the Original Indenture as amended by Section 2.3 of the First Supplemental Indenture is hereby further amended as follows:

Amend Section 3.01 by inserting after the sixth paragraph thereof which paragraph was added by the First Supplemental Indenture, the following:

"The Series 1980 bonds are noncallable for redemption prior to 1, 1990, except in the event (1) the Project or any portion thereof is damaged or destroyed or taken is a condemnation proceeding to which Section 6.2(b) of the Lease is applied, (2) Lessee shall exercise its option to purchase the Project as provided in Section 10.2(a), (b), (c) or (d) of the Lease or (3) Lessee shall be obligated to redeem the Bonds as provided in Section 10.5 of the Lease. If called for redemption pursuant to (1) or (2) above, the Series 1980 Bonds shall be subject to redemption by Issuer prior to maturity on any interest payment date, in whole or in the case of redemption pursuant to Section 6.2(b) of the Lease in part in the inverse order of their maturities, less than all of the Series 1980 Bonds of a single maturity to be selected by lot in such manner as Trustee may determine, at the principal amount thereof plus accrued interest to the redemption date. If called for redemption pursuant to (3) above, any outstanding Bonds held by a requesting holder will be purchased by Trustee in whole, within 60 days after receipt by it of such holder's written request, at a price equal to 100% of the principal amount thereof plus accrued interest to the date of the redemption plus a premium equal to 4% for each six-month period or part thereof elapsed between the Event of Taxability (as defined in the Lease) and the date of redemption. Any person who was a Bondholder both at the time of an Event of Taxability (as defined in the Lease) and at the time or retirement thereof prior to the aforesaid selection of a redemption date shall, upon presentation to Trustee in writing of proof satisfactory to Trustee that he was a holder of such Bond at such times, be entitled to an amount equal to 4% for each six-month period or part thereof elapsed between the Event of Taxability and the date

the Bond was paid or redeemed. Any moneys deposited and held by Trustee for the benefit of claimants, if any, for five years after the date upon which so deposited shall be repaid to Lessee, and thereupon and thereafter no claimant shall have any rights to or in respect of such moneys."

"The Series 1980 Bonds are also subject to redemption by the Issuer prior to maturity on or after 1, 1990, in whole at any time or in part on any interest payment date, and if in part, then by lot in such manner as the Trustee may determine, at the redemption prices (expresses as percentages of principal amount) set forth in the table below plus accrued interest to the date fixed for redemption:

| <u>Redemption Dates</u> | | <u>Redemption Price</u> |
|-------------------------|--------|-----------------------------------|
| 1, 1990 through | , 1991 | 103 ⁸ / ₁₀₀ |
| 1, 1991 through | , 1992 | 102-1/2 |
| 1, 1992 through | , 1993 | 102 |
| 1, 1993 through | , 1994 | 101-1/2 |
| 1, 1994 through | , 1995 | 101 |
| 1, 1995 and thereafter | | 100 |

"Bonds shall be called for redemption by the Trustee as herein provided upon receipt by the Trustee at least forty-five days prior to the redemption date of a certificate of the Lessee, provided on behalf of the Issuer, for such redemption. Such certificate shall specify the principal amount of the Bonds so to be called for redemption, the applicable redemption price or prices and the provision or provisions of this Indenture pursuant to which such Bonds are to be called for redemption.

"In case a fully registered Series 1980 Bond is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any integral multiple thereof) may be redeemed, but Bonds shall be redeemed only in the principal amount of \$5,000 each or any integral multiple thereof.

"The Series 1980 Bonds are also subject to redemption pursuant to the terms of the sinking fund provided in Section 2.02 hereof, as amended by Section 2.4 of the First Supplemental Indenture.

Section 2.4. Amendment to Section 3.02 of the Original Indenture. Section 3.02 of the Original Indenture as amended by Section 2.4 of the First Supplemental Indenture is hereby further amended as follows:

Amend Section 3.02 by inserting after the second paragraph thereof which paragraph was added by the First Supplemental Indenture, the following:

"As and for a sinking fund for the redemption of the Series 1980 Bonds, the Trustee shall redeem on 1, 2001 and on each succeeding 1 to and including 1, 2010, the following principal amounts of such bonds:

| <u>1</u> <u>of the Year</u> | <u>Principal</u> <u>Amount</u> | <u>December 1</u> <u>of the Year</u> | <u>Principal</u> <u>Amount</u> |
|--------------------------------|-----------------------------------|---|-----------------------------------|
| 2001 | \$ | 2006 | \$ |
| 2002 | | 2007 | |
| 2003 | | 2008 | |
| 2004 | | 2009 | |
| 2005 | | 2010 | |

ARTICLE III

MISCELLANEOUS

Section 3.1. Deposits in the Bond Fund. Upon the issuance and delivery of the Series 1980 Bonds, there shall be deposited in the Bond Fund all accrued interest received on the sale of the Series 1980 Bonds. All deposits to the Bond Fund shall be made in accordance with Section 5.03 of the Original Indenture.

Section 3.2. Construction Fund; Disbursements. The balance of the proceeds received on the delivery of the Series 1980 Bonds remaining after the deduction provided by Section 3.1 hereof shall have been made, shall be deposited in the Construction Fund established under the Original Indenture. Moneys in the Construction Fund shall be expended in accordance with the provisions of the Lease.

Section 3.3. Completion of the Project. The completion of the Project and the payment of all costs and expenses incident thereto shall be evidenced by the filing with the Trustee of the certificate of the Lessee Representative as

required by the provisions of Section 4.5 of the Original Lease. Any moneys remaining in the Construction Fund after the certification of the Completion Date shall be expended in accordance with Section 4.5 of the Original Lease.

Section 3.4. Arbitrage. The Issuer covenants that it is not expected that the proceeds of the Series 1980 Bonds will be used in a manner that would cause the Series 1980 Bonds to be "arbitrage bonds" under Section 103(c) of the Code and regulations and proposed regulations prescribed under that Section. To the best knowledge and belief of the Issuer, there are no facts or circumstances that would materially change the foregoing conclusion.

The Issuer has not been notified of any listing or proposed listing of it by the Internal Revenue Service as a bond Issuer whose arbitrage certifications may not be relied upon.

Section 3.5. Privileges and Immunities of Trustees. In executing and delivering this Second Supplemental Indenture the Trustee shall be entitled to all of the privileges and immunities afforded to the Trustee under the terms and provisions of the Original Indenture.

Section 3.6. Applicable Law. The Indenture, including without limitation, the First Supplemental Indenture and this Second Supplemental Indenture, shall be governed exclusively by and construed in accordance with the laws of the State of South Carolina.

Section 3.7. Counterparts. This Second Supplemental Indenture may be executed in several counterparts, and each executed counterpart shall constitute an original instrument, and all such counterparts shall constitute but one and the same instrument.

Section 3.8. Applicability of the Original Indenture. Except as otherwise provided in the First Supplemental Indenture, or by this Second Supplemental Indenture, the provisions of the Original Indenture are hereby ratified, approved and confirmed and shall be applicable to the authorization, execution, authentication, issuance, redemption, payment, sale and delivery of the Series 1980 Bonds, the custody and the distribution of the proceeds that the security, payment, redemption and enforcement of payment thereof. This Second Supplemental Indenture shall be confirmed as having been authorized, executed and delivered under the provisions of Section 11.01 of the Original Indenture.

IN WITNESS WHEREOF, the Issuer has caused these presents to be signed in its name and behalf of the Chairman of its County council and its official seal to be hereunto affixed and attested by its County clerk, and to evidence its acceptance of the trusts hereby created, the Trustee has caused such presents to be signed and sealed in its name and behalf by its duly authorized officers, as of the day first above written.

[SEAL]

CHARLESTON COUNTY,
SOUTH CAROLINA

Attest:

By _____
County Clerk

By _____
Chairman, County Council of
Charleston County

[SEAL]

FIRST NATIONAL BANK OF SOUTH
CAROLINA, as Trustee

Attest:

By _____
Authorized Officer

By _____
Authorized Officer

As to Charleston County,
South Carolina, signed and
sealed in the presence of:

As to First National Bank of
South Carolina, signed and
sealed in the presence of:

Witness

Witness

Notary Public

Notary Public

[SEAL]

[SEAL]

ACKNOWLEDGEMENT OF TRUSTEE

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

Personally appeared before me _____
who being first duly sworn, deposes that she saw the seal of
the First National Bank of South Carolina affixed to the
foregoing First Supplemental Indenture of Trust and that she
also saw _____ as _____ and
_____ as _____ of said
corporation sign and attest the same, and that _____
with _____ witnessed the execu-
tion and delivery thereof as the act and deed of the said
First National Bank of South Carolina.

Witness

Sworn to before me this _____ day of _____, 1980.

Notary Public

[SEAL]

My commission expires: _____

ACKNOWLEDGEMENT OF ISSUER

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

personally appeared before me _____
who being first duly sworn, deposes that she saw the seal of
the County of Charleston affixed to the foregoing First
Supplemental Indenture of Trust and that he also saw _____
_____ as Chairman and _____ as Clerk
of Council sign and attest the same, and that _____
_____ with _____ witnessed the execution and
delivery thereof as the act and deed of the said First
National Bank of South Carolina.

Witness

Sworn to before me this _____ day of _____, 1980.

Notary Public

[SEAL]

My commission expires: _____

EXHIBIT

JUN 24 1980 NO. 1

STATE BUDGET & CONTROL BOARD

CHARLESTON COUNTY, SOUTH CAROLINA

and

NORTON COMPANY

SECOND SUPPLEMENTAL LEASE AGREEMENT

Dated as of 1, 1980

THIS SECOND SUPPLEMENTAL LEASE AGREEMENT dated as of 1, 1980 between Charleston County, South Carolina ("Issuer"), a political subdivision duly organized and existing under the Constitution and laws of the State of South Carolina, acting by and through the County Council of Charleston County, as lessor, and Norton Company, a corporation incorporated under the laws of The Commonwealth of Massachusetts, as lessee ("Lessee"),

W I T N E S S E T H :

WHEREAS, the Industrial Development Projects Act, S.C. Code §4-29-10 et seq., as amended (the "Act"), has been enacted by the Legislature of South Carolina and remains in full force and effect; and

WHEREAS, the Act provides that a county has the power, subject to obtaining the approval of the State Budget and Control Board of South Carolina, to acquire, whether by construction, purchase, gift or lease, or any one or more of such methods, one or more projects, including any land, building or other improvement, and all real and personal properties deemed necessary in connection therewith, whether or not now in existence, which shall be suitable for use for manufacturing or industrial enterprises, located within the jurisdiction of the county, and that the county may lease any such project to others for such rentals and upon such terms and conditions as the county may deem advisable; and

WHEREAS, the Act provides that a county may issue revenue bonds payable solely from the revenues derived from any project for the purpose of defraying the cost of acquiring and enlarging, improving and expanding such project; and

WHEREAS, the Act provides that the principal of and interest on any such bonds shall be secured by a pledge of the revenues out of which such bonds shall be made payable, and may be secured by a trust indenture covering all or any part of the project from which the revenues so pledged are derived or by a pledge of the lease of such project; and

WHEREAS, Section 2.10 of the Indenture of Trust (the "Indenture") dated as of October 1, 1978 between Issuer and the First National Bank of South Carolina, as Trustee (the "Trustee") pursuant to which bonds, the proceeds of which were used to finance the initial acquisition, construction

and installation of certain manufacturing facilities in unincorporated areas of Charleston County, South Carolina (the "Project"), were issued, authorizes the issuance of Additional Bonds (as defined therein) by Issuer in accordance with the provisions thereof and of Section 4.9 of the Lease Agreement dated as of October 1, 1978 between Issuer and Lessee (the "Original Lease"); and

WHEREAS, pursuant to and in accordance with the Act and the Indenture Issuer has issued Additional Bonds to finance enlarging, improving and expanding the Project pursuant to a First Supplemental Indenture of Trust between Issuer and Trustee, dated as of December 1, 1979; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, by written resolution of Issuer, in furtherance of the purposes of the Act, Issuer now proposes to issue Additional Bonds in order to complete the enlarging, improving and expanding of the Project by means of the acquisition, construction and installation of certain manufacturing facilities as described in Exhibit A hereto to be acquired and constructed pursuant to plans and specifications which are hereinafter more fully referred to, and to be leased under the Lease as supplemented and amended by a First Supplemental Lease Agreement between Issuer and Lessee, dated as of December 1, 1979 and as further supplemented and amended by this Second Supplemental Lease Agreement; and

WHEREAS, Issuer has determined to issue its Charleston County, South Carolina Industrial Development Revenue Bonds (Norton Company Project) Series 1980 in the aggregate principal amount of \$2,000,000 (the "Series 1980 Bonds"); and

WHEREAS, Issuer and Trustee propose to enter into a Second Supplemental Indenture of Trust of even date herewith, supplementing and amending the Indenture and providing for the issuance and delivery of the Series 1980 Bonds;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions Contained in the Original Agreement. Except when specified otherwise herein or unless the context requires otherwise, words and terms which are

defined in the Lease or in the First Supplemental Lease Agreement dated as of December 1, 1979 between the Issuer and the Lessee shall have the same meanings ascribed to them therein when used herein.

Section 1.2. New Definitions. The following words and terms as used in this Second Supplemental Lease Agreement shall have the meanings specified in this Section unless the context requires otherwise. The singular shall include the plural and the masculine shall include the feminine.

"First Supplemental Lease" means the First Supplemental Lease Agreement, dated as of December 1, 1979, executed by and between the Issuer and the Lessee, as from time to time amended and supplemented.

"First Supplemental Indenture" means the First Supplemental Indenture of Trust, executed by and between the Issuer and Trustee, dated as of December 1, 1979, as from time to time supplemented and amended.

"Indenture" means the Original Indenture, as supplemented and amended.

"Lease" means the Original Lease, as supplemented and amended.

"Original Indenture" means the Indenture of Trust dated as of October 1, 1978 by and between Issuer and Trustee as originally executed and delivered.

"Original Lease" means the Lease Agreement dated as of October 1, 1978 by and between Issuer and Company as originally executed and delivered.

"Project" means those industrial facilities described in Exhibit A to the Original Lease, as expanded, improved and enlarged by those additional facilities described in Exhibit A attached hereto.

"Second Supplemental Indenture" means the Second Supplemental Indenture of Trust, of even date herewith, executed by and between the Issuer and Trustee, as from time to time supplemented and amended.

"Second Supplemental Lease" means this Second Supplemental Lease Agreement, as from time to time supplemented and amended.

"Series 1980 Bonds" means the "Charleston County, South Carolina Industrial Development Revenue Bonds (Norton Company Project) Series 1980" issued pursuant to the Act and the Second Supplemental Indenture.

ARTICLE II

ISSUANCE OF THE BONDS

Section 2.1. Agreement to Issue Series 1980 Bonds. In order to provide funds for payment of the costs of completing the acquisition, construction, installation and equipping of the Project provided for in Section 4.1 of the Original Lease, Issuer agrees that it will sell, issue and cause to be delivered to the purchasers thereof \$2,000,000 aggregate principal amount of the Series 1980 Bonds having the terms in the Indenture. Upon receipt of said proceeds the Issuer will (a) deposit in the Bond Fund a sum equal to the amount required to be so deposited by Section 5.03 of the Original Indenture and (b) deposit in the Construction Fund the balance of proceeds received from said sale.

Section 2.2. Special Arbitrage Certifications. Issuer and Lessee certify and covenant with the purchasers and holders of the Series 1980 Bonds from time to time outstanding that so long as any of the Series 1980 Bonds remain outstanding, moneys on deposit in any fund or account in connection with the Series 1980 Bonds, whether or not such moneys were derived from the proceeds of the sale of the Series 1980 Bonds or from any other sources, will not be used in a manner which will cause the Series 1980 Bonds to be "arbitrage bonds" within the meaning of the Code.

ARTICLE III

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 3.1. Amendment to Section 2.2 of the Original Lease. Section 2.2(d) of the Original Lease is hereby amended to read as follows:

(d) The Project constitutes and will constitute either (i) land, (ii) property of a character subject to the allowance for depreciation under Section 167 of the Code or (iii) all amounts to be paid or incurred which are, for federal income tax purposes, chargeable to the Project's capital account or would be so chargeable either with a proper election by Lessee (for example under Section 266 of the Code) or but for a proper election by Lessee to deduct such amounts.

Section 3.2. Amendment to Section 4.3 of the Original Loan. Section 4.3 of the Original Lease is hereby amended by adding the following language after the last sentence of that Section.

"In Addition, any such requisition submitted to the Trustee with respect to disbursements from the Construction Fund of the proceeds of the Series 1980 Bonds shall (A) state that the expenditure of such disbursement, when added to all disbursements under previous requisitions, will result in at least 95% of the total of such disbursements, other than disbursements for issuance expenses, having been used (i) for the acquisition, construction, reconstruction or improvement of land or property of a character subject to the allowance for depreciation under Section 167 of the Code, or (ii) for payment of amounts which are, for federal income tax purposes, chargeable to the Project's capital account or would be so chargeable either with a proper election by Lessee (for example by Lessee to deduct such amounts, (B) specify in reasonable detail the nature of the obligation, and (C) be accompanied by a bill or statement of account for such obligation."

Section 3.3. Amendment to Section 4.5 of the Original Lease. Section 4.5 of the Original Lease is hereby amended by adding following language to the end of the paragraph:

"Any amount of proceeds from the Series 1980 bonds not to be retained in the Construction Fund for payment of the Cost of Construction shall be transferred by Trustee into the Bond Fund; provided, however, no amount shall be transferred into the Bond Fund unless at least 95% of (a) the actual amount of the proceeds (excluding accrued interest) received by Issuer from the sale of the Series 1980 Bonds less amounts expended for issuance expenses and (b) any investment earnings on moneys derived from the sale of the Series 1980 bonds in the

Construction Fund have been used (i) for the acquisition, construction, reconstruction or improvement of land or property of a character subject to the allowance for depreciation under Section 167 of the Code, or (ii) for payment of amounts which are, for federal income tax purposes, chargeable to the Project's capital account or would be so chargeable either with a proper election by Lessee (for example under Section 266 of the Code) or but for a proper election by Lessee to deduct such amounts. In the case where no amount shall be transferred into the Bond Fund as provided above, any amount (exclusive of amounts retained by Trustee in the Construction Fund for payment of Cost of Construction not then due and payable) remaining in the Construction Fund shall be segregated by Trustee and used by Trustee (a) to redeem Bonds at the earliest redemption date permitted by the Indenture, or (b) for any other purpose provided that the Trustee is furnished with an opinion of nationally recognized municipal bond counsel to the effect that such use is lawful under the Act and will not adversely affect the exclusion from federal income taxes of interest on any of the Bonds. Until used for one or more of the foregoing purposes, such segregated amount may be invested as permitted by this Lease and the Indenture but may not be invested, without an opinion of nationally recognized municipal bond counsel to the effect that such investment will not adversely affect the exclusion from federal income taxes of interest on any of the Bonds, to produce a yield on such amount (computed from the Completion Date and taking into account any investment of such amount from the Completion Date) greater than the yield on the Series 1980 Bonds, all in accordance with Section 103(c) of the Code and the regulations promulgated thereunder. Lessee and Issuer agree to cooperate with Trustee and take all required action necessary to redeem the Series 1980 Bonds or to accomplish any other purpose contemplated by this Section."

ARTICLE IV

RENTAL PROVISIONS

Section 4.1. Amendment to Section 5.2 of the Original Lease. Section 5.2 of the Original Lease as amended by Section 3.1 of the First Supplemental Lease is hereby further amended by adding the following paragraph after the language added by Section 3.1 of the First Supplemental Lease:

"Lessee agrees in addition to pay in immediately available funds to Trustee for the account of Issuer as and for rental and for the use of the Project on or before 11:00 o'clock a.m. (local time at the principal office of Trustee) (a) on the Business Day next preceding 1 of each year during the term of this Lease, commencing on the Business Day next preceding 1, 1981, a sum which, together with other moneys available therefor in the Bond Fund, will equal the sum of (i) the interest on the Series 1980 Bonds which will become due on the 1 next succeeding, and (ii) the principal amount of the Series 1980 Bonds which will become due (whether at maturity or by acceleration) on the 1 next succeeding; (b) on the Business Day next preceding 1 of each year during the term of this Lease, commencing on the Business Day next preceding 1, 1981, a sum which, together with other moneys available therefor in the Bond Fund under the Indenture, will equal the interest on the Series 1980 Bonds which will become due on the 1 next succeeding. If on any 1 or 1 during the Lease Term there are insufficient moneys in the Bond Fund to pay the principal of and premium, if any, and interest on the Bonds then due, Lessee shall pay into the Bond Fund an amount equal to such insufficiency."

Section 4.2. Amendment to Article V of the Original Lease. Article V of the Original Lease is hereby amended by adding the following section as Section 5.9 and by re-numbering the present Section 5.9 as Section 5.10:

Section 5.9. Business Interruption Insurance. Lessee will purchase as soon as practicable and will maintain at all times during the term of this Lease a policy or policies of business interruption insurance covering the expense of operating the Project during such period or periods as the Project may be damaged by one of the risks insured against under the insurance provided by Section 5.6 above and shall be under construction, rebuilding or repair; provided that such insurance may limit its coverage to twelve (12) months for any one occurrence.

ARTICLE V

SPECIAL COVENANTS

Section 5.1. Amendment to Article VII of the Original Lease. Section 7.8 of the First Supplemental Lease, amending Article VII of the Original Lease is hereby amended to read as follows:

"Section 7.8. Use of the Project. Lessee covenants that the proceeds of the Bonds are to be used only with respect to facilities to be located in Charleston County, South Carolina outside the corporate limits of any incorporated municipality; that Lessee will be the principal user of the Project within the meaning of Section 103(b)(6) of the Code; and that, there are no outstanding obligations other than the Series 1978 Bonds and certain Series A 1979 bonds issued on December 20, 1979 in connection with the Project issued subsequent to April 30, 1968, of any state, territory or possession of the United States, or any political subdivision of the foregoing or of the District of Columbia the interest on which is exempt under Section 103(b)(6) of the Code, and the proceeds of which have been or are to be used primarily with respect to facilities located within areas of Charleston County not incorporated as separate municipalities and the principal user of which is Lessee (including any person related to Lessee within the meaning of Section 103(b)(6)(C) of the Code).

"Lessee agrees that except as provided in this paragraph, the aggregate amount of (a) the outstanding principal of the Bonds (including all prior series of Additional Bonds) and (b) capital expenditures with respect to any land and interest therein, buildings, structures, machinery, equipment and other facilities of which Lessee, or a "related person" of Lessee as that term is used in Section 103(b)(6) (C) of the Code, is the principal user and located in unincorporated areas of Charleston County, South Carolina, paid or incurred during the six-year period beginning three years before the date of issue of the Series 1980 Bonds and ending three years after such date of issue (and financed otherwise than out of the proceeds of the Bonds), shall not exceed that dollar limitation set forth in Section 103(b)(6)(D) of the Code. However, capital expenditures are excepted from the above if such capital expenditures (1) replace property destroyed or damaged by fire, storm or other casualty, to the extent of the fair market value of the property replaced, (2) are required by a change made after the date of issue of the Series 1980 Bonds in a federal or state law or local ordinance of general application or required by a change made after such date of issue in rules and regulations of general application issued under such a law or (3) are required by circumstances which could not be reasonably foreseen on the date of issue of the Series 1980 Bonds or arising out of a mistake of law or fact (but the aggregate amount of expenditures not taken into account under this clause (3) with respect to the Bonds

shall not exceed \$1 million). Capital expenditures described in clauses (2) and (3) of the preceding sentence are excepted from the dollar limitation set forth in Section 103(b)(6)(D) of the Code only if Lessee has secured an opinion from a firm of attorneys nationally recognized in the area of municipal law whose opinions are generally accepted by purchasers of municipal bonds to the effect that such capital expenditures are capital expenditures described in Section 103(b)(6)(F)(ii) or (iii) which are not to be taken into account for purposes of Section 103(b)(6)(D)(ii) of the Code.

"Lessee agrees that between the first and tenth days of , for the years 1981, 1982 and 1983, Lessee will deliver to Trustee a certificate of Lessee Representative stating the amount of capital expenditures made to that date which qualifies within clause (b) of the preceding paragraph.

"Issuer and Lessee agree to prepare and cause to be filed all statements (including any statements required by the Internal Revenue Service) required to be filed by them, mailing copies of all such statements to Trustee, and to take any and all other action necessary in order to maintain the tax-exempt status of the interest on the Bonds."

ARTICLE VI

EVENTS OF DEFAULT AND REMEDIES

Section 6.1. Amendment to Section 9.1(a) of the Original Lease. Section 9.1(a) of the Original Lease as amended by Section 5.1 of the First Supplemental Lease is hereby further amended to read as follows:

"(a) Failure by Lessee to pay the rent required to be paid under the first and second paragraphs of Section 5.2 hereof at the time specified therein and the continuation of any such failure through the close of business on each April 1, June 1, , 1, October 1, 1 or December 1, as the case may be."

ARTICLE VII

MISCELLANEOUS

Section 7.1. Amendment to Section 12.1 of the Original Lease. Section 12.1 of the Original Lease as amended by Section 7.1 of the First Supplemental Lease is hereby further amended as follows:

The date in the 3rd line of Section 12.1 shall be changed from "December 1, 2009" to "_____ 1, 2010".

Section 7.2. Applicable Law. This Second Supplemental Lease shall be governed by and construed in accordance with the laws of the State of South Carolina.

Section 7.3. Execution of Counterparts. This Second Supplemental Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 7.4. Amendments. Except as otherwise provided in the Lease or in the Indenture, subsequent to the initial issuance of the Series 1980 Bonds and prior to their payment in full (or provision for the payment thereof having been made in accordance with the provisions of the Indenture), this Second Supplemental Lease may not be effectively amended, changed, modified, altered or terminated without the written consent of Trustee.

Section 7.5. Applicability of the Lease. Except as amended and supplemented by the First Supplemental Lease and this Second Supplemental Lease, all of the provisions of the Original Lease shall remain in full force and effect. This Second Supplemental Lease shall be construed as having been authorized, executed and delivered under the provisions of Section 12.01 of the Original Indenture.

IN WITNESS WHEREOF, Issuer and Lessee have caused this Second Supplemental Lease to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

(SEAL)

CHARLESTON COUNTY, SOUTH
CAROLINA

Attest:

By _____
County Clerk

By _____
Chairman, County Council of
Charleston County

(SEAL)

NORTON COMPANY

Attest:

By _____

By _____

As to Charleston County,
South Carolina, signed
and sealed in the
presence of:

As to Norton Company,
signed and sealed in the
presence of:

Witness

Witness

Notary Public

Notary Public

(SEAL)

(SEAL)

Pursuant to the provisions of Section 12.01 of the Original Indenture, Trustee hereby consents to the execution of this Second Supplemental Lease and the changes, amendments and modifications herein contained.

(SEAL)

Attest:

FIRST NATIONAL BANK OF
SOUTH CAROLINA,
as Trustee

By _____
Authorized Officer

By _____
Authorized Officer

ACKNOWLEDGMENT OF LESSEE

THE COMMONWEALTH OF MASSACHUSETTS
COUNTY OF WORCESTER

Personally appeared before me _____ who, being
first duly sworn, deposes that he saw the corporate seal of
Norton Company affixed to the foregoing Second Supplemental
Lease Agreement and that he also saw _____ as
_____ and _____ as _____
of said corporation sign and attest the same, and that _____
_____ with _____ witnessed the execution and
delivery thereof as the act and deed of the said Norton
Company.

Witness

Sworn to before me this _____ day of _____, 1980.

Notary Public

(Seal)

My commission expires: _____

ACKNOWLEDGMENT OF ISSUER

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

Personally appeared before me _____
who, being first duly sworn, deposes that he saw the seal of
the County of Charleston affixed to the foregoing Second
Supplemental Lease Agreement and that he also saw _____
_____ as Chairman and _____ as Clerk of
Council sign and attest the same, and _____ with
_____ witnessed the execution and delivery thereof
as the act and deed of the said County.

Witness

Sworn to before me this _____ day of _____, 1980.

Notary Public

(Seal)

My commission expires: _____

ACKNOWLEDGMENT OF TRUSTEE

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

Personally appeared before me _____ who
being first duly sworn, deposes that he saw the seal of the
First National Bank of South Carolina affixed to the fore-
going Second Supplemental Lease Agreement and that he also
saw _____ as _____
and _____ as _____ of
said corporation sign and attest the same, and that _____
with _____ witnessed the execution
and delivery thereof as the act and deed of the said First
National Bank of South Carolina.

Witness

Sworn to before me this ____ day of _____, 1980.

Notary Public

[SEAL]

My Commission expires: _____

EXHIBIT

JUN 24 1980

NO. 2

STATE BUDGET & CONTROL BOARD

EXHIBIT A

The Project includes the existing Norton Company (Safety Products Division) plant located in unincorporated areas of Charleston County, South Carolina, consisting of an existing building and the equipment acquired and installed therein constituting a facility for the manufacture of butyl rubber gloves. The Project will be enlarged, improved and expanded with the proceeds of the Series 1980 bonds to include the following:

The acquisition and construction of such land, building, equipment and appurtenant facilities necessary for the construction and efficient operation of an applied development, engineering and office facility adjacent to the existing Norton Company butyl nitrile plant.

EXHIBIT

STATE BUDGET AND CONTROL BOARD

BLUE AGENDA

MEETING OF June 24, 1980

JUN 24 1980

NO.

2

ITEM NUMBER

2

STATE BUDGET & CONTROL BOARD

Agency: Clemson University

Subject: A&E Selection Approval Request (Water Plant Instrumentation Improvements)

Vice President Barnette advises that the following firms, listed in order of preference, have been selected to provide the services required in connection with a project to improve water plant instrumentation:

| <u>Firm</u> | <u>Location</u> | <u>Reported State Work in Prior Two Years</u> |
|---|-----------------|---|
| (1) J. L. Rogers and Callcott Engineers, Inc. | Greenville | \$ -0- |
| (2) Enwright Associates, Inc. | Greenville | \$ 6,450,000 |
| (3) Odell Associates | Greenville | \$ -0- |

The contract calls for a lump sum payment of \$7,401 for personnel expenses as basic compensation and reimbursable expenses as provided in contract Article 5.

The required selection procedure has been followed.

Board Action Requested:

Approve selection of J. L. Rogers and Callcott Engineers, Inc., for the referenced project.

Staff Comment:

Attachments:

Barnette June 9 letter to Putnam plus attachments



JUN 13 1980

EXHIBIT

JUN 24 1980

NO. 2

VICE PRESIDENT FOR BUSINESS AND FINANCE

June 9, 1980

STATE BUDGET & CONTROL BOARD

RECEIVED

JUN 12 1980

S. C. BUDGET AND
CONTROL BOARD

Mr. William T. Putnam, Exec. Director
State Budget and Control Board
P. O. Box 11333
Columbia, S. C. 29211

Dear Mr. Putnam:

RE: Water Plant Instrumentation Improvements

In accordance with the memorandum dated September 21, 1978, we request approval to execute an Agreement between Clemson University and J. L. Rogers and Callcott, Inc.

During the review of all resumes submitted in response to our advertisement, consideration was given to the amount of state work each firm has executed in the past two years.

During the interview process, we acquired a broad knowledge of each firm's capability. Even though all firms were essentially equal in the experience and capability, J. L. Rogers and Callcott Engineers, Inc. was selected because their previous projects indicated that their firm was very qualified to handle this type of work.

Also, the committee felt that the personnel involved will make an effective team to handle this project.

The following attachments are included:

1. Copy of suggested contract with J. L. Rogers and Callcott Engineers, Inc. (Exhibit A)
2. Publisher's affidavit and copy of advertisement (Exhibit B)
3. List of firms submitting resumes for the project (Exhibit C)
4. List of firms interviewed, giving order of preference (Exhibit D)

EXHIBIT

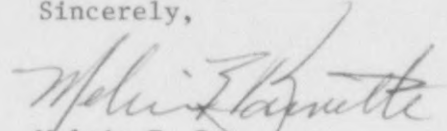
JUN 24 1980 NO. 2
June 9, 1980
STATE BUDGET & CONTROL BOARD

Mr. William T. Putnam

- 2 -

5. List of construction projects since January 1, 1977 (Exhibit E)

Sincerely,



Melvin E. Barnette
Vice President for Business and Finance

MEB:mje

Atts. 5

9-128
THE AMERICAN INSTITUTE OF ARCHITECTS
EXHIBIT

JUN 24 1980

NO. 2



STATE BUDGET & CONTROL BOARD

PHYSICAL PLANT DIVISION

MAY 23 11 06 AM '80

CLEMSON UNIVERSITY

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 Twenty-sixth day of May in the year of Nineteen
Hundred and Eighty

BETWEEN the Owner: Board of Trustees
Clemson University
Clemson, S.C.

and the Architect:/ ENGINEER

J.L. Rogers and Callcott Engineers, Inc.
Greenville, S.C.

For the following Project: Instrumentation Improvements for Clemson University
(Include detailed description of Project location and scope.) Water Filtration Plant:

The project is located at the Clemson University Water Filtration Plant. The scope of work covers design plans, specs, approval of DHEC, Bid, opening, award, pre-construction conference, and construction observation on occasional basis for providing new instrumentation on the existing water filters. Instrumentation work will consist of rate of flow and loss of head on each filter; flow recorders with integrators on raw and finished water; all on Clemson University tracing paper.

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. N/A

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. N/A

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 adjustments 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 N/A dollars (\$))
shall be made upon execution of this Agreement and credited to the Owner's account as follows: N/A

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.)

1. Lump Sum of \$7,401.00 for personnel expenses-basic compensation.
2. Reimbursable expenses are in addition to basic compensation, as covered in Article 5.

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:

Lump Sum Agreement

(Include any additional Phases as appropriate.)

| | |
|-------------------------------|----------------|
| Schematic Design Phase: N/A | percent (%) |
| Design Development Phase: N/A | percent (%) |
| Construction Documents Phase: | percent (70 %) |
| Bidding or Negotiation Phase: | percent (80 %) |
| Construction Phase: | percent (100%) |

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.

EXHIBIT

JUN 24 1980

NO. 2

14.4 COMPENSATION FOR ADDITIONAL SERVICES

STATE BUDGET & CONTROL BOARD

- 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.)

Principal's time at the fixed rate of Thirty-Six Dollars (\$36.00), per hour.

Employees' time (other than Principals) at a multiple of two and one-half (2.5) time the employees' direct salary expense.

- 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 & 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 & one tenth (1.10) 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. See Article 15

(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 Twelve
(12 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 work "Architect" appears in the Terms and Conditions of Agreement Between Owner and Architect substitute therefore: "Architect and/or Engineer".

15.2 ARTICLE 1:

Architect and/or Engineer's services and responsibility.

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 Probably 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 Cost to the Owner and State Engineer and the approval of the Probable Construction Cost do not relieve the Architect and/or Engineer of any responsibility for design deficiencies, omission or errors.

Add the following subparagraphs:

1.5.4.1 Periodic visits 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 the 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. The Architect and his Engineers shall make at least one joint visit to the job site each month and file a written report of that visit with Clemson University.

1.5.4.1.2 Should the Contractor fall behind in this construction schedule by more than four weeks, the Architect and/or Engineer shall notify the Owner in writing.

1.5.9. Delete in its entirety and substitute therefore 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 interpretation necessary for the proper execution of 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 Owner and the Contractor relating to the execution or progress of the work or the work or the interpretation of the Contract Documents.

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.

Add the following subparagraph:

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.

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.

1.5.17 Delete this subparagraph in its entirety.

15.3 ARTICLE 2- The OWNER'S RESPONSIBILITY:

2.4 First line following Owner- delete "shall furnish" and substitute therefore the following:

will furnish, if requested by the Architect and/or Engineer.

15.4 ARTICLE 3- CONSTRUCTION COST:

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.

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.

15.5 ARTICLE 6- PAYMENTS TO THE ARCHITECT

6.1.3 Delete in its entirety and substitute therefore 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, 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 Paragraphs 14.4.1 and 14.4.2 for Additional Services. No additional compensation will be paid for services by the Architect in connection with semi-final and final inspection.

6.5 Final Payment- The Architect and/or Engineer will deliver a final report, record prints, all warranties, operating manuals, materials list and other similar items as may be outlined in the contract specifications to Clemson University before application for final payment.

15.6 ARTICLE 8: OWNERSHIP OF DOCUMENTS:

Article 8: Delete in its entirety and substitute therefore new Article 8 as follows:

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 agrees to and does hereby grant to the Owner 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.

8.2. 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.

8.3 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.

15.7 ARTICLE 9- ARBITRATION

Delete ARTICLE 9 in its entirety.

15.8 ARTICLE 10- TERMINATION OF AGREEMENT

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

10.4 Delete in its entirety.

15.9 ARTICLE 11- MISCELLANEOUS PROVISIONS

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

"-- South Carolina."

15.10 ARTICLE 14- BASIS OF COMPENSATION:

14.6 Delete in its entirety and substitute therefore the following.

14.6 Payment due the Architect under this Agreement shall bear interest at six percent per annum commencing forty-five days after date of billing.

EXHIBIT

JUN 24 1980

NO. 2

STATE BUDGET & CONTROL BOARD

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

OWNER

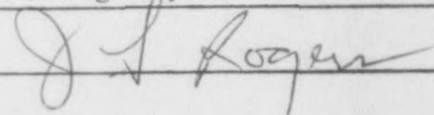
ARCHITECT- ENGINEER

J.L. Rogers & Callcott Engineers, Inc.

J.L. Rogers, President

BY

BY



EXHIBIT

JUN 24 1980

NO. 2

STATE BUDGET & CONTROL BOARD

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-

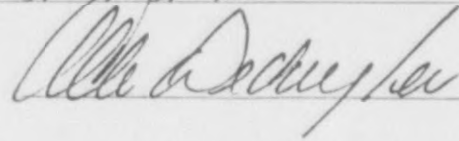
vertising representative of { THE GREENVILLE NEWS
~~GREENVILLE PIEDMONT~~

newspaper printed and published in the City of Greenville, in

the State of South Carolina. That the attached advertisement

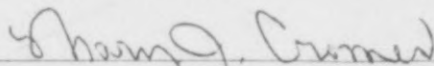
appearing in $2\frac{1}{4}$ inches in the issue

of March 23, 24, 25, 1980



Sworn to and subscribed before me

this 25th day of March 19 80



Notary Public for State of S. C.

Total Due \$

GNP-81016-R-12/77

Engineers Qualification Request
Clemson University request resu-
mes of qualifications from firms in-
terested in providing engineering
services for Clemson University.
Essentially the project will be to
provide for pneumatically operated
instrumentation and controls for the
existing water filter plant and water
distribution system.
Firms submitting resumes of
qualification shall include a list of all
contracts, including construction
costs, the firm has executed on state
work in the past two years. Firms
whose resumes do not include a list
of contracts on state work will not be
considered for interview.
Resumes must be received in the
Office of Vice President for Business
and Finance, Clemson University,
Clemson, S.C. 29631, not later than
April 9, 1980.
MELVIN E. BARNETTE, Vice
President for Business &
Finance 577330

EXHIBIT

JUN 24 1980

NO. 2

E/E FIRMS SUBMITTING RESUMES FOR
WATER PLANT INSTRUMENTATION IMPROVEMENTS

STATE BUDGET & CONTROL BOARD

CLEMSON UNIVERSITY

May 26, 1980

Name of Firm

Amount of State Work
In Past Two Years

J. L. Rogers and Callcott Engineers, Inc.

None

Enwright Associates, Inc.

\$6,450,000.00

O'Dell Associates

None

EXHIBIT

JUN 24 1980

NO. 2

A/E FIRMS INTERVIEWED FOR
WATER PLANT INSTRUMENTATION IMPROVEMENTS

STATE BUDGET & CONTROL BOARD

CLEMSON UNIVERSITY

May 26, 1980

1. J. L. Rogers and Callcott Engineers, Inc.
2. Enwright Associates, Inc.
3. O'Dell Associates

Note: Listed in order of preference.

EXHIBIT

JUN 24 1980

NO. 2

CLEMSON UNIVERSITY
CONSTRUCTION PROJECTS SINCE JANUARY 1, 1977 STATE BUDGET & CONTROL BOARD

May 26, 1980

| <u>YEAR</u> | <u>PROJECT</u> | <u>FIRM</u> | <u>CONSTRUCTION COST</u> |
|-------------|---|-----------------------------|--------------------------|
| 1977 | Pee Dee Educ. & Research Center | Gill, Wilkins & Wood | \$4,500,000 (est.) |
| 1978 | New Student Housing | Craig, Gaulden, & Davis | \$8,000,000 |
| 1978 | Renov. of Tillman Hall | Westmoreland-McGarity-Pitts | \$4,114,975 |
| 1978 | Student Book Store Enlargement | Clark Associates | \$ 409,777 |
| 1979 | Mod. of Campus for Compliance with Sec. 504 of Rehab. Act | Marshall Clarke | \$1,361,000 <u>1/</u> |
| 1979 | Renov. of Surrine Hall, Phase II | MBTB | \$3,705,410 |
| 1979 | Emergency Lighting, Dorms. | Lockwood Greene | \$ 75,000 (est.) |
| 1979 | Renov. of Brackett Hall, Phase I (Preliminary) | Freeman, Wells & Major | N/A |

1/ Cost for Contract "A" Budget for additional contracts being developed.

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO.

BLUE AGENDA

3

MEETING OF June 24, 1980

ITEM NUMBER

3

STATE BUDGET & CONTROL BOARD

Agency: College of Charleston

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

The College of Charleston requests approval of the selection of George Rast & Associates under the small projects procedure to provide the services necessary in connection with the installation of a new heating and airconditioning system in the Lesesne Dormitory at the College of Charleston. The fee provided in the contract is \$3,768 and is to be paid from operation and maintenance funds of the College. The required selection procedure has been followed.

Board Action Requested:

Approve selection of George Rast & Associates for the referenced project.

Staff Comment:

Attachments:

Board form plus attachments

State Budget and Control Board
Finance Division (Engineering)

REQUEST FOR APPROVAL OF SELECTION OF ARCHITECTURAL
OR ENGINEERING FIRM UNDER "SMALL" PROJECTS PROCEDURE

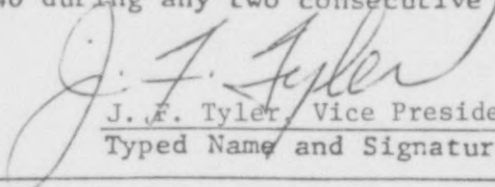
1. Agency/Institution: (a) Name College of Charleston

(b) Request Prepared By W. H. Sandeford

(Phone 792-5550) Date 6/4/80

2. Certification By Chief Financial Officer:

I hereby certify that the agency/institution named in 1, above, has not paid and, including any payment under the contract described on this form, will not pay in excess of \$12,000 to the firm named in 5, below, for services performed pursuant to the procedure in 1976 Code Sections 10-5-110 through 10-5-140 during any two consecutive fiscal year periods.


J. F. Tyler, Vice President, Business Affairs

Typed Name and Signature of Chief Financial Officer

3. Project Name/Description/State Engineer's Project Number, If Applicable:

Install new Heating/AC System in Lesesne Dormitory

4. Services To Be Performed: Provide plans, specifications and design data to install new heating, cooling and domestic water systems in Lesesne Dormitory. Services to be provided by Central Energy Systems located in Buist Dormitory Machinery Spaces. Load calculations, equipment requirements, and design data for all piping, electrical and controls system will be included in this project.

EXHIBIT

JUN 24 1980

NO. 3

STATE BUDGET & CONTROL BOARD

5. Firm Selected: (a) Name: George Rast and Associates

(b) Address: 517 Wappoo Road, P. O. Box 31839, Charleston, S. C. 29407

6. Contract Terms: (a) Beginning Date: 1 June '80 Ending Date: 30 June '80

(b) Fee: \$ 3,768 (May not exceed \$4,000 under Section 10-5-110.)

(c) Fee Payment Schedule: Completion of Project

(d) Source of Funds: Physical Plant - Operation and Maintenance

7. How many firms were contacted regarding this project? Three

8. Attach a copy of notices or advertisements, if any, used in this selection and a copy of the letter agreement or contract as negotiated.

9. Submit three copies of the completed form and attachments to Budget and Control Board.



517 WAPPOO RD. P.O. BOX 31839 CHARLESTON, S.C. 29407 (803) 571-3350

& ASSOCIATES
Consulting Engineers

FIELD OFFICE: 4810 N. KINGS HIGHWAY
MYRTLE BEACH, S.C. 29577
(803) 449-6514

April 29, 1980

EXHIBIT

JUN 24 1980 NO. 3

STATE BUDGET & CONTROL BOARD

Mr. William H. Sandeford
Physical Plant
College of Charleston
Charleston, South Carolina 29401

Re: Knox-Lesesne House

Dear Mr. Sandeford:

Please find enclosed our fee proposal to design a heating and air conditioning system for the Knox-Lesesne House, and to tie the piping into the central energy facility at an adjacent building.

If you should have questions concerning this proposal, please do not hesitate to give me a call.

Looking forward to working with you on this project, I remain

Very truly yours,

RAST AND ASSOCIATES

George B. Rast, P. E.

GBR/bww

Enclosure

W

fast

EXHIBIT

JUN 24 1980

NO. 3

STATE BUDGET & CONTROL BOARD

COLLEGE OF CHARLESTON
KNOX-LESESNE HOUSE
HEATING/AIR CONDITIONING PROJECT

FEE PROPOSAL

| | |
|--------------------------------------|----------|
| Field Investigation-Measure Building | 16 Hours |
| Prepare Floor Plans (Blanks) | 12 Hours |
| Prepare Site Plans | 8 Hours |
| Load Calculations | 12 Hours |
| Equipment Selection | 12 Hours |
| Piping Design | 16 Hours |
| Controls Design | 8 Hours |
| Electrical Design | 16 Hours |
| Specifications | 16 Hours |
| Drafting | 24 Hours |

140 Hours

FEE:

| | | |
|-------------|----------------------|----------|
| Engineering | 80 Hours @ \$30.00 = | \$ 2400. |
| Drafting | 60 Hours @ \$22.80 = | 1368. |

TOTAL FEE \$ 3768.

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 4 BLUE AGENDA

MEETING OF June 24, 1980

ITEM NUMBER

4

STATE BUDGET & CONTROL BOARD

Agency: Division of General Services

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

Division Director R. D. Counts requests approval of the selection of Wilton E. Finkenstadt, registered land surveyor, from Rock Hill, to survey and prepare plat of the General William R. Davie cemetery property in Chester County, consisting of approximately four acres, located adjacent to the Landsford Canal State Park. The fee provided under the terms of the contract is \$630 payable upon completion of the work.

The required selection procedure has been followed.

Board Action Requested:

Approve selection of Wilton E. Finkenstadt for the referenced project.

Staff Comment:

Attachments:

Board form plus attachments

JUN 13 1980

State Budget and Control Board
Finance Division (Engineering)

REQUEST FOR APPROVAL OF SELECTION OF ARCHITECTURAL
OR ENGINEERING FIRM UNDER "SMALL" PROJECTS PROCEDURE

1. Agency/Institution: (a) Name Division of General Services

(b) Request Prepared By R. D. Counts, Div. Director (Phone 758-2226) Date 6/9/80

2. Certification By Chief Financial Officer:

I hereby certify that the agency/institution named in 1, above, has not paid and, including any payment under the contract described on this form, will not pay in excess of \$12,000 to the firm named in 5, below, for services performed pursuant to the procedure in 1976 Code Sections 10-5-110 through 10-5-140 during any two consecutive fiscal year periods.

Donald P. Addy
Donald P. Addy, Comptroller

Typed Name and Signature of Chief Financial Officer

3. Project Name/Description/State Engineer's Project Number, If Applicable:

Gen. William R. Davie Cemetery Property, Chester County, S. C.

4. Services To Be Performed:

Survey and prepare plat of above property, approximately 4 acres, located adjacent to Landsford Canal State Park

EXHIBIT

JUN 24 1980

NO. 4

STATE BUDGET & CONTROL BOARD

5. Firm Selected: (a) Name: Wilton E. Finkenstadt, R.L.S.

(b) Address: 872 Briarfield Road, Rock Hill, S. C.

6. Contract Terms: (a) Beginning Date: _____ Ending Date: _____

(b) Fee: \$ 630.00 (May not exceed \$4,000 under Section 10-5-110.)

(c) Fee Payment Schedule: Total at completion

(d) Source of Funds: _____

7. How many firms were contacted regarding this project? 1

8. Attach a copy of notices or advertisements, if any, used in this selection and a copy of the letter agreement or contract as negotiated.

9. Submit three copies of the completed form and attachments to Budget and Control Board.

ASHMARK LAND SURVEYORS



WILTON E. FINKENSTADT
OWNER

June 4, 1980

State of South Carolina
Division of General Services
Budget & Control Board
300 Governor's Street
Columbia, S. Carolina 29201

ATTENTION: Mr. E. Cecil Mills, Jr.

Dear Mr. Mills:

Enclosed, please find requested cost proposal.

SUBJECT: Survey of General William Richardson
Davis Cemetery Property (4 acres + or -.)

LOCATION: Chester County, S.C., near Landford
State Park.

PROPOSED COST: \$630.00

Yours truly,

Wilton E. Finkenstadt
R.E.S. 5296

WED/SC

WILTON E. FINKENSTADT, SURVEYOR
872 BRIARFIELD ROAD
ROCK HILL, S. C.
TELE: 803 • 324 • 2475



EXHIBIT

ASHMARK LAND SURVEYORS

JUN 24 1980

NO. 4



WILTON E. FINKENSTADT
OWNER

STATE BUDGET & CONTROL BOARD

June 4, 1980

State of South Carolina
Division of General Services
Budget & Control Board
300 Gervais Street
Columbia, S. Carolina 29201

ATTENTION: Mr. E. Cecil Mills, Jr.

Dear Mr. Mills:

Enclosed, please find requested cost proposal.

SUBJECT: Survey of General William Richardson
Davie Cemetery Property (4 acres + or -.)

LOCATION: Chester County, S.C., near Landsford
State Park.

PROPOSED COST: \$630.00

Yours truly,

A handwritten signature in cursive script, appearing to read "Wilton E. Finkenstadt".

Wilton E. Finkenstadt
R.L.S. 5296

WEP/jf

WILTON E. FINKENSTADT, SURVEYOR
872 BRIARFIELD ROAD
ROCK HILL, S. C.
TELE: 803 • 324 • 2475



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 QUALITY AND MAY NOT PHOTOGRAPH 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.

EXHIBIT

STATE BUDGET AND CONTROL BOARD

BLUE AGENDA

MEETING OF June 24, 1980

JUN 24 1980

NO. 5

ITEM NUMBER

5

STATE BUDGET & CONTROL BOARD

| | | |
|----------------|-----------------------------|-----------------------------------|
| <u>Agency:</u> | (a) State Development Board | (c) Medical University |
| | (b) Office of the Governor | (d) Department of Social Services |

Subject: Consultant Services Contracts

Please refer to attachments for details.

Board Action Requested:

Consider for approval.

Staff Comment:

Attachments:

Report on Consultants forms plus attachments

CONSULTANT SERVICE CONTRACTS - \$10,000 AND OVER

| AGENCY/CONSULTANT | MAXIMUM DOLLARS | SOURCE OF FUNDS | TIME PERIOD | PURPOSE |
|---|--|--|----------------------------|---|
| (a) STATE DEVELOPMENT BOARD Truman H. Safford Columbia, SC | \$10,000 (including expenses) | 100% state | fiscal year 1980-81 | To provide expertise in environmental matters, paper and pulp processes, other chemical wet processes, water quality and resources. |
| (b) OFFICE OF THE GOVERNOR 1. Margaret Bethea Washington, D.C. | \$47,000 (\$28,000 salary; \$19,000 office expenses) | 100% state | fiscal year 1980-81 | To serve the State of South Carolina as a consultant/liaison and to maintain a close working relationship with Representatives and Senators in Washington. |
| 2. Suzanne Rhodes Columbia, SC | amendment to allow travel related expenses in addition to max. amount of contract (\$17,500) | Regional Southern Solar Energy Center Programs | 10/1/79 - 9/30/80 | To provide professional research, planning and coordinating services to implement Southern Solar Energy Center programs and to accelerate the commercialization of solar energy in South Carolina. |
| (c) MEDICAL UNIVERSITY Marsh & McLennan Columbia, SC | \$25,000 | | 7/15/80 - 6/81 and ongoing | To develop a comprehensive risk management/quality assurance program. |
| (d) DEPARTMENT OF SOCIAL SERVICES 1. James C. Beall, DDS Charleston, SC | \$15,000 | 70% federal 30% state | FY 80-81 | To review and pass on plans of dental treatment for eligibles in the EPSDT program; determine necessity, appropriateness and quality of treatment rendered; recommend policy, establish criteria and procedures for program parameters; perform liaison duties between providers and the agency and function as a information source on all dental matters pertaining to the Title XIX program; plan, direct, and supervise the dental services reviewer in post payment review section; and evaluate all potential aberrant providers and determine those to be sent to the Dental Peer Review Committee. |
| 2. Arthur J. Dean, M.D. Columbia, SC | \$15,000 | 70% federal 30% state | FY 80-81 | To provide physician review of all sterilization and abortion claims, approximately 300 monthly; to provide post payment monitoring of PSRO performance; to provide physician monitoring to recommend policy for covered services and establish criteria for medical necessity and appropriateness of services; approve for medical necessity and appropriateness durable medical equipment, prosthetic or orthotic appliances, averaging 200 applications monthly; review all medical appeal cases, averaging five per month; provide input into covered claims and medical necessity of prepayment review of hospital and physician claims, requiring approximately 25 hours per month. |

EXHIBIT
 JUN 24 1980
 NO. 5
 STATE BUDGET & CONTROL BOARD

STATE AUDITOR'S OFFICE

REPORT ON CONSULTANTS

JUN 18 1980

Name of State Agency: State Development Board
Date of Report: June 13, 1980 Prepared by: Mary Louise Mickle for John C. Hankins Jr.
Name of Consultant or Firm: Truman H. Safford
Address of Consultant or Firm: Senate Plaza, Columbia, South Carolina
Terms of Consultant Contract:
Beginning Date: July 1, 1980 Ending Date June 30, 1981
Rate of Pay: \$ 60.00 per day; Maximum under this contract: \$ 10,000.00*
Source of Funds: State (100%); (%); (%).
Purpose or Goal of Consultant:

Mr. Safford is a retired engineer with a wealth of experience in environmental matters, paper and pulp processes, other chemical "wet" processes, water quality and resources, and similar matters. His tenure as a consultant to the Development Board exceeds 9 years and has proven to be invaluable in working with prospects where his expertise may be utilized.

Due to money being a secondary consideration to Mr. Safford, we don't know of any less expensive means of having the full-time talents of such an expert at our immediate disposal.

Was this Individual or Firm Selected through the Submission of Bids or Proposals?

Yes _____ No X

If yes, How many Bids or Proposals were Received? _____

*Including expenses

OK
RE Lash


EXHIBIT

JUN 24 1980

NO. 5

STATE BUDGET & CONTROL BOARD

STATE AUDITOR'S OFFICE

REPORT ON CONSULTANTS

#10901

JUN 17 1980

Name of State Agency: Office of the Governor

Date of Report: June 17, 1980 Prepared by: Marge Godfrey for Don Hinson

Name of Consultant or Firm: Margaret Bethea

Address of Consultant or Firm: 44 N. Capitol Street, Suite 249, Washington, D. C. 20001

Terms of Consultant Contract:

Beginning Date: July 1, 1980 Ending Date: June 30, 1981

Rate of Pay: \$ 3,916.66 per month for 11 payments and
\$ 3,916.74 final payment. Maximum under this contract: \$ 47,000.00

Source of Funds: \$ 47,000.00 (100 %); (%); (%).
(State) (Federal) (Other)

Purpose or Goal of Consultant:

Serve the State of South Carolina as a consultant/liaison and maintain a close working relationship with Representatives and Senators in Washington, D. C.

Was this Individual or Firm Selected through the Submission of Bids or Proposals?

Yes _____ No X

If yes, How many Bids or Proposals were Received? _____

EXHIBIT

JUN 24 1980 NO. 5

STATE BUDGET & CONTROL BOARD

STATE AUDITOR'S OFFICE

Project No. 00980

REPORT ON CONSULTANTS

Amendment #1 JUN 14 1980

DIVISION OF ENERGY RESOURCES

Name of State Agency: GOVERNOR'S OFFICE OF EXECUTIVE POLICY AND PROGRAMS

Date of Report: June 9, 1980 Prepared by: Jane W. Register for Bill Horne

Name of Consultant or Firm: Suzanne H. Rhodes

Address of Consultant or Firm: 6015 Cedar Ridge Road, Columbia, S. C. 29206

Terms of Consultant Contract:

Beginning Date: October 1, 1979 Ending Date: September 30, 1980

Rate of Pay: \$ 70.00 per day; Maximum under this contract: \$ 17,500.00

Source of Funds: (State) (Federal) (Other) Regional SSEC (100 %).

Purpose or Goal of Consultant:

This Amendment allows travel related expenses to be paid directly to the contractor in accordance with Section 7 above and beyond the maximum amount of the contract (\$17,500) which is compensation for services rendered only at a daily rate of \$70.00. All other terms and conditions shall remain the same.

Was this Individual or Firm Selected through the Submission of Bids or Proposals?

Yes _____

No ☒ _____

If yes, How many Bids or Proposals were Received? _____

EXHIBIT

JUN 24 1980

NO. 5

STATE BUDGET & CONTROL BOARD

JUN 17 1980

REPORT ON CONSULTANTS

Name of State Agency: Medical University of South Carolina - 171 Ashley Ave. - Charleston, S.C.Date of Report: June 1980 Prepared by: Robert H. FoxName of Consultant or Firm: Marsh & McLennanAddress of Consultant or Firm: Post Office Box 544, Columbia, S. C. 29202

Terms of Consultant Contract:

Beginning Date: NLT July 15, 1980 Ending Date: June 1981 and ongoingRate of Pay: \$ various per phase; Maximum under this contract: \$ 25,000Source of Funds: 10700-A000 (%); (%); (

Purpose or Goal of Consultant:

Develop a comprehensive risk management/quality assurance program, per attached proposal.

Assistance to develop this program is not available through the Insurance Reserve fund, Division of General Services.

Was this Individual or Firm Selected through the Submission of Bids or Proposals?

Yes Proposals No If yes, How many Bids or Proposals were Received? three

EXHIBIT

JUN 24 1980

NO. 5

STATE BUDGET & CONTROL BOARD

Marsh & McLennan

Marsh & McLennan, Incorporated
606 Bankers Trust Tower
P. O. Box 544
Columbia, South Carolina 29202
(803) 799-9713

March 4, 1980

Mr. Robert H. Fox
Assistant Director - Business Operations
Medical University of South Carolina
171 Ashley Avenue
Charleston, S. C. 29403

Dear Bob:

Following a five phase program, Marsh & McLennan, Inc. proposes to analyze your current insurance and quality assurance programs, evaluate your exposure to loss and develop a comprehensive risk management/quality assurance program to meet your needs in the following areas:

- Professional Liability
- General Liability
- Worker's Compensation
- Property
- Automobile
- Crime
- Directors and Officers Liability

In Phase I, we will make a thorough analysis of MUSC's insurance coverage and exposure to loss. In a survey report, each area of loss exposure will be discussed and recommendations for improvement made where needed.

Phase II will include an audit and evaluation of MUSC's present risk management/loss control program, both from a medical and a non-medical standpoint. To be successful, audits of this type must have the complete support of executive management. Engineering surveys will be made and a property loss prevention report prepared. The report will provide the following information on each building owned or occupied by MUSC:

- Construction
- Common and Special Hazards Involved
- Management Planning and Control
- Private Protection
- Public Protection
- Business Interruption Review
- Loss Estimates
- Recommendations

Marsh & McLennan, Incorporated

Mr. Robert H. Fox
March 4, 1980
Page 2

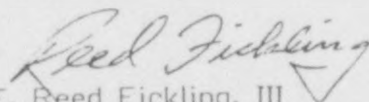
Phase III will involve the design of a Total Loss Control Manual to meet the specific needs of MUSC. Guides to be followed will be established to control loss from all areas of exposure. The program for malpractice control will be specifically designed to help the University interpret, implement and comply with the new JCAH Quality Assurance Standard for Hospitals. You will be provided with a well-defined, organized program designed to enhance patient care through the ongoing objective assessment of important aspects of patient care and the correction of identified problems.

Implementation of the program will be the focus of Phase IV. It is anticipated that this phase could be accomplished within twelve months of its beginning. Services by Marsh & McLennan in this area will totally depend upon the needs of MUSC.

Finally, Phase V will consist of consulting services being provided to the University on an ongoing basis, both to help monitor the effectiveness of MUSC's loss control/quality assurance efforts and to provide Technical Assistance upon request. It is recommended that monitoring activities be provided on a quarterly basis until the program is working smoothly, then switch to a semi-annual or annual review.

We certainly appreciate the opportunity to present this proposal for Risk Management services and look forward to working with you and the University.

Very truly yours,



E. Reed Fickling, III
Assistant Vice President

ERF/ty

MARSH & MCLENNAN, INC.

PRESENTS TO

THE MEDICAL UNIVERSITY
OF SOUTH CAROLINA
CHARLESTON, SOUTH CAROLINA

A Proposal for Risk Management Services

Risk Management Services
For
The Medical University of South Carolina

Phase I: Insurance Audit and Evaluation

- A. Analysis of existing insurance program
- B. Risk identification and evaluation process
- C. Determine coverage options available through the S. C. State Sinking Fund
- D. Survey Report
 - 1. Description of risks to which MUSC is exposed, list of insurance coverage to deal with such risk, and recommendations for improvement
 - 2. Schedule of existing insurance, including a brief description of each coverage, date of expiration, and the annual premium
 - 3. Summary of recommendations

Phase II: Risk Management Audit

- A. Audit of Administrative policies, procedures, and forms regarding non-medical exposures
 - 1. Determine MUSC philosophy regarding risk management/loss control
 - 2. Review chain of command for complying with the University philosophy
 - 3. Review existing procedures designed to control loss due to:
 - a) Employee injury
 - b) Owned or leased vehicles
 - c) Public liability
 - d) Damage to property
 - e) Crime
 - 4. Review emergency and disaster plans involving patients, students, visitors and employees
 - 5. Determine procedures for accident reporting and analysis

Phase II: Risk Management Audit - continued

B. Audit of Administrative policies, procedures, and forms regarding malpractice exposure

1. Review the following:

- a) Executive direction and participation
- b) Staff selection
- c) Peer review
- d) Orientation and continuing training
- e) Organization and control committee
- f) Patient admitting and identification
- g) Safety maintenance of hospital equipment
- h) Use of consent forms
- i) Patient care areas
- j) Patient safety
- k) Infection control
- l) Special treatment areas
- m) General professional services
- n) Support services
- o) Documentation and record keeping
- p) Incident reporting
- q) Patient complaint handling

2. Medical Procedures Audit - nursing, ancillary services, and medical records

- a) Compare policies and procedures reviewed in Phase II: B.1. to actual practices with special attention to critical areas
- b) Review patient records to determine if clear and concise documentation of care delivered is indicated
- c) Review personnel files to see that training needed to perform certain specialized procedures is properly recorded

3. Engineering surveys

- a) Patient safety
- b) Employee safety
- c) Student safety
- d) Fire protection
- e) Housekeeping and maintenance

Phase III: Development of a Risk Management/Quality Assurance Program

- A. Review and evaluate results of Phase II with designated MUSC officials
- B. Design a risk management/quality assurance program for the entire University system

Phase IV: Implementation of a Risk Management/Quality Assurance Program

- A. Assist in hiring and training a risk manager/quality assurance coordinator
- B. Implementation of new control systems in patient care and administrative areas
- C. Physician and employee training and orientation
- D. Assistance regarding informed consent procedures and legal aspects of charting and record keeping
- E. Other assistance as required

Phase V: On-going Consulting Services

- A. Monitor activities on a quarterly basis to assure that the desired result has been achieved and sustained
- B. Consultation service by Telephone as needed by MUSC
- C. Annual property loss control reinspection

SUMMARY OF ESTIMATED COSTS
FOR
RISK MANAGEMENT SERVICES

| | <i>Included as</i> <u>Estimated Cost</u> | <u>Maximum Cost</u> |
|--|---|---------------------|
| Phase I E. Reed Fickling, III | \$ 4,500 | \$ 5,500 |
| Phase II E. Reed Fickling, III Kenneth Hansen Bernice Poorman, RN | \$ 8,100 | \$ 9,500 |
| Phase III E. Reed Fickling, III Bernice Poorman, RN | \$ 4,300 | \$ 5,000 |
| Phase IV E. Reed Fickling, III Bernice Poorman, RN E. Ralph Paris, Jr. | \$ 4,100 | \$ Unlimited |
| Phase V E. Reed Fickling, III Bernice Poorman E. Ralph Paris, Jr. Kenneth Hansen | \$ 3,100 | \$ Unlimited |
| Total Estimated Cost | <u>\$24,100.</u> | |

Consulting Fees per Person Not Including Travel Expenses

| | |
|-----------------------|------------------|
| E. Ralph Paris, Jr. | - \$90. per hour |
| E. Reed Fickling, III | - \$86. per hour |
| Kenneth Hansen | - \$75. per hour |
| Bernice Poorman | - \$50. per hour |

STATE AUDITOR'S OFFICE

REPORT ON CONSULTANTS

JUN 18 1980

Name of State Agency: South Carolina Department of Social Services

Date of Report: 6/6/80 Prepared by: John T. Molan

Name of Consultant or Firm: James C. Beall, D.D.S.

Address of Consultant or Firm: 7603 Northside Drive Charleston, SC 29405

Terms of Consultant Contract:

Beginning Date: July 1, 1980 Ending Date June 30, 1981

Rate of Pay: \$ 32 per hour; Maximum under this contract: \$ \$15,000

Source of Funds: Federal (70 %); State (30 %); ().

Purpose or Goal of Consultant:

In accordance with Federal Mandate, reviews and passes on plans of dental treatment for eligibles in the EPSDT Program. Determines necessity, appropriateness, and quality of treatment rendered. Recommends policy, establishes criteria, and procedures for program parameters. Performs liaison duties between providers and the Agency and functions as an information source on all dental matters pertaining to the Title XIX (Medicaid) Program.

Plans, directs, and supervises the Dental Services Reviewer in Post Payment Review Section. Evaluates all potential aberrant providers and determines those to be sent to the Dental Peer Review Committee.

Was this Individual or Firm Selected through the Submission of Bids or Proposals?

Yes _____ No X _____

If yes, How many Bids or Proposals were Received? _____

Dr. Beall was chosen from selections submitted by the S. C. Dental Association.

EXHIBIT

JUN 24 1980 NO. 5

STATE BUDGET & CONTROL BOARD

STATE AUDITOR'S OFFICE

REPORT ON CONSULTANTS

JUN 18 1980

Name of State Agency: South Carolina Department of Social Services

Date of Report: 6/11/80 Prepared by: John T. Molan

Name of Consultant or Firm: Arthur J. Dean, M.D.

Address of Consultant or Firm: 6600 Longbrook Road Columbia, SC

Terms of Consultant Contract:

Beginning Date: July 1, 1980 Ending Date June 30, 1981

Rate of Pay: \$ 35 per hour; Maximum under this contract: \$ 15,000

Source of Funds: Federal (70 %); State (30 %); () (%).

Purpose or Goal of Consultant:

Federal and State Regulations mandate physician review of all sterilization and abortion claims, approximately 300 monthly.

Hospital inpatient claims require post payment monitoring of PSRO performance (in accordance with Federal guidelines).

Outpatient clinics and out of state claims require physician monitoring to recommend policy for covered services and establish criteria for medical necessity and appropriateness of services

(Continued on attached sheet).

Was this Individual or Firm Selected through the Submission of Bids or Proposals?

Yes _____ No X _____

If yes, How many Bids or Proposals were Received? _____

EXHIBIT

JUN 24 1980 NO. 5

STATE BUDGET & CONTROL BOARD

Arthur J. Dean, M.D.

Purpose of Goal of Consultant (continued):

All applications for durable medical equipment, prosthetic or orthotic appliances must be physician approved for medical necessity and appropriateness of request. These applications average 200 monthly.

Federal and State Regulations require physician review of all medical appeal cases. These average five a month.

The Claims Resolution Section will require physician input into covered services and medical necessity of prepayment review of hospital and physician claims. This will necessitate approximately 25 hours monthly.

EXHIBIT

JUN 24 1980

NO. 5

STATE BUDGET & CONTROL BOARD

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 6

REGULAR SESSION AGENDA

MEETING OF June 24, 1980

ITEM NUMBER

2

STATE BUDGET & CONTROL BOARD

Agency: State College Board of Trustees (College of Charleston)

Subject: Bond Anticipation Notes

A copy of the proposed resolution is attached. It provides for Board approval of the issuance of not exceeding \$3,030,000 Bond Anticipation Notes of the State College Board of Trustees in anticipation of the issuance of Student and Faculty Housing Revenue Bonds of the College of Charleston.

It is understood that the Department of Housing and Urban Development will purchase these notes.

Board Action Requested:

Adopt resolution approving the issuance of not exceeding \$3,030,000 Bond Anticipation Notes by the State College Board of Trustees in anticipation of the issuance of a like amount of Student and Faculty Housing Revenue Bonds of the College of Charleston.

Staff Comment:

Attachments:

Guerard June 20 letter to McInnis plus referenced resolution

EXHIBIT

GUÉRARD AND APPLGATE, P.A.

ATTORNEYS AND COUNSELLORS AT LAW

125 CHURCH STREET

CHARLESTON, SOUTH CAROLINA 29401

TELEPHONE (803) 722-7606

JUN 24 1980

NO. 6

STATE BUDGET & CONTROL BOARD

Theodore B. Guérard
W. E. Applegate, III

June 20, 1980

P. O. Box 1119
Zip Code 29402

John Paul Trouche

Mr. William A. McInnis
State Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

In Re: \$3,030,000 Bond Anticipation Notes
of the College of Charleston

Dear Bill:

Enclosed you will find the original and six copies of a proposed Resolution to be considered by the State Budget and Control Board at its meeting next Tuesday, June 24, 1980, approving the issuance of the captioned notes.

F. Mitchell Johnson, Chairman of the State College Board of Trustees and President Collins of the College of Charleston will attend with me the meeting next Tuesday to explain the request.

With kind regards,

Sincerely,

W. E. Applegate

TBG/ts

cc: F. Mitchell Johnson, Chairman, State College Board of Trustees
Edward M. Collins, President, College of Charleston

enclosures

EXHIBIT

JUN 24 1980

NO. 6

STATE BUDGET & CONTROL BOARD

A RESOLUTION APPROVING THE ISSUANCE OF NOT EXCEEDING \$3,030,000 BOND ANTICIPATION NOTES BY THE STATE COLLEGE BOARD OF TRUSTEES IN ANTICIPATION OF THE ISSUANCE OF STUDENT AND FACULTY HOUSING REVENUE BONDS OF THE COLLEGE OF CHARLESTON

WHEREAS, The State Budget and Control Board hereto under date of April 30, 1980 approved the issuance to cover the cost of a new residence hall of \$3,030,000 Student and Faculty Housing Revenue Bonds of the College of Charleston, bearing interest at the rate of three (3%) per cent per annum, to be purchased by the United States of America acting by and through the Secretary of Housing and Urban Development (DHUD); and

WHEREAS, the State College Board of Trustees now advises the State Budget and Control Board that the said bonds have not been issued because the student and faculty housing revenues of the College of Charleston for the fiscal year ending June 30, 1979 were not adequate to meet an earnings test required to be met to issue the said bonds on a parity with the outstanding Student and Faculty Housing Revenue Bonds of the College of Charleston; and

WHEREAS, the College of Charleston is satisfied that the said earnings test can be met for the fiscal year ending June 30, 1982, and the State College Board of Trustees has advised that, in order to defray the cost of the new residence hall, it proposes to issue not exceeding \$3,030,000 Bond

EXHIBIT

JUN 24 1980

NO. 6

-2-

STATE BUDGET & CONTROL BOARD

Anticipation Notes in anticipation of the issuance of \$3,030,000 Student and Faculty Housing Revenue Bonds of the College of Charleston on a parity with the outstanding Student and Faculty Housing Revenue Bonds of the College of Charleston or, if the earnings test is not met, on a parity with Student and Faculty Housing Revenue Bonds of the College of Charleston to be issued pursuant to the authorization of Chapter 21, Title 11, Volume 4, Code of Laws of South Carolina 1976 to refund the outstanding Student and Faculty Housing Revenue Bonds of the College of Charleston,

NOW, THEREFORE, BE IT RESOLVED, that the State Budget and Control Board hereby approves, by the adoption of this Resolution, the issuance by the State College Board of Trustees of not exceeding \$3,030,000 Bond Anticipation Notes to defray the cost of the new residence hall at the College of Charleston in anticipation of the issuance of \$3,030,000 Student and Faculty Housing Revenue Bonds of the College of Charleston as described above.

EXHIBIT

JUN 24 1980

NO. 6

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

STATE BUDGET & CONTROL BOARD

I, WILLIAM T. PUTNAM, Executive Director to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the said State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina at 10:30 a.m., Tuesday, June 24, 1980, was given to all members in writing, and at least four (4) days prior to said meeting; that all members of said Board were present at said meeting, with the exception of:

Senator Rembert C. Dennis

That at said meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Patterson, who moved its adoption; said motion was seconded by Mr. Morris, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

4

AGAINST MOTION

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of said Board in my custody as its Executive Director.

William T. Putnam
Executive Director

June 26, 1980

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 7 REGULAR SESSION AGENDA

MEETING OF June 24, 1980

STATE BUDGET & CONTROL BOARD

ITEM NUMBER

3

Agency: Workmen's Compensation Fund

Subject: Provision of Legal Representation

Fund Director John W. Scott advises that Act R.630 of 1980 provides that legal representation for the State Workmen's Compensation Fund shall be provided by chief counsel and such attorneys as are necessary to be appointed by the Director of the Fund with the approval of the Attorney General.

Mr. Scott further advises that, after consultation with the Attorney General and his staff, it has been determined that these needs can at this time be handled by two attorneys and one legal secretary.

Director Scott also notes that no funds were provided to support the legal section. He requests Board approval for the transfer of \$100,000 from reserves of the Fund, pursuant to Code Section 42-7-90, to provide operating monies for this legal staff.

The positions also apparently should be authorized above the number in the 1980-81 Appropriations Act.

Board Action Requested:

Authorize transfer of \$100,000 from Workmen's Compensation Fund reserve pursuant to Code Section 42-7-90 and approve the establishment of three positions above the number authorized for the agency.

Staff Comment:

Attachments:

Scott June 19 letter to Putnam plus attachments

EXHIBIT

State Workmen's Compensation Fund JUN 24 1980 NO. 7

1026 SUMTER STREET



Columbia, S. C. 29201

June 19, 1980

STATE BUDGET & CONTROL BOARD

Director

Phone 758-2353

RECEIVED

JUN 19 1980

BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

Mr. William T. Putnam
Executive Director
State Budget and Control Board
212 Wade Hampton Office Building
Columbia, South Carolina 29211

Dear Mr. Putnam:

On June 11, 1980, Governor Riley signed into law an Act which has amended Section 42-7-30 of the 1976 Code. This amendment provides that legal representation for the State Workmen's Compensation Fund shall be provided by a chief counsel and such staff attorneys as are necessary appointed by the Director of the Fund with the approval of the Attorney General. I enclose a copy of this Act for your examination.

I have discussed this matter with Attorney General Mcleod as well as Mr. Victor S. Evans, Assistant Attorney General, and through our discussions it has been determined that the needs of the agency at this time can in all probability be handled by a staff of two (2) attorneys and one (1) legal secretary. In accordance with the current state law and policy concerning employment and compensation of attorneys for the state and its agencies and institutions, this agency would require an Attorney III as chief counsel and an Attorney II as supporting counsel. Of course, a Legal Secretary will be necessary to support these two attorneys.

At the time this Act was passed into law, no provision was made for funds to support this legal section. I have determined what expenses will be necessary for this section and have enclosed a detailed summary for your examination.

Section 42-7-90 of the 1976 Code provides that expenditures from the State Workmen's Compensation Fund are authorized under Item 3: "Any other expenses authorized by law or approved by the Budget and Control Board". This Section was amended in the Permanent Section of the General Appropriation Act of 1976-1977, Section 21. I enclose a copy of Section 42-7-90 as well as a copy of the amended 1976-1977 Appropriation Act for your examination.

EXHIBIT

JUN 24 1980

NO. 7

Mr. William T. Putnam
Page Two
June 19, 1980

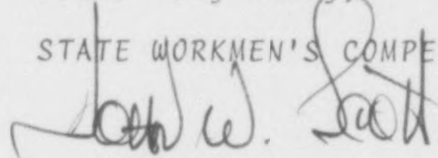
STATE BUDGET & CONTROL BOARD

This agency needs to begin implementation of compliance with this Act as soon as possible. I, therefore, respectfully request the Budget and Control Board's approval for the transfer of \$100,083.04 from the reserves of the Fund into the operating account.

If you should require any additional information pertaining to this matter, please call upon me.

Yours very truly,

STATE WORKMEN'S COMPENSATION FUND



John W. Scott, Director

JWS:se

Enclosures

EXHIBIT

JUN 24 1980

NO. 7

(R630, H3412)

STATE BUDGET & CONTROL BOARD

An Act To Amend Sections 42-7-20 And 42-7-30, Code Of Laws Of South Carolina, 1976, Relating To The State Workmen's Compensation Fund, So As To Provide That The Term Of The Director Of The Fund Shall Be For Six Years And Provide That The Legal Representation For The Fund Shall Be By Attorneys Appointed By The Director With The Approval Of The Attorney General.

Be it enacted by the General Assembly of the State of South Carolina:

Workmen's Compensation Fund-Director and other personnel

SECTION 1. Section 42-7-20 of the 1976 Code is amended to read:

"Section 42-7-20. The State Workmen's Compensation Fund shall be administered by a director appointed by the Governor for a term of six years with the advice and consent of the Senate. The administration shall provide for employment of office and field personnel necessary for the proper conduct of the business of the fund, to the extent of appropriations therefor, including the determination of the amount of and the collection of annual charges, the issuance of certificates of compliance with this article, the investigation of claims, the adjustment and payment of claims and awards, the inspection of risks, study and investigation with respect to safety provisions with recommendations to employers as to means of preventing injuries, medical examination of employees and the prosecution of subrogation rights against any third party. The director may inspect and audit records of employers for the purpose of determining or verifying the amount of annual charges against such employers."

Legal representation

SECTION 2. Section 42-7-30 of the 1976 Code is amended to read:

"Section 42-7-30. Legal representation for the State Workmen's Compensation Fund shall be provided by a chief counsel and such staff attorneys as are necessary appointed by the director of the fund with the approval of the Attorney General. Any extra legal services that may be required shall be performed by attorneys selected by the director also with the approval of the Attorney General. Fees and expenses for nonstaff attorneys shall be approved by the director."

Time effective

SECTION 3. This act shall take effect upon approval by the Governor.

In the Senate House the 5th day of June

In the Year of Our Lord One Thousand Nine Hundred and Eighty.

NANCY STEVENSON,
President of the Senate.

REX L. CARTER,
Speaker of the House of Representatives.

Approved the 11th day of June, 1980.

RICHARD W. RILEY,
Governor.

EXHIBIT

JUN 24 1980

NO. 7

STATE BUDGET & CONTROL BOARD

§ 42-7-90. Expenditures from fund.

From the State Workmen's Compensation Fund the following expenditures are authorized:

(1) For the payment of any award under this article made by the Commission in connection with accidental injury or death of any official or employee of the State, any county or municipality therein, any political subdivision thereof or any agency or institution of the State or a county, municipality or political subdivision thereof participating hereunder; or

(2) Any other expenses authorized by law or approved by the Budget and Control Board.

HISTORY: 1976 Act No. 709 Part II § 21; 1978 Act No. 628, eff August 2, 1978.

Effect of Amendments—

The 1976 amendment added at the end of item (3) of this section the words "or approved by the Budget and Control Board".

The 1978 amendment struck former item (1), and renumbered the remaining items.

The State Workmen's Compensation Fund cannot pay benefits in excess of its appropriation without approval of the State Budget and Control Board. 1974-75 Op Att'y Gen, No 4207, p 253.

I. Equipment

| | | Price Each | Total |
|-----|--|------------|------------|
| 1. | Two (2) Senior Executive Desks (MW-301) | \$259.50 | \$519.00 |
| 2. | One (1) Secretarial Desk (MW-304) | \$259.50 | \$259.50 |
| 3. | Two (2) High Back Judges Chairs (V-1) | \$139.95 | \$279.90 |
| 4. | One (1) Secretarial Chair (V-2) | \$ 62.95 | \$ 62.95 |
| 5. | Two (2) Office Bookcases (W-321) | \$ 65.95 | \$131.90 |
| 6. | One (1) Junior Office Bookcase (W-322) | \$ 60.95 | \$ 60.95 |
| 7. | One (1) IBM Typewriter (IBM Memory) | \$4500.00 | \$4500.00 |
| 8. | One (1) Toshiba Calculator (BC-1283 PV) | \$190.00 | \$190.00 |
| 9. | Two (2) Recorders (Lanier Micro. Cassette) | \$200.00 | \$400.00 |
| 10. | One (1) Transcriber (Lanier Micro. Cassette) | \$225.00 | \$225.00 |
| 11. | One (1) Filing Cabinet | \$200.00 | \$200.00 |
| 12. | Six (6) Senator Conference Chairs | \$ 85.95 | \$515.70 |
| 13. | Three (3) Telephones | \$100.00 | \$100.00 |
| | Installation | \$216.00 | \$216.00 |
| | Yearly Cost | | \$7,660.90 |
| | | Tax | \$ 306.44 |
| | | | \$7,967.34 |

II. Rental On Floor Space

\$4,919.70

III. Personnel

| | | | |
|----|---------------------------|-----------------|-------------|
| 1. | One (1) Attorney III (45) | (27,225-38,885) | \$27,225.00 |
| 2. | One (1) Attorney II (40) | (22,376-31,716) | \$22,376.00 |
| 3. | One (1) Legal Sec. (18) | (9,442-13,382) | \$ 9,442.00 |
| | | | \$59,043.00 |
| | Employee Benefits | | \$15,737.00 |
| | | | \$74,780.00 |

IV. ~~Subsistence~~ ~~Per Diem~~

Four (4) nights a week. Two (2) each. \$6,656.00

V. Travel Reimbursement

1,200 miles a month each X two X .20¢ a mile X 12 months \$5,760.00

TOTALS

| | |
|--|--------------|
| Equipment | \$ 7,967.34 |
| Floor Space | \$ 4,919.70 |
| Personnel | \$74,780.00 |
| Per Diem SUBSISTANCE | \$ 6,656.00 |
| Travel | \$ 5,760.00 |
| GRAND TOTAL | \$100,083.04 |

EXHIBIT

JUN 24 1980

NO. 7

STATE BUDGET & CONTROL BOARD

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 8

REGULAR SESSION AGENDA

MEETING OF June 24, 1980

STATE BUDGET & CONTROL BOARD

ITEM NUMBER

4

Agency: Technical and Comprehensive Education

Subject: Property Donation

The Kinghorn family of Beaufort wishes to donate a parcel of land (1.8 acres) and two buildings to Beaufort Technical College. The tract of land is approximately 400 feet north of the campus and is separated by a railroad track. The parcel of land and the two buildings could serve as instruction space for the Special Schools program in the Beaufort area, some temporary instructional programs and as a shipping and receiving area for the College.

The State Board for Technical and Comprehensive Education recommends that the property, with improvements, be accepted by the State of South Carolina free and clear of any encumbrances or liabilities.

TEC Executive Director G. William Dudley plans to be present at the meeting.

Board Action Requested:

Accept donation of referenced property.

Staff Comment:

Attachments:

Dudley June 20, 1980 letter to Putnam plus attachments



EXHIBIT

JUN 24 1980 NO. 8

STATE BUDGET & CONTROL BOARD

STATE BOARD FOR TECHNICAL
AND
COMPREHENSIVE EDUCATION

G. WILLIAM DUDLEY, JR.
EXECUTIVE DIRECTOR

1429 SENATE STREET
COLUMBIA, S. C. 29201

June 20, 1980

RECEIVED

JUN 20 1980

BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

The Honorable William T. Putnam
State Auditor
Post Office Box 11333
Columbia, South Carolina 29211

Dear Bill:

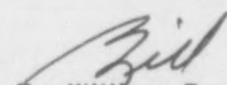
The Kinghorn family of Beaufort wishes to donate a parcel of land and two buildings to Beaufort Technical College. You will recall that Beaufort Technical College is one of the former area trade schools, and the title to the property is held in the State of South Carolina. The particular tract of land is approximately 400 feet north of the campus and is separated by a railroad track. This parcel of land and the two buildings could serve as instructional space for our Special Schools program in the Beaufort area, some temporary instructional programs and as a shipping and receiving area for the college.

The State Board for Technical and Comprehensive Education considered the matter at its meeting on June 18, 1980, and recommends that the property, with improvements, be accepted by the State of South Carolina free and clear of any encumbrances or liabilities. The State Board feels that the addition of this property would be a valuable asset to Beaufort Technical College. I am enclosing, for your review, a fact sheet, drawn by Beaufort Technical College, as well as an appraisal of the Kinghorn property.

We respectfully request that this matter be placed on the agenda of the Budget and Control Board's meeting of June 24, 1980 for consideration. Mr. Mills Kinghorn, a principal in the transaction, expects to be out of the State for an extended period of time; and he would like this matter resolved prior to his departure. Your favorable consideration would be appreciated.

With kind personal regards,

Sincerely,


G. William Dudley, Jr.
Executive Director

GWDjr:rkg

Enclosure

EXHIBIT

JUN 24 1980

NO. 8



STATE BUDGET & CONTROL BOARD

BEAUFORT TECHNICAL COLLEGE

Ribaut Road, P.O. Box 1288 Beaufort, South Carolina 29902

From the office of the President

FACT SHEET

DONATION OF PROPERTY

On Tuesday, May 20, 1980, a meeting was held with Mr. Mills Kinghorn, Mr. J. B. Kinghorn and Mr. George W. Goldsmith, Jr., President of Beaufort Technical College. During this meeting, the Kinghorn brothers expressed their desire to donate property which is located 400 ft. due north of the northwest corner of the TEC Campus. The property which contains 1.8 acre of land also includes two (2) permanent improvements. The first is a large industrial building which is approximately 50 years old. The building contains 13,349 sq. ft. of usable floor space, a loading dock consisting of 1,040 sq. ft, and a ramp containing 1,120 sq. feet. The building is entirely masonry construction and has reinforced concrete flooring. The second major improvement is a frame single story house which contains 805 sq. ft. This property, with improvements, was appraised May 14, 1980 with a market value of One Hundred and Fifty Four Thousand, Five Hundred Dollars (\$154,500).

Beaufort TEC proposes to use this building for Special Schools Projects for new or expanding industries, for special projects within our industrial division and for storage of equipment and supplies. By accepting this donation, Beaufort TEC would be in a position to remove some of the temporary buildings located on the campus which are presently being used for the above mentioned purposes.

RECOMMENDATION: Beaufort TEC request the approval of the State Board for Technical and Comprehensive Education to accept the generous donation made by the Kinghorn family.

*W.H.
President*

APPRAISAL
of
KINGBORN INDUSTRIAL PROPERTY
Beaufort, South Carolina



By

Don H. Fisher
Real Estate Appraiser



P. O. Box 844 1204 Boundary Street Beaufort, South Carolina 29902 803-524-4555

May 14, 1980

Mr. Mills Kinghorn
Kinghorn Building Supply, Inc.
Depot Road
Beaufort, South Carolina 29902

Dear Mr. Kinghorn:

I have personally examined some of the real property presently owned by Mills, J.B. and Mildred P. Kinghorn located in Beaufort, South Carolina. I refer specifically to the industrial property adjacent to the western boundary of the Seaboard Coastline Railway and south of Hermitage Road. The property includes the land, a masonry industrial building and a small frame residence. This examination was done to establish my opinion of the market value as of May 14, 1980.

Based on my examination of the improvements and of a review of similar parcels of real estate, it is my opinion that this property has a market value of:

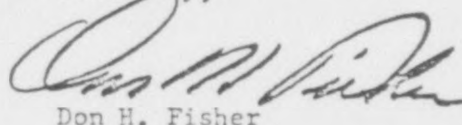
ONE HUNDRED FIFTY-FOUR THOUSAND FIVE HUNDRED DOLLARS

\$ 154,500

The following report presents a review of the factors on which my estimate of value was determined. I am retaining all of my notes on this appraisal in my permanent files and they will be available for your inspection at any time.

With kindest regards, I am

Sincerely,


Don H. Fisher

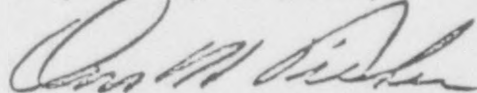
DHF/bk
encls.



CERTIFICATION OF VALUE

The undersigned appraiser certifies that he has personally inspected the property herein described, located in Beaufort County, South Carolina; that he has no past, present or prospective, direct or indirect interest in the said property or the use of this appraisal; that his employment in this appraisal is not in any manner contingent upon returning appraisal findings in any specified or implied amount or otherwise contingent upon anything else other than the delivery of this report; that to the best of his knowledge and belief, all of the statements and opinions contained in this report are correct; and that this appraisal has been made in conformity with the Professional Standards of the American Institute of Real Estate Appraisers.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Don H. Fisher".

Don H. Fisher

May 14, 1980

PURPOSE AND DATE OF APPRAISAL

The purpose of this appraisal is to estimate the market value of the subject property as of May 14, 1980. The market value is defined as "the estimated price, in terms of money, which a property should bring in a competitive and open market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently and knowledgeably and presuming the price is not affected by undue influence".

INTEREST APPRAISED

The interest of this appraisal is a Fee Simple Title. There are no encumbrances or easements on this property that are known to this appraiser and none have been considered.

This is industrial property located adjacent to the right-of-way of the Seaboard Coastline Railway in the City of Beaufort, South Carolina. The subject of this appraisal is the land and an industrial building that has housed numerous commercial occupations during its existence. This appraisal also includes a frame residence located along the northern boundary of the subject property. The details of these improvements are included in the body of this appraisal.

The scope of this appraisal includes the land and the permanently attached improvements. It is recognized that any existing business will have had established some reputation of good will throughout the community. This reputation may have some significant dollar value. Because of the variety of activities that have been associated with this property throughout its history no attempt has been made to evaluate this factor and it is not included in this report.

UTILITIES

Public utilities available to this property are telephone and electricity. Domestic water is available from the City of Beaufort. Sewage disposal is by a septic tank system. Garbage and trash removal are by the City of Beaufort. Police and Fire protection are also by the City of Beaufort. There is a fire hydrant in the immediate vicinity of this property.

LEGAL DESCRIPTION

The property is located adjacent to the western right-of-way of the Seaboard Coastline Railway and south of Hermitage Road in the City of Beaufort, South Carolina. The deed is properly recorded in the names of Mills, J.B. and Mildred P. Kinghorn in the Office of the Clerk of Court, Beaufort, South Carolina. The property is further shown as Parcel 28, Map 5, Beaufort Township, of the Hunnicutt Series of Tax Maps, Beaufort County, South Carolina.

ASSESSED VALUATION AND TAXES (1980) ESTIMATED

| | Assessed Valuation (6%) | Taxes (Estimated) |
|--------------|----------------------------|----------------------|
| Land | \$ 1,680.00 | \$ 386.00 |
| Improvements | 2,130.00 | 490.00 |
| | <hr/> | <hr/> |
| TOTALS | \$ 3,810.00 | \$ 876.00 |

SITE DESCRIPTION

The subject property is located on the western right-of-way of the Seaboard Coastline Railway, south of Hermitage Road in the City of Beaufort. This is a rectangular shaped parcel with approximately 295 feet along the railroad right-of-way. The entire parcel is approximately 200 feet wide. The owners have indicated their intention of including the western 25 feet of the subject property with some adjacent residential lots. Therefore, the property that is the subject of this appraisal is approximately 175 feet wide. The entire parcel, 295 feet by 175 feet, contains almost 1.19 acres. This is all high well drained land. There is no tree coverage and the entire lot is available for development.

295 x 200 =
1.36 acres

Access to this site is by a 20 foot right-of-way from Fripp Street along the western boundary of the Seaboard Coastline Railway.

IMPROVEMENTS

There are two improvements on the subject property that are included in this appraisal. The first is a large industrial building approximately 50 years old. This building was originally constructed as a meat processing plant, however it has served a number of businesses during the past several years. These have ranged from a cucumber processing plant to a ceramic tile manufacturing company. (The building is entirely masonry construction. It has poured, re-inforced concrete floors and columns. The major portion of the building contains three stories, the remainder has two levels. The building contains 13,349 square feet of useable floor space, the loading dock consists of 1,040 square feet and the ramp contains 1,120 square feet. The building is serviced by a mechanical elevator. This elevator is disconnected and is in-operative. It could be restored to service with some repairs.

The exterior of the building includes two material handling areas. The first is a masonry loading dock approximately 117 feet long. This is on the eastern side of the building and is adjacent to the railroad siding. The other is a masonry ramp which provides a drive-in from the ground level to the second floor of the main portion of the building. Both the loading dock and the ramp are in serviceable condition.

This building is accurately described in one of the reference materials available to this appraiser, The Marshall & Swift Valuation Service. The building is specifically described by them as an "Average, Class B, Industrial Building". The entire structure appears to be sound and is in generally fair condition.

The second major improvement is a frame, single story residence, which contains four rooms and a bath. It has heat, but no air-conditioning. The building contains 805 square feet and is in generally fair condition.

ZONING

The subject property is located within the Corporate Limits of the City of Beaufort, South Carolina. The current zoning ordinance of the city governs the use of this property. While this is a commercial building located adjacent to a railroad, the current ordinance lists this property as residential. It is my opinion that the zoning for this property is unrealistic and the City would be receptive to a recommended change to some reasonable alternate use. While current zoning is residential, the City will permit use of this property as a storage facility.

HIGHEST AND BEST USE

During this appraisal it was necessary to investigate a number of alternate uses for this industrial building. Several were considered, including the conversion to a multi-family residence. Serious consideration was given this proposal, however it was discarded as economically impractical. The estimated income, when converted, would not justify the estimated cost of construction. Some repairs are needed to this building before it could be put to any commercial use. These repairs would be minimal if the building was restored as a storage facility. Therefore, it is my opinion that the highest and best use of this property would be the conversion to a storage facility.

DISCUSSION

During the course of this appraisal it was necessary to examine a number of factors in order to estimate a supported opinion of the market value. A brief outline of the results of this investigation are included for consideration.

COST APPROACH TO VALUE

The first method used in an attempt to estimate the market value is the cost to replace a like item. In doing this, standard reference books available to this appraiser were consulted. In addition, local building costs by contractors in the Beaufort area were considered. It is my opinion that a building similar to the subject industrial building could be constructed for \$15.55 per square foot. Therefore, the following figures are considered appropriate:

| | | |
|--|----|-----------------------------|
| Industrial Building | | |
| 13,349 square feet X \$15.55 per sq.ft.= | \$ | 207,577.00 |
| Ramp | | |
| 1,120 square feet X \$10.00 per sq.ft.= | | 11,200.00 |
| Loading Dock | | |
| 1,039 square feet X \$5.00 per sq.ft.= | | 5,195.00 |
| | | <hr/> |
| | \$ | 223,972.00 |
| Less 40% Depreciation | | |
| 25% Physical | | |
| 15% Functional | (| 89,589.00) |
| Estimated Value: | \$ | 134,383.00 \$ 134,383.00 |
| Frame Dwelling | | |
| 805 square feet X \$12.00 per sq.ft.= | | 9,660.00 |
| Less 35% Depreciation | | |
| 25% Physical | | |
| 10% Functional | (| 3,381.00) |
| Estimated Value: | | 6,279.00 6,279.00 |
| Land - 1.19 acres | | 23,000.00 23,000.00 |
| | | <hr/> |
| Total Estimated Value: | | \$ 163,662.00 |

MARKET SALES APPROACH TO VALUE

During this appraisal an attempt was made to compare the subject property with the sale of similar items of industrial property. To my knowledge there have been no sales in the local area in recent history that could be used as a means of estimating comparable value. It was beyond the scope of this appraisal to travel to a major metropolitan area to find recent sales of similar properties. In addition, it is my opinion that other means are available for determining an accurate estimate of market value.

INCOME APPROACH TO VALUE

During this investigation the possible income to be generated by the efficient use of this building was used to establish an estimate of market value. In so doing, the highest and best use as a storage facility was considered the most appropriate utilization. It is fully recognized that some repairs to the building would be necessary in order to provide for the efficient economic use. Therefore, the following factors are presented as appropriate:

| | | |
|---|--------------|---------------|
| Industrial Building | | |
| Annual Gross Income | | |
| 13,349 square feet @ \$1.40 per sq.ft. = \$ | 18,689.00 | |
| Less 10% Vacancy Factor | (1,869.00) | |
| Estimated Annual Gross Income | 16,820.00 | |
| Capitalization rate 10% | | |
| (Assumed for a prudent investor) | | |
| I/R = V \$16,820.00 / .10 = | 168,200.00 | |
| Less Estimated Repairs | (20,000.00) | |
| Estimated Value of Building | | 148,200.00 |
| Estimated Depreciated Value of Residence | 6,279.00 | 6,279.00 |
| | | <hr/> |
| Value of the Property by Income Approach: | | \$ 154,479.00 |

VALUE OF THE LAND

During this appraisal, the sale of other items of commercial property were considered. While there are no recent sales in the industrial area, the sales of similar properties in other locations in the county are considered appropriate.

The entire property as shown on the tax records was not considered. Instructions to this appraiser were to exclude the western 25 feet of the lot. Therefore, only that portion measuring approximately 175 feet X 295 feet was considered. It is my opinion that if this property were vacant and unimproved, it would have a market value of: \$23,000.00.

CONCLUSION

It is my opinion that the most realistic approach to market value for the subject property is the Income Approach. The highest and best use is the conversion to a storage facility. From this, the greatest economic return can be realized by a prudent investor. Therefore, it is my opinion that the subject property has a market value of:

\$ 154,500.00

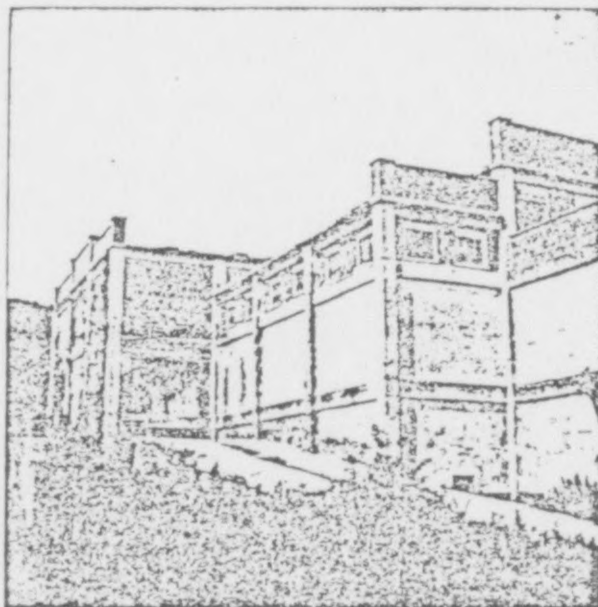
I am retaining all of my notes on this appraisal in my permanent files and they will be available for your inspection at any time.



Frame Residence



Industrial Building



PERSONAL QUALIFICATIONS OF THE APPRAISER

EDUCATION:

| | |
|--|-------------|
| University of Florida | 1941 - 1943 |
| George Washington University | 1962 - 1964 |
| U.S. Naval War College (BS) | 1963 - 1964 |
| S.C. Realtors Education Foundation | |
| Course 1 | 1972 |
| Course 2 | 1972 |
| Course 3 | 1975 |
| Designated GRI | 1975 |
| American Institute of Real Estate Appraisers | |
| Course 1A - Univ. of Georgia | 1973 |
| Course VIII - Univ. of Tampa | 1979 |
| Course 1B 1 - Univ. of Georgia | 1980 |

MEMBERSHIP:

| | |
|---|------|
| Beaufort County Board of Realtors | |
| South Carolina Board of Realtors | |
| National Board of Realtors | |
| Rotary International | |
| American Institute of Real Estate Appraisers, | |
| Candidate | 1980 |

N

Kinghorn

Industrial property

20'
access to
Fripp St.

House

Railroad
property

Industrial
Building

295'

EXHIBIT

JUN 24 1980

NO. 8

STATE BUDGET & CONTROL BOARD

25'
not
included

175'

Not to
Scale.

EXHIBIT

JUN 24 1980

NO. 9

ORIGINAL

STATE BUDGET & CONTROL BOARD

A RESOLUTION
MAKING PROVISION FOR THE ISSUANCE AND SALE OF SEVENTY
MILLION DOLLARS (\$70,000,000) STATE CAPITAL IMPROVEMENT
BONDS SERIES M TO BE DATED AUGUST 1, 1980.

BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF
SOUTH CAROLINA:

SECTION 1.

As an incident to the adoption of this Resolution, the
State Budget and Control Board of South Carolina (the State
Board) has made the following findings:

(1) For the purpose of this Resolution, the term Act
1377 as used herein shall mean Act 1377 of the Acts of the
General Assembly of the State of South Carolina for the year
1968 as now or hereafter amended including the amendments
effected in 1979. Act 1377 was duly enacted by the General
Assembly in the year 1968 and became effective upon its
approval by the Governor on June 24, 1968. It has been
amended by statutes enacted by the General Assembly during
each annual session of the Assembly thereafter through the
year 1980.

(2) The State Board is authorized by Act 1377 to make
provision for the issuance of State Capital Improvement
Bonds in order to raise funds for the expenditures
authorized by Act 1377.

(3) The Statutory limit now controlling the issuance
of State Capital Improvement Bonds is fixed at
\$774,566,214.10, exclusive of bonds issued on behalf of the

Mental Health Commission as provided in Act 1276 of 1970 and Act 1272 of 1970, and bonds issued on behalf of the Commission on Mental Retardation as provided in Act 1087 of 1970. Heretofore, \$410,380,000 of State Capital Improvement Bonds have been issued, leaving unissued a substantial balance of the existing authorization. Notwithstanding, State Capital Improvement Bonds must be issued in such fashion that the provisions of subparagraph "c" of paragraph 6 of Section 13 of new Article X of the Constitution of South Carolina and the statutory limitation imposed by the General Assembly in 1980 are complied with. The limitation (5% instead of the 7% constitutional limitation) appears in the General Appropriation Act for 1980-81.

SECTION 2.

The State Board finds that provision should now be made to raise \$70 Million. It is intended that this sum shall be applied to provide funds for the retirement of certain Bond Anticipation Notes of the State of South Carolina and, except as limited by Section 8, *infra.*, to provide funds for any of the projects and undertakings whose funding is authorized by Act 1377.

The State Board further finds that the issuance of the \$70 Million of bonds will be within the applicable statutory authorization prescribed by Act 1377 and if sold under the conditions prescribed by this Resolution will be within the limitations imposed by subparagraph (c) of paragraph 6 of

Section 13 of New Article X and by the 1980 statutory limitation above referred to. In so finding, the State Board relies on estimates of the general fund revenues for the fiscal year to end June 30, 1980, but notes that prior to the delivery of all bonds herein authorized to be sold actual figures will be available. Actual figures for 11 months to date establish that a substantial margin will exist.

SECTION 3.

The Governor of South Carolina and the State Treasurer of South Carolina be and they are hereby requested to effect the issuance of \$70 Million of State Capital Improvement Bonds in accordance with the provisions of this Resolution.

SECTION 4.

The bonds shall be in the aggregate principal amount of \$70 Million, shall be designated "State Capital Improvement Bonds, Series M", shall be in the denomination of \$5,000 each, and shall be numbered from M-1 to M-13,200, inclusive.

SECTION 5.

The said bonds shall be dated August 1, 1980, and shall mature, in annual series or installments, in numerical order, as follows:

\$3,000,000 on August 1 in each of the years
1981 to 1990, inclusive;

\$4,000,000 on August 1 in each of the years
1991 to 1995, inclusive; and

\$5,000,000 on August 1 in each of the years
1996 to 1999, inclusive.

The bonds of this issue maturing on and after August 1, 1991, being bonds numbered M-6001 to M-14,000, inclusive, shall be 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 August 1, 1990, 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, shall be given by the State of South Carolina by publication at least once, not less than 30 days and not more than 60 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.

SECTION 6.

The bonds shall bear such rate or rates of interest, payable on February 1 and August 1 of each year hereafter, commencing February 1, 1981, 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 7%;
- (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 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 August 1, 1980, until their respective maturities, less any sum named by way of premium.

SECTION 7.

Both the principal of and interest on the bonds shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts. The bonds shall be issued as coupon bonds, payable to bearer, 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. Except as to bonds registered as to principal, or as to bonds registered as to both principal and interest, such payments of principal and interest shall be made, upon presentation of the bonds or coupons then due, at not more than two banks or trust companies (the Paying Agent), 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 of the United States, having an office in the City of Columbia, State of South Carolina; and

(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.

SECTION 8.

The bonds are issued to pay, when due, \$10,000,000 of Bond Anticipation Notes of the State of South Carolina dated March 6, 1980 and maturing October 10, 1980 and to provide funds for any of the projects and undertakings whose funding is authorized by Act 1377 except that none of the proceeds of the bonds herewith authorized shall be expended for the Gasohol Development Loan Program referred to as Item 2 of Section 1 of Part I of Act 194 of 1979 unless, prior to any such expenditure a decision of the Supreme Court of South Carolina shall have been rendered holding that the expenditure of bond proceeds for such purpose does not violate the provisions of paragraph 3 of Section 13 of new Article X of the Constitution of South Carolina. The principal proceeds of such bonds shall be expended by the State Treasurer for such purposes only and in accordance with Section 15 hereof.

SECTION 9.

The bonds shall be signed by the Governor of South Carolina and by the State Treasurer of South Carolina; the Great Seal of the State shall be reproduced thereon, attested by the Secretary of State of South Carolina; provided that any two of such officers required to execute or attest the execution of the bonds may employ a facsimile of their signature in lieu of the manual signing or attesting the bonds, but there shall be at least one manual

signature on each of the bonds. The coupons attached to said bonds shall be authenticated by the facsimile signature of the State Treasurer in office on the date of the adoption of this Resolution. The execution of the bonds and coupons as provided for by this Section shall be valid notwithstanding any subsequent change in office of any of such officers.

SECTION 10.

For the prompt payment of the principal of and interest on the bonds, as they respectively mature, the full faith, credit and taxing power of the State of South Carolina are hereby irrevocably pledged, and as required by Act 426 of the Acts of 1978 the State Treasurer is hereby directed to set aside from the tax revenues received in each fiscal year in which the interest on and principal of State Capital Improvement Bonds will become due so much of such tax revenues as may be necessary in order to pay the principal of and interest on all State Capital Improvement Bonds 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.

SECTION 11.

The form of the bonds, with interest coupons thereto attached, and the registration certificate to be endorsed thereon shall be substantially as set forth in Exhibit "A" attached hereto and made a part hereof.

SECTION 12.

Both the principal of and interest on the bonds shall be exempt from all state, county, municipal, school district, and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate or transfer taxes.

SECTION 13.

In case any bond shall become mutilated in respect to the body of such bond or the coupons, if any, appertaining thereto, or shall be believed to have been destroyed, stolen, or lost, upon proof of ownership, satisfactory to the Governor and the State Treasurer of South Carolina, and upon surrender of such mutilated bond, with its coupons, if any, to the State Treasurer of South Carolina, or upon receipt of evidence satisfactory to the State Treasurer of South Carolina of such destruction, theft or loss, and upon receipt also of indemnity satisfactory to the State Treasurer of South Carolina, and upon payment of all expenses incurred by the State of South Carolina for any investigation relating thereto, and all expenses incurred in connection with the issuance of any new bond under this Section, the Governor, State Treasurer and Secretary of State of South Carolina shall without further action of the Board execute and deliver a new bond of the same maturity, in either coupon or fully registered form, for the same

aggregate principal amount, with the coupons, if any, appertaining thereto, of like tenor and date, bearing the same number, with such notations as the State Treasurer of South Carolina shall determine, in exchange and substitution for, and upon the cancellation of, the mutilated bond, its coupons, if any, or in lieu of and in substitution of the bonds and coupons, if any, so lost, stolen, or destroyed.

SECTION 14.

The bonds shall be sold at public sale, together with an issue of \$5,900,000 State School Bonds in such manner that persons bidding shall be required to bid on both the State Capital Improvement Bonds and the State School Bonds as though such issues constituted only a single issue of bonds, at not less than par and accrued interest. The said bonds shall be advertised for sale in the following publications:

THE BOND BUYER, a financial journal published in the City of New York, State of New York; and

THE STATE, a daily newspaper published in the City of Columbia, State of South Carolina;

which Notice of Sale shall appear at least once, not less than ten days prior to the date set for said sale. The form of notice, time and conditions of sale shall be substantially as set forth in Exhibit "B" attached hereto and made a part and parcel hereof.

SECTION 15.

The proceeds derived from the sale of the bonds shall be applied and disposed of as follows:

(1) Any accrued interest shall be applied to the payment of the first installment of interest to become due on the bonds;

(2) The premium, if any, shall be applied to the payment of the first installment of principal of said bonds;

(3) The remaining proceeds shall be applied to meet the expenses in connection with the issuance of the bonds as authorized by Act 1377, and thereafter applied to expenditures directed by Section 8 of this Resolution.

In effecting the payment of the Bond Anticipation Notes, the State Treasurer shall utilize so much as may be required from the line appropriation for Debt Service in the Appropriation Bill for the fiscal year July 1, 1980, to June 30, 1981, to pay the interest on the outstanding \$10 Million Bond Anticipation Notes maturing on October 10, 1980.

SECTION 16.

The bonds shall be printed and shall be forthwith executed in the manner set forth in Section 9 hereof, in order to effect their delivery on the occasion prescribed by the Notice of Sale.

SECTION 17.

If all of the bonds and coupons representing interest thereon, issued pursuant to this Resolution, shall have been paid and discharged, then this Resolution and all rights granted hereby shall cease and determine. Bonds and coupons shall be deemed to have been paid and discharged within the

meaning of this Section:

(a) If the Paying Agent shall hold, at their maturity in trust for and irrevocably appropriated thereto, sufficient moneys for the payment of the principal thereof and accrued interest to the date of maturity, or if default in such payment shall have occurred on such date, then to the date of the tender of such payments or

(b) If there shall have been deposited in an irrevocable Trust moneys or direct obligations of the United States of America or obligations guaranteed by the United States of America, the principal of and interest on which, when due, will provide moneys, which together with moneys, if any so deposited at the same time, will be sufficient to pay when due the principal, interest and redemption premiums, if any, on the Bonds so defeased in accordance herewith.

Any moneys or securities which at any time shall be so deposited, by or on behalf of the State of South Carolina, for the purpose of paying and discharging any of the bonds or coupons, shall be, and are hereby, assigned, transferred and set over in trust for the respective holders of the bonds and coupons, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. But, if through lapse of time or otherwise, the holders of said bonds or coupons shall no longer be entitled

to enforce payment of their obligations, then, in such event, said funds or securities shall revert to the State of South Carolina.

SECTION 18.

If bids are received in accordance with the terms and conditions of sale as herein provided, the Governor and the State Treasurer shall and they are hereby authorized and empowered to award the sale of the bonds to the bidder naming the lowest interest cost to the State, without further action on the part of this Board.

SECTION 19.

All prior Resolutions of the State Board inconsistent herewith are hereby repealed.

EXHIBIT

JUN 24 1980 NO. 9

STATE BUDGET & CONTROL BOARD

EXHIBIT

JUN 24 1980

NO. 9

STATE BUDGET & CONTROL BOARD

Exhibit A

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
STATE CAPITAL IMPROVEMENT BOND
(SERIES M)

No. M-_____

\$5,000

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 August, 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 February 1 and August 1 of each year hereafter, commencing February 1, 1981, according to the tenor, and upon presentation and surrender, of the annexed coupons as 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 _____, State of _____, or at the option of the holder, at the principal office of _____, in the City of _____, State of _____.

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 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 issue maturing on and after August 1, 1991, being bonds numbered M-6001 to M-14,000, 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 August 1, 1990, 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 30 days and not more than 60 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 an issue of bonds in the aggregate principal amount of Seventy Million Dollars (\$70,000,000)

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 Act No. 1377 of the Acts of the General Assembly of the State of South Carolina for the year 1968, as amended, for the purpose of raising funds for purposes authorized by said Act.

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.

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, 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, and that provision has been made for the allocation, on an annual basis, of sufficient tax revenues to provide for the punctual payment of the principal of and interest on this bond and the issue of bonds of which this bond is one.

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, 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, the coupons attached hereto 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 August 1, 1980.

(SEAL)

Governor

State Treasurer

Attest:

Secretary of State

EXHIBIT B

OFFICIAL NOTICE OF SALE

\$75,900,000

GENERAL OBLIGATION 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 Tuesday, July 15, 1980, until 12:00 Noon (local time), at which time the proposals will be publicly opened and announced for the purchase of \$75,900,000 General Obligation Bonds of the State of South Carolina.

The foregoing bonds will consist of two issues enumerated below, which, in their aggregate, are offered as a single issue:

(1) \$70,000,000 State Capital Improvement Bonds, Series M, issued for the purpose of defraying the cost of certain capital improvements pursuant to and in accordance with the Constitution and Laws of the State of South Carolina, payable in installments on August 1 as follows:

\$3,000,000 on August 1 in each of the years 1981 to 1990, inclusive;

\$4,000,000 on August 1 in each of the years 1991 to 1995, inclusive; and

\$5,000,000 on August 1 in each of the years 1996 to 1999, inclusive.

(2) \$5,900,000 State School Bonds, Series MM, issued for the purpose of defraying the cost of certain capital improvements for school buildings pursuant to and in accordance with the Constitution and Laws of the State of South Carolina, payable in installments on August 1 as follows:

\$500,000 on August 1 in each of the years 1981 to 1984, inclusive;

\$900,000 on August 1 in the year 1985; and

\$1,000,000 on August 1 in each of the years 1986 to 1988, inclusive.

The bonds will be dated August 1, 1980, 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 February 1 and August 1 of each year, beginning February 1, 1981.

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 State Capital Improvement Bonds will be numbered consecutively from 1 upwards in the order of their maturities and will bear the prefix "M".

The State School Bonds will be numbered consecutively from 1 upwards in the order of their maturities and will bear the prefix "MM".

The composite maturity schedule of the State Capital Improvement Bonds and the State School Bonds is as follows:

| <u>Year</u> | <u>Principal Amount</u> | <u>Year</u> | <u>Principal Amount</u> |
|-------------|-----------------------------|-------------|-----------------------------|
| 1981 | 3,500,000 | 1990 | 3,000,000 |
| 1982 | 3,500,000 | 1991 | 4,000,000 |
| 1983 | 3,500,000 | 1992 | 4,000,000 |
| 1984 | 3,500,000 | 1993 | 4,000,000 |
| 1985 | 3,900,000 | 1994 | 4,000,000 |
| 1986 | 4,000,000 | 1995 | 4,000,000 |
| 1987 | 4,000,000 | 1996 | 5,000,000 |
| 1988 | 4,000,000 | 1997 | 5,000,000 |
| 1989 | 3,000,000 | 1998 | 5,000,000 |
| | | 1999 | 5,000,000 |

The State School Bonds are not subject to redemption. The State Capital Improvement Bonds maturing on and after August 1, 1991, 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 August 1, 1990, 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 State Capital Improvement Bonds are issued pursuant to Act No. 1377 of the Acts of the General Assembly of the State of South Carolina for the year 1968, as amended.

The State School Bonds are issued pursuant to Title 59, Chapter 71, Article 5, Code of Laws of South Carolina, 1976, as amended.

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 7%;
- (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 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 August 1, 1980, until their respective maturities. Bidders are requested to complete the tabulation 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.

Bids will be accepted or rejected by 1:00 P. M. (local time) on the day of the sale. 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 will 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; and

(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 fail to agree upon the banks or trust companies at which the bonds will be payable, then, in such event, the bonds, both principal and interest, will 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, 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 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 General Obligation 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 \$750,000, 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 fails 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 \$75,900,000 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, Charleston, South Carolina. The opinions with respect to each issue of bonds 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 the bonds as they become due and payable; and (3) that provision has been made for the allocation, on an annual basis, of sufficient tax revenues to provide for the punctual payment of the principal of and interest on the bonds.

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.

It is anticipated that CUSIP identification numbers will be printed on the bonds, but neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereto to accept delivery of and pay for the bonds in accordance with the terms of the purchase contract.

The Official Statement will be mailed on or about July 3, 1980. 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.

RICHARD W. RILEY, Governor
GRADY L. PATTERSON, JR., State Treasurer

Publication Date:
July 3, 1980

EXHIBIT

JUN 24 1980 NO. 9

STATE BUDGET & CONTROL BOARD

EXHIBIT

STATE BUDGET AND CONTROL BOARD JUN 24 1980 NO. 10 REGULAR SESSION AGENDA

MEETING OF June 24, 1980

STATE BUDGET & CONTROL BOARD

ITEM NUMBER

7

Agency: Parks, Recreation and Tourism

Subject: Acquisition of Lake Warren State Park Properties

Because the funding was included in the bond bill then pending, the Board at its June 10 meeting carried over its consideration of a PRT request for authorization to expend \$300,000 from the Recreation Land Trust Fund for the acquisition of property for the Lake Warren State Park. The Board was advised at that time that the acquisition of that property must be accomplished prior to July 10 which is the expiration date of the previously-extended option agreement.

PRT has proposed, if a procedure is not worked out for releasing the Recreation Land Trust Fund authorization in the recently-passed bond bill, to advance presently-available bond funds authorized for other purposes pending the release of the funds authorized for the Recreation Land Trust Fund in the 1980 Bond Act. Details on this proposal are presented in the attachments.

Board Action Requested:

Consider

Staff Comment:

Attachments:

EXHIBIT

JUN 24 1980 NO. 10

STATE BUDGET & CONTROL BOARD

3. Approval to Spend an Additional \$300,000 from the Recreation Land Trust Fund to Replenish Presently Frozen Federal Matching Funds for Lake Warren--The Budget and Control Board at its meeting of April 8, 1980, authorized the State to pay up to four percent more than the appraised fair market value of this park bringing the total cost of the acquisition to \$616,277.48. The Board had previously authorized the expenditure of \$330,000 from the Recreation Land Trust Fund to cover the State's share of this project along with appraisals, surveys, legal fees, etc. It was anticipated that HCRS would participate on a 50 percent basis in the total cost of the park. They have, in fact, approved an application for federal funding. However, due to President Carter's rescission of funds, the project is temporarily frozen. The federal government has provided the State a waiver of retroactivity indicating that federal matching funds are forthcoming.

PRT has an option on the property through July 10, 1980, which will not be renewed by the owners. Therefore, we are requesting approval to spend an additional \$300,000 from the Recreation Land Trust Fund to accomplish the acquisition. When federal funds are received, this amount will be replaced in the Recreation Land Trust Fund.

The State Treasurer's Office has advised us that it may not be possible to sell the bonds for the Recreation Land Trust Fund by July 10, 1980. We desperately need \$300,000 for Lake Warren and will also soon need additional bond money from the Trust Fund for land acquisitions in the Mountain Bridge area. However, in the event that the bond market does not improve by that time, we are requesting approval

to utilize existing authorized funds from our capital improvement budget to complete Lake Warren until the bond funds for the Recreation Land Trust Fund can be sold.

EXHIBIT

JUN 24 1980 NO. 10

STATE BUDGET & CONTROL BOARD

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 11

REGULAR SESSION AGENDA

MEETING OF June 24, 1980

ITEM NUMBER

8

STATE BUDGET & CONTROL BOARD

Agency: The Citadel and Parks, Recreation and Tourism

Subject: Release of Permanent Improvement Projects

Colonel Baker requests the release of the Renovation of McAlister Field House project (#H09-013). The project involves a total budget of \$1,315,588 of which construction costs are estimated at \$1,036,000.

PRT requests the release of the Lynches River Swimming Pool project, \$275,000 State funds, to permit the invitation of bids.

Board Action Requested:

Release.

Staff Comment:

Attachments:

Baker June 18 letter to McPherson

1,315,588 1903
1,036,000 1975

JUN 20 1980

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

EXHIBIT

18 June 1980

JUN 24 1980

NO. 11

STATE BUDGET & CONTROL BOARD

Mr. John A. McPherson, Jr.
Chief Engineer
Budget & Control Board
P. O. Box 11333
Columbia, SC 19211

Re: Renovation of McAllister Field
House. S. C. Project Ho9-013

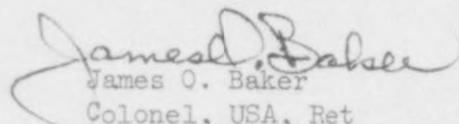
Dear Mr. McPherson,

Design of this project has been completed and reviewed by
Mr. Ed Sampson of your office.

Request the State Budget & Control Board authorized The
Citadel to advertise for construction bids.

Minor changes discussed with Mr. Sampson on 10 June will
be made and coordinated with him prior to advertising.

Sincerely,


James O. Baker

Colonel, USA, Ret
Resident Construction Engineer

RECEIVED

JUN 20 1980

S. C. BUDGET AND
CONTROL BOARD

2. Approval for Five Capital Improvement Projects

- A. Lynches River Swimming Pool--State Funds \$275,000.00. All architect and engineering plans are complete and have been approved by the South Carolina Department of Health and Environmental Control. We request all State committed funds, at this time, to permit South Carolina Department of Parks, Recreation and Tourism to advertise for contractors' bids so that construction of the project might get underway. Federal matching funds for construction of the pool are presently available.
- B. Myrtle Beach Swimming Pool--State Funds \$46,000.00. Project will be self-sustaining. Having received Budget and Control Board approval at its June 10, 1980, meeting of the selection of James Paul Barnes Associates to provide architect and engineering services required, the South Carolina Department of Parks, Recreation and Tourism requests \$46,000.00; (\$41,000 for compensation for architectural services and \$5,000 for additional services: site and soil surveys, etc.), prior to entering a contractual agreement with the architect. Total state funds appropriated to the project--\$375,000.00. We made a typographical error in our previous request and asked for only \$7,000 to cover architectural fees. We actually need \$46,000.00.
- C. Goodale State Park Recreation Building--State Funds \$149,700.00. This small multi-purpose building will be a self-sustaining project which will not require additional personnel for its operation. The park does not presently have a building which will accommodate family reunions, scout meetings or other group activities for which the park receives many requests. The PRT Commission has selected the firm of Don E. Golightly, architects of Columbia, to design and supervise construction of this facility, and we respectfully request the Board's permission to proceed with this project. (Information on consultant previously forwarded).

EXHIBIT

JUN 24 1980

NO. 11

STATE BUDGET & CONTROL BOARD

EXHIBIT

STATE BUDGET AND CONTROL BOARD JUN 24 1980 NO. 12 REGULAR SESSION AGENDA

MEETING OF June 24, 1980

STATE BUDGET & CONTROL BOARD ITEM NUMBER

9

Agency: Parks, Recreation and Tourism

Subject: A&E Selection Approval Request and Project Release

PRT Planner Hanvey advises that the following firms, listed in order of preference, were selected to provide the design services required in connection with a recreation building to be located at Goodale State Park:

| <u>Firm</u> | <u>Location</u> | <u>Reported State Work in Prior Two Years</u> |
|--------------------------------|-----------------|---|
| (1) Design Collaborative, Inc. | Columbia | \$ 250,000+ |
| (2) Anderson Associates | Columbia | \$ -0- |
| (3) Architects Boudreaux, Ltd. | Columbia | \$ 500,000 |

The required selection procedure has been followed.

Board Action Requested:

Approve selection of Design Collaborative, Inc., for referenced project and release at least A&E portion of project.

Staff Comment:

Attachments:

Hanvey April 4 letter to McPherson plus attachments

EXHIBIT

JUN 24 1980

NO. 12

STATE BUDGET & CONTROL BOARD



RECEIVED

APR 07 1980

S. C. BUDGET AND
CONTROL BOARD

April 4, 1980

Mr. John A. McPherson, Jr., Chief Engineer
S. C. State Budget and Control Board
Bankers Trust Tower
Columbia, South Carolina 29201

Re: Architect Selection/Goodale State Park/Project P28-034

Dear Mr. McPherson:

The attached advertisement was placed in the Columbia State Newspaper on the following dates:

1. Tuesday, February 26, 1980
2. Tuesday, March 4, 1980

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

1. Design Collaborative, Inc.
2818 Devine Street
Columbia, South Carolina 29205
2. Anderson Associates
1518 Richland Street
Columbia, South Carolina 29201
3. Architects Boudreaux, Ltd.
824 Woodrow Street
Columbia, South Carolina 29211
4. Smith & Fuller Architects
310 W. Pine Street
Florence, South Carolina 29501

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

South Carolina Department of Parks, Recreation & Tourism

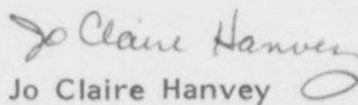
Suite 113, Edgar A. Brown Building • 1205 Pendleton Street • Columbia, South Carolina 29201

Design Collaborative, Inc. was selected as first choice because they have established a reputable office in Columbia, which has prior experience with projects of comparable scale using economical building materials in an aesthetic manner. They displayed excellent design credentials.

The S. C. Department of Parks, Recreation and Tourism Commission, at their April 3, 1980 meeting, approved the selection of Design Collaboratives, Inc. 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,



Jo Claire Hanvey
Park Development Planner

JCH/lim

Attachment

cc: Mr. Fred Brinkman, Executive Director

FIRMS SUBMITTING RESUMES FOR THE DESIGN OF
A RECREATION BUILDING AT GOODALE STATE PARK

| <u>FIRM NAME</u> | <u>CONTACT PERSON</u> | <u>STATE WORK PAST 2 YEARS</u> |
|---|--------------------------------------|------------------------------------|
| 1. Paul E. Allen, Architect 1413 Calhoun Street P. O. Box 2021 Columbia, South Carolina 29202 | Paul E. Allen 803/252-5171 | \$131,812 |
| 2. Anderson Associates 1518 Richland Street Columbia, South Carolina 29201 | William H. Anderson 803/254-8788 | None |
| 3. James Paul Barnes, Associates, Ltd. 189 S. Warley Street P. O. Box 790 Florence, South Carolina 29503 | James P. Barnes 803/669-0014 | None |
| 4. Architects Boudreaux, Ltd. 824 Woodrow Street Columbia, South Carolina 29205 | John A. Boudreaux 803/799-0247 | \$500,000 |
| 5. Carlisle Associates 1015 Gervais Street P. O. Box 11528 Columbia, South Carolina 29211 | William A. Carlisle 803/252-3232 | \$3,400,000 |
| 6. Marshall Clarke Architects, Inc. Suite 200-D Century Plaza 211 Century Drive Greenville, South Carolina 29607 | J. Michael Taylor 803/232-8204 | \$1,590,000 |
| 7. Design Collaborative, Inc. 2818 Devine Street Columbia, South Carolina 29205 | Don E. Golightly 803/799-6900 | \$250,000 + |
| 8. James Associates 903 Elmwood Avenue Suite C Columbia, South Carolina | Alex C. James 803/252-6150 | None |
| 9. Robert Johnson, Inc. Suite 201, 198 Doyle St., N.E. Orangeburg, South Carolina 29115 | Robert C. Johnson 803/536-9226 | None |
| 10. R. H. Kent Associates 1905 Sumter Street Columbia, South Carolina 29201 | Robert H. Kent, P.E. 803/788-8265 | None |

EXHIBIT

JUN 24 1980

NO. 12

STATE BUDGET & CONTROL BOARD

| <u>FIRM NAME</u> | <u>CONTACT PERSON</u> | <u>STATE WORK PAST 2 YEARS</u> |
|--|--|------------------------------------|
| 11. Mayes, Suddeth & Etheredge, Inc. Jefferson Square, Suite 309 Box J-776 Columbia, South Carolina 29201 | Carey C. Burnett 803/254-9863 | None |
| 12. McDuffie & Associates P. O. Box 422/Neeses Road Orangeburg, South Carolina 29115 | William S. McDuffie, AIA 803/536-9175 | \$10,300,000 |
| 13. W. Powers McElveen & Associates 204 Aetna Building, 1777 St. Julian Place Columbia, South Carolina 29204 | W. Powers McElveen 803/256-4121 | None |
| 14. Rosenblum & Associates Architects, Inc. 27 Vendue Range Charleston, South Carolina 29401 | Jeffrey Rosenblum, AIA 803/577-6073 | None |
| 15. Thomas W. Salmons, III, AIA 2801 Devine Street Columbia, South Carolina 29205 | Thomas W. Salmons, III, AIA 803/254-0514 | None |
| 16. J. E. Sirrine Company P. O. Box 5456 Greenville, South Carolina 29606 | J. Coleman Shouse 803/298-6000 | None |
| 17. Smith & Fuller Architects 310 W. Pine Street Florence, South Carolina 29501 | Munford G. Fuller 803/662-9961 | \$1,140,000 |
| 18. Stevens & Wilkinson 1622 Bull Street Columbia, South Carolina 29201 | Robert T. Lyles, AIA 803/765-0320 | \$19,200,000 |
| 19. CEDA, Incorporated 1605 Blossom Street Columbia, South Carolina | H. Glenn McGee, AIA 803/779-7100 | None |

EXHIBIT

JUN 24 1980

NO. 12

STATE BUDGET & CONTROL BOARD

ATTACHMENT IV

LIST OF ALL ARCHITECTURAL & ENGINEERING CONTRACTS
AWARDED IN THE PAST THREE YEARS

1. October 1978

Neal Architects
Greenville, S. C.

Community Building
Table Rock State Park
Estimated construction cost - \$250,000

2. October 1978

Wilbur Smith & Associates
Columbia, S. C.

Advise and consult on the plannint for development
and use of Hampton Plantation
Architectural fee - \$7,500

3. December 1978

Wilkins-Wood & Associates
Florence, S. C.

Swimming Pool Complex
Lynches River State Park
Estimated construction cost - \$360,000

4. January 1979

Tom Jackson, Inc.
Greenville, S. C.

Golf Course Design
Hickory Knob State Park

Estimated construction cost - \$1,107,191

5. January 1979

Davis & Floyd Engineers, Inc.
Greenwood, South Carolina

Robert E. Marvin & Associates
Walterboro, South Carolina

(A Joint Venture)

Estimated construction cost (State) - \$6,699,299

EXHIBIT

JUN 24 1980

NO. 12

STATE BUDGET & CONTROL BOARD

6. March 1979

Comprehensive Architects
Columbia, South Carolina

Chapel Building
Andrew Jackson State Park
Estimated construction cost - \$50,000

7. July 1979

Patchen, Mingledorff & Associates, Inc.
Aiken, South Carolina

Restoration of Redcliffe Plantation House
Redcliffe Plantation State Park

Estimated construction cost - \$34,710

EXHIBIT

JUN 24 1980 NO. 12

STATE BUDGET & CONTROL BOARD



April 28, 1980

Mr. Don E. Golightly
Design Collaborative, Inc.
2828 Devine Street
Columbia, S. C. 29205

Dear Mr. Golightly:

This letter is to confirm your selection as Architect for the design of the recreation building, N. R. Goodale State Park.

Your signed contract has been submitted to the State Engineer's Office of the Budget and Control Board, pending their decision concerning expenditure of bonds, approval should be forthcoming. Should substantial time elapse before written approval is received by S. C. Department of Parks, Recreation and Tourism to enter a contract, renegotiation of your lump sum fee will be in order. Should you have any questions concerning this matter, please call me at 758-3634.

Sincerely,

Jo Claire Hanvey
Park Development Planner

JCH/lif

cc: Ray Sisk, State Parks Director
Buddy Jennings, Director of Planning
Sam Harper, Consulting Engineer, B&CB

EXHIBIT

JUN 24 1980 NO. 12

STATE BUDGET & CONTROL BOARD

NOTICE TO ARCHITECTS

Submission of a resume of qualifications from Architects will be received by the South Carolina Department of Parks, Recreation and Tourism, Division of State Parks, 1205 Pendleton Street, Columbia, South Carolina 29201, until 5:00 p.m., EST, Wednesday, March 19, 1980 for the design development and construction phases necessary to complete a recreation building to be located at Goodale State Park, Kershaw County, South Carolina.

Resumes and/or inquiries should be directed to the attention of Pearce Thomson at the above address (telephone 803/758-3634).

Firms submitting resume of qualifications shall include a list of all contracts, including construction costs or estimates, the firm has executed on work for any State agency in the past two years.

Pearce Thomson
Engineering & Planning Coordinator
S. C. Department of Parks,
Recreation and Tourism

EXHIBIT

JUN 24 1980 NO. 12

STATE BUDGET & CONTROL BOARD

THE AMERICAN INSTITUTE OF ARCHITECTS

EXHIBIT



JUN 24 1980

NO. 12

STATE BUDGET & CONTROL BOARD

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 _____ day of _____ in the year of Nineteen
Hundred and _____

BETWEEN the Owner: S.C. DEPARTMENT OF PARKS, RECREATION AND TOURISM
Columbia, South Carolina

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

For the following Project:

(Include detailed description of Project location and scope.)

South Carolina Project Number P28 - 034
A Recreation Building at Goodale State Park
Kershaw County, South Carolina

The Owner and the Architect agree as set forth below.

Copyright 1917, 1926, 1948, 1951, 1953, 1958, 1961, 1963, 1966, 1967, 1970, 1974, © 1977 by The American Institute of Architects, 1735 New York Avenue, N.W., Washington, D.C. 20006. Reproduction of the material herein or substantial quotation of its provisions without permission of the AIA violates the copyright laws of the United States and will be subject to legal prosecution.

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 con-

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 N/A 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.)

Compensation shall be a fixed fee of Nine thousand, two hundred, fifty dollars (\$9,250.00).

- 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: | fifteen | percent (15 %) |
| Design Development Phase: | twenty | percent (20 %) |
| Construction Documents Phase: | forty | percent (40 %) |
| Bidding or Negotiation Phase: | five | percent (5 %) |
| Construction Phase: | twenty | percent (20 %) |

one-hundred percent 100%

Compensation shall be made on a 30 day or greater, basis.

- 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.)

Principal's time at the fixed rate of forty-five dollars (\$45.00) per hour.
For the purposes of this Agreement, the Principal is: Don E. Golightly, AIA.

Employees' time at a multiple of two and one-half (2-1/2) times their Direct Personnel Expenses as defined in Article 4.

Travel: Eighteen cents (.18) per mile for travel to a destination beyond a twelve mile radius of Columbia, South Carolina.

- 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**) 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.

EXHIBIT

STATE ENGINEER'S OFFICE

STATE BUDGET & CONTROL BOARD

ARTICLE 15

OTHER CONDITIONS OR SERVICES

- A. S.C. State Engineer's Office Document - (Article 15, Other Conditions or Services) page 1 through 5 is hereby attached to and becomes part of this Agreement. The above referenced State Engineer's supplemental document modifies and supercedes AIA B141, Edition 1977 in the following:
- 15.1, 15.2, 15.2.2, 15.2.3, 15.2.4, 15.2.5, 15.2.6, 15.2.7,
 - 15.2.8, 15.3, 15.3.1, 15.4, 15.4.1, 15.4.2, 15.4.3, 15.5, 15.5.1,
 - 15.6, 15.7, 15.7.1, 15.7.2, 15.8, 15.8.1, 15.9, 15.9.1
- B. Reimbursable expenses are to be provided if authorized or confirmed in writing by Owner.
- 1. Soil Investigation
 - 2. Topographical Survey of Site
 - 3. Reproductions as defined in paragraph 5.1.2 shall be confined to the cost of reproduction of the Bid Documents (Working Drawings and Specifications).

EXHIBIT

JUN 24 1980

NO. 12

STATE BUDGET & CONTROL BOARD

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

OWNER

ARCHITECT

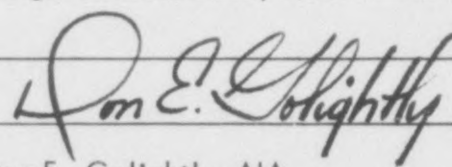
S.C. Dept. of Parks, Recreation & Tourism

Design Collaborative, Inc.

BY

BY

Jo Claire Hanvey
Park Development Planner


Don E. Golightly, AIA
President

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 13 REGULAR SESSION AGENDA

MEETING OF June 24, 1980

STATE BUDGET & CONTROL BOARD ITEM NUMBER

10

Agency: Finance Division (Engineering)

Subject: Permanent Improvement Projects Released by Staff

Acting pursuant to the procedure approved by the Board at the June 10, 1980 meeting, under which construction and equipment projects of \$250,000 or less and A&E contracts involving a fee of \$25,000 or less could be released by staff, an attached sheet summarizes the five actions taken during the June 10 - 24, 1980 period.

Board Action Requested:

Receive as information

Staff Comment:

Attachments:

Summary

PROJECTS RELEASED BY STAFF
(During the June 10 - 24, 1980 Period)

| <u>Project Number</u> | <u>Project Name</u> | <u>Agency</u> | <u>Amount</u> |
|---------------------------|---|-----------------------------------|---------------|
| 1. E24-021 | Hemingway Armory - HVAC Upgrade (To invite bids) | Adjutant General's Office | Est. \$40,000 |
| 2. E24-019 | Leesburg Road - Classroom Renovation (To invite bids) | Adjutant General's Office | Est. \$1,700 |
| 3. E24-023 | Spartanburg Armory - Equipment Storage Facility (To invite bids) | Adjutant General's Office | Est. \$16,000 |
| 4. E24-021 | Sumter Amory - Equipment Storage Facility (To invite bids) | Adjutant General's Office | Est. \$25,000 |
| 5. H67-006 | Renovation/Alteration of ETV Technical Areas (To invite bids) | Educational Television Commission | \$45,000 |

EXHIBIT
JUN 24 1980 NO. 13
STATE BUDGET & CONTROL BOARD

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 14

REGULAR SESSION AGENDA

MEETING OF June 24, 1980

ITEM NUMBER

11

STATE BUDGET & CONTROL BOARD

Agency: Office of Executive Director

Subject: Status Report on Dorchester County Prison Site Issue

County Administrator Hehn of Dorchester County has advised Mr. Putnam that the Dorchester County Council will be prepared to make a tentative decision concerning the location of the proposed medium security prison by July 7, 1980 and that the Council does reserve the right to call a special meeting and make a final decision no later than July 15. Mr. Putnam will advise the Board on this response by the Dorchester County Council to his visit with Council Chairman and Vice Chairman Kenneth F. Waggoner and Rollins Edwards, respectively.

Board Action Requested:

Receive as information.

Staff Comment:

Attachments:

Hehn July 17 letter to Putnam

KENNETH F. WAGGONER
Chairman

ROLLINS EDWARDS
Vice Chairman

DONALD HANDELSMAN

J. MARC HEHN
County Administrator



EXHIBIT

JUN 24 1980

NO. 14
GEORGE P. KNIGHT
WILBUR M. SWEAT
WALTER B. WALL, JR.
T. COKE WEEKS
INEZ McALHANY
Clerk To Council

STATE BUDGET & CONTROL BOARD

COUNTY COUNCIL OF DORCHESTER COUNTY

P. O. BOX 416

ST. GEORGE, SOUTH CAROLINA 29477

June 17, 1980

Mr. William T. Putnam
Executive Director
S. C. Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

Dear Mr. Putnam:

Dorchester County Council met last evening and discussed our meeting of June 13. County Council has asked me to advise you and members of the Budget and Control Board that they will be prepared to make a tentative decision concerning the location of the proposed medium security prison by July 7, 1980. Council does reserve the right to call a special meeting and make a final decision no later than July 15, 1980.

I will keep you advised of Dorchester County Council's actions concerning this matter and please do not hesitate to call me if you have any questions.

Sincerely,

J. Marc Hehn
County Administrator

JMH:kbb

RECEIVED

JUN 19 1980

BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

EXHIBIT

STATE BUDGET AND CONTROL BOARD JUN 24 1980 NO. 16 REGULAR SESSION AGENDA
MEETING OF June 24, 1980 STATE BUDGET & CONTROL BOARD ITEM NUMBER 14

Agency: Office of Executive Director

Subject: Protection and Advocacy System Funding

South Carolina Protection and Advocacy System for the Handicapped, Inc., Executive Director Louise R. Ravenel has requested that her agency be permitted to draw the first quarter of funds appropriated for fiscal year 1980-81 in the amount of \$49,375.

Board Action Requested:

Authorize

Staff Comment:

Attachments:

Ravenel June 18 letter to Putnam plus attachments



THE SOUTH CAROLINA PROTECTION AND ADVOCACY SYSTEM
FOR THE HANDICAPPED, Inc.

EXHIBIT

2360-A Two Notch Road
Columbia, South Carolina 29204
(803) 254-1600

JUN 24 1980 NO. 16

STATE BUDGET & CONTROL BOARD

June 18, 1980

Mr. William T. Putnam
Executive Director
State Budget and Control Board
P. O. Box 12444
Columbia, South Carolina 29211

Dear Mr. Putnam:

I will appreciate your assistance in drawing the first quarter of funds appropriated for us by the State Legislature for Fiscal Year 1980-81 as quickly as possible.

We understand that Governor Riley signed the Budget Bill on June 10 which includes a total \$197,500 for our organization as a special item under the Budget and Control Section. \$49,375 represents one quarter of the funds which we are requesting at this time.

We will provide you with the Fiscal Year 1979-80 expenditure report as soon as it is completed in early July.

Thank you for your cooperation.

Sincerely,

Louise R. Ravenel

Louise R. Ravenel
Executive Director

LRR/lth

cc: Senator Heyward E. McDonald

RECEIVED
JUN 18 1980
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

REGION I
312 RUTHERFORD ROAD
GREENVILLE, S. C. 29609
TEL. (803) 235-0273

REGION II
2360-A TWO NOTCH ROAD
COLUMBIA, S. C. 29204
TEL. (803) 254-1600

REGION III
520 WEST PALMETTO
FLORENCE, S. C. 29501
TEL. (803) 662-0752

REGION IV
3370 RIVERS AVE., SUITE 358
CHARLESTON, S. C. 29405
TEL. (803) 744-4294

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 17 REGULAR SESSION AGENDA

MEETING OF June 24, 1980

ITEM NUMBER

15

STATE BUDGET & CONTROL BOARD

Agency: State Board for Technical and Comprehensive Education

Subject: State Funded Foreign Travel

Executive Director Dudley advises that Training Consultant Wallace Starnes is scheduled to travel to England during the June 28 - July 5, 1980 period for the purpose of visiting the parent plant of Lucas-CAV to become familiar with that company's manufacturing processes. TEC estimates that air fare and subsistence for this travel will cost between \$1,200 and \$1,500 and will be paid from funds in the special schools budget of TEC.

Board Action Requested:

Approve

Staff Comment:

Attachments:

Dudley June 10 letter to Putnam



JUN 12 1980

EXHIBIT

JUN 24 1980

NO. 17

STATE BOARD FOR TECHNICAL
AND
COMPREHENSIVE EDUCATION

STATE BUDGET & CONTROL BOARD

G. WILLIAM DUDLEY, JR.
EXECUTIVE DIRECTOR

1429 SENATE STREET
COLUMBIA, S. C. 29201

June 10, 1980

Mr. William T. Putnam
Executive Director
State Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

Dear Bill:

The Lucas-CAV Plant that located in Greenville is expanding its operation and TEC will provide specialized training to qualify South Carolinians for these new jobs. To develop a Special Schools training program, it will be necessary that a training consultant from our Division of Industrial and Economic Development visit the parent plant and Co-op offices of this company in England to become familiar with the manufacturing process.

The State Board requests your assistance in securing approval from the Budget and Control Board for Wallace Starnes to travel to England June 28th through July 5th for the purpose stated above. Air fare and subsistence is estimated between \$1,200 and \$1,500 and will be paid from funds contained in the Special Schools budget.

For your information, the trip for our training consultant, Bob Taylor, approved to travel to Winterthur, Switzerland, relative to the Rieter, Inc., has been postponed and is being re-evaluated with company personnel.

With kindest regards,

Sincerely,

G. William Dudley, Jr.
Executive Director

GWDjr:bhc

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 15

REGULAR SESSION AGENDA

MEETING OF June 24, 1980

STATE BUDGET & CONTROL BOARD

ITEM NUMBER

13

Agency: Health Coordinating Council

Subject: Travel and Per Diem Expenses of Advisory Group

Mr. Samuel Lyons, Chairman of the Implementation Committee of the Statewide Health Coordinating Council, advises that an advisory group to his committee has been created and that this group is comprised of both members and non-members of the Statewide Health Coordinating Council. He further advises that the non-council members are not eligible for reimbursement for travel expenses nor are they eligible for per diem. He further advises that funds are available for travel reimbursements but that he has been advised that authorization to pay travel costs to these non-council members is needed from the Board or from the General Assembly. He further indicates that if per diem is to be paid both the funds and the authorization are needed.

In particular, Mr. Lyons requests authorization to reimburse travel expenses for ten persons for four meetings and, secondly, he requests an allocation of \$1,400 from the Civil Contingent Fund to pay per diem for these persons and the authorization to do so.

Board Action Requested:

Consider

Staff Comment:

Attachments:

Lyons June 17 letter to Governor Riley



EXHIBIT

JUN 24 1980

NO. 15

**South Carolina
Statewide Health Coordinating Council**

STATE BUDGET & CONTROL BOARD

2600 Bull Street
Columbia, S.C. 29201
758-4162

June 17, 1980

The Honorable Richard W. Riley
Governor of South Carolina
Post Office Box 11450
Columbia, South Carolina 29211

Attention: Katherine Clarke

Dear Dick:

An advisory group to the Implementation Committee of the South Carolina Statewide Health Coordinating Council has been created to define the extent of the problem in primary care, develop possible solutions and target areas for implementation. This advisory group is a widely representative body comprised of both SHCC and non-SHCC members.

It has come to my attention that the non-SHCC members of the group are not eligible for reimbursement for travel expenses nor are they eligible for per diem. Though funds are available for reimbursing travel, it is my understanding that authorization is needed from either the Budget and Control Board or the Legislature. Authorization and State funding is needed if per diem is to be paid.

As you are aware, though the third State Health Plan is currently being developed, formal implementation activities have just been initiated statewide. The success of the health planning program in South Carolina is going to depend largely on how successful our implementation activities are. As you stated in your review of the current State Health Plan, planning without implementation serves no useful purpose.

I have discussed this matter in detail with Kitty Clarke. Authorization is needed to reimburse travel for ten people for four meetings. Authorization and State funding, \$1,400, is also needed to pay the \$35.00 per diem.

I realize that the budgetary process has just been completed for the next fiscal year. However, the amount of funds needed is relatively small and the Advisory Group has already begun its work.



**South Carolina
Statewide Health Coordinating Council**

EXHIBIT
JUN 24 1980 NO. 15

STATE BUDGET & CONTROL BOARD

2600 Bull Street
Columbia, S.C. 29201
758-4162

June 17, 1980

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EXHIBIT

JUN 24 1980

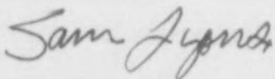
NO. 15

The Honorable Richard W. Riley
Page 2
June 17, 1980

STATE BUDGET & CONTROL BOARD

Would you please bail me out. It would be embarrassing to me to have implementation activities halted due to the inability to reimburse travel. I would be more than happy to discuss this with you further. I can be reached at my office (556-7851) or at home (884-6795).

Sincerely,



Samuel Lyons, Chairman
Implementation Committee

SFL/Tkb

EXHIBIT

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION AGENDA

MEETING OF June 24, 1980

JUN 24 1980

NO. 18

ITEM NUMBER

17

STATE BUDGET & CONTROL BOARD

AGENDA

Division of General Services

Subject:

Capitol Terrace Motel Lease

On May 13, 1980, the Budget and Control Board authorized the Division of General Services to negotiate the assignment of the existing lease on the Capitol Terrace Motel.

A seventeen-year lease has been prepared by the Division and accepted by Legislative Consultant Services subject to approval by the Board. The monthly rental amount will be \$800 for the period of 17 years for a total of \$163,200.

The Division recommends approval of the lease with Legislative Consultant Services.

Board Action Recommended:

Staff Comment:

Attachments: Lease

EXHIBIT

JUN 24 1980 NO. 18

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA }
COUNTY OF RICHLAND }

LEASE

This Lease and agreement is entered into this date by and between the State of South Carolina by and through its Division of General Services, hereinafter referred to as the "LESSOR" and Legislative Consultant Services, hereinafter referred to as "LESSEE".

WITNESSETH

For and in consideration of the rents, covenants, and conditions herein provided, the LESSOR and LESSEE do agree as follows:

1. The LESSOR hereby leases to LESSEE that certain piece, parcel, or lot of land with improvements presently known as the Capital Terrace Motor Hotel and parking area being at the northwestern intersection of Pendleton and Assembly Streets in Columbia, South Carolina, said property being approximately 70' in width and 211' in length as shown on a plat attached hereto.

2. This lease shall be for a period of seventeen (17) years beginning on the date of the signatures hereto and ending seventeen (17) years thereafter. Upon ninety (90) days notice, in writing, prior to termination, by LESSEE, this lease may be renewed and extended for an additional period not to exceed five (5) years upon such terms and conditions as may be mutually agreeable to the parties.

During the initial seventeen (17) year term or any renewal and extension of this lease the LESSOR shall have the right to cancel this lease at any time for necessary state use. Notice of such intent to cancel shall be given, in writing, one hundred twenty (120) days prior to the effective date of cancellation.

During the initial seventeen (17) year term, should the LESSOR cancel pursuant to this covenant, then LESSEE shall be entitled to pro-rata return of his costs of permanent improvements to the property, in place, for the remainder of the cancelled term. Said return shall be based upon costs of permanent improvements as verified or One Hundred

Sixty-three Thousand Two Hundred (\$163,200) Dollars, whichever is less. By way of illustration, should the LESSOR cancel at the end of the first year after commencement, LESSEE would be entitled to a return of sixteen-seventeenths (16/17) of the costs of any verified permanent improvements made to the property or One Hundred Sixty-three Thousand Two Hundred (\$163,200) Dollars, whichever is less. After the initial seventeen (17) year term expires LESSEE shall not be entitled any return of such costs of permanent improvements made during such term.

In no event shall LESSEE be entitled to any return of costs due to the natural expiration of the initial term of any renewal term, nor shall LESSEE be entitled to a return of any costs when termination is caused by LESSEE.

3. LESSEE agrees to pay to the LESSOR as rental for the seventeen (17) year term of this lease One Hundred Sixty-three Thousand Two Hundred (\$163,200) Dollars payable Eight Hundred (\$800.00) Dollars per month, in advance, commencing on or before the seventh (7th) day of the month following the date hereof and not later than the seventh (7th) day of each and every month thereafter, during the term of this lease. Any rent for portions of months will be pro-rated.

4. LESSEE agrees and accepts the property and improvements in their present condition, as is, and hereby releases the LESSOR from any and all obligations to repair, replace, rebuild, refurbish, furnish, or otherwise maintain the premises in a useful condition.

5. LESSEE agrees to utilize the properties herein leased for office space and/or motel/hotel rental facility and parking area commensurate with the condition of the property at the beginning of the lease and to do all reasonable things necessary to maintain the property in a good and sightly condition.

6. LESSEE agrees to abide by and be responsible for, all local, state, and federal laws and rules and regulations in the performance of this lease and the operation and use of the property.

7. LESSEE agrees to obtain and be responsible for all utility and service requirements, including electrical, telephone and water, in his name and to pay any bills or invoices promptly when due; the LESSOR shall not be responsible for any such uses or bills.

13. This lease may not be assigned, subleased, or otherwise transferred without the written consent of the LESSOR, which consent will not be unreasonably withheld.

14. This lease and its covenants and conditions are binding upon the parties hereto and their respective heirs, executors, administrators, and successors.

IN WITNESS HEREOF, the parties hereunto set their hands and seals this _____ day of _____, 1980.

WITNESSES:

STATE OF SOUTH CAROLINA
DIVISION OF GENERAL SERVICES

BY:

Division Director

LEGISLATIVE CONSULTANT SERVICES

BY:

William N. Bowen

EXHIBIT

JUN 24 1980

NO. 18

STATE BUDGET & CONTROL BOARD

LESSEE is responsible for any taxes or assessments that may result from this lease.

8. The LESSOR agrees that LESSEE shall have the use of any personal property of the LESSOR situate on or in the premises in an "as is" condition. LESSEE agrees that the LESSOR shall not be responsible for replacement or repair of such personal property. Any property of the LESSOR that LESSEE desires to discard or replace shall be turned over to the LESSOR for its removal and disposal. An inventory will be made of any of LESSOR'S property on or in its premises.

9. The LESSOR, for its benefit, agrees that it shall carry insurance on the real property and buildings thereon and such personal property as the LESSOR may own and desire to insure; LESSEE agrees to carry any insurance he deems desirable as his interest may appear. LESSEE agrees to hold the LESSOR harmless from any and all suits or claims for injury and/or death to any person or property of whatever nature resulting from the use, occupancy, or rental of the property.

10. In the event of substantial damage or destruction of the premises, as determined by LESSOR, by fire, hail storm, or other unavoidable circumstances the LESSOR may, at its option, cancel this lease or make such repairs as it deems necessary. If the lease is cancelled during the initial seventeen (17) year term because of unavoidable circumstances, LESSEE shall be entitled to such applicable return of his costs of improvements to the property as set forth in paragraph two (2) above.

11. As a consideration of this lease LESSEE hereby agrees to repair and maintain the said leased property, including the improvements thereon, so as to make it suitable for office space and/or motel/hotel rental. LESSEE further agrees that he shall continue to repair and maintain the premises in such condition for the term of the lease. Any improvements of and to the premises of a permanent nature including fixtures, shall be and become the property of the LESSOR upon termination of this lease.

12. The LESSOR reserves the right to inspect the premises during reasonable hours for conformance with the terms and conditions of this lease.

NO. 18

STATE BUDGET & CONTROL BOARD

SCALE $\bar{r} = 20'$

DOUGLAS E. PLATT, SR.
REG. LAND SURVEYOR NO. 4041

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 19

REGULAR SESSION AGENDA

MEETING OF June 24, 1980

ITEM NUMBER

18

STATE BUDGET & CONTROL BOARD

Agency: Division of General Services

Subject: Lease of Office Space for Public Service Commission

The Public Service Commission has been asked to vacate the space they presently lease from Seibels Bruce. Seibels Bruce is willing to pay \$100,000 on renovation cost at another location provided the Public Service Commission vacates by September 15, 1980, or no later than September 30, 1980. Twenty-six thousand five hundred square feet of office space has been located and is acceptable to the Public Service Commission. Renovation cost for this space will be approximately \$178,000. This cost includes moving structural pillars in order to give the Public Service Commission a 60 x 40 foot hearing room. The building owners will provide the additional amount for renovation over the \$100,000 provided the Public Service Commission signs a 10-year State lease for \$7.25 a square foot.

The Division recommends that we lease the 26,500 square foot of office space at 111 Doctors Circle for use for 10 years at \$7.25 a foot for use by the Public Service Commission.

Board Action Requested:

Staff Comment:

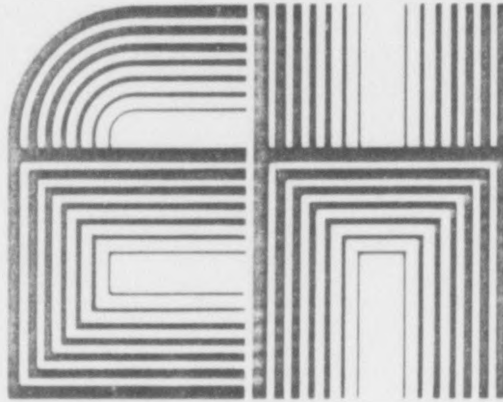
Attachments:

EXHIBIT

JUN 24 1980

NO. 19

STATE BUDGET & CONTROL BOARD



COLUMBIA OFFICE PARK

Astride the Northeast Freeway and fronting on Sunset Drive opposite the new Richland Memorial Hospital, the Columbia Office Park in Columbia, S.C., is a 20-acre planned office environment subdivided for professional offices. Seven buildings have been completed with others under construction and in planning phases. Sites are available for sale, lease or build-sell development by Ewing-Hungville.

Uniform building restrictions and architectural controls enhance the open-park plan and assure design compatibility.



EXHIBIT

JUN 24 1980 NO. 19

STATE BUDGET & CONTROL BOARD

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 20

REGULAR SESSION AGENDA

MEETING OF June 24, 1980

ITEM NUMBER

19

STATE BUDGET & CONTROL BOARD

Agency: Division of General Services

Subject: Lease/Purchase of Building (1713 Prince Street), Beaufort, South Carolina
for South Carolina Department of Health & Environmental Control

In September of 1979 the Division of General Services was requested by the Department of Health and Environmental Control to negotiate a lease with an option to purchase a building owned by Beaufort County located at 1713 Prince Street, Beaufort, South Carolina. A lease agreement and option has been finalized with Beaufort County for a monthly rental of \$737.00 for a twenty-year term with an exclusive option to purchase at any time during the lease. This lease and option has been approved by the DHEC Board.

The Division recommends approval of the lease agreement and option with Beaufort County for the twenty-year period at \$737.00 per month.

Board Action Recommended:

Staff Comments:

Attachments: Lease Agreement and Option

EXHIBIT

JUN 24 1980 NO. 20

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT) LEASE AGREEMENT AND OPTION

THIS LEASE AGREEMENT, made this ____ day of _____, 19____,
by and between the County of Beaufort, hereinafter referred to as LESSOR, and
the State of South Carolina through the Department of Health and Environmental
Control hereinafter referred to as LESSEE.

WITNESSETH

WHEREAS, the LESSOR is the owner of all that certain piece,
parcel or lot of land, with improvements thereon, situate,
lying and being in the City of Beaufort, County of Beaufort,
State of South Carolina, being located in the Southwest
part of Block One Hundred and Thirty-five (135) according
to the plat of the City of Beaufort; said lot measuring
One Hundred and Eighty (180') feet on its Northern and
Southern boundary lines and One Hundred Thirty (130') feet
on its Eastern and Western boundary lines. Said lot is
bounded on the North by the Northwest corner of said Block,
owned by Kathlyn Powell Petersen and three lots owned by various
parties; on the East by a lot of an unknown party and also
by a lot in the Southeastern corner of said Block now or
formerly owned by Mary P. Logan; on the South by Prince
Street, and on the West by Hamar Street and is more
particularly known as the Prince Street Building; this being
the identical lot of land conveyed to the LESSOR, Beaufort
County, by deed of Cail W. Anderson, dated January 31, 1975,
and recorded in the R.M.C. Office for Beaufort County in
Book 226 at Page 1207.

WHEREAS, the County of Beaufort, as LESSOR desires to lease the above
described real property with the buildings and improvements thereon to the State
of South Carolina, through its Department of Health and Environmental Control,
as LESSEE.

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS, that the LESSOR, for and
in consideration of the covenants hereinafter set forth, does by these Presents
hereby lease to the said LESSEE and the LESSEE does hereby lease the above
described lands and buildings for the term and under the conditions hereinafter
set out.

TO HAVE AND TO HOLD the above described premises for a term commencing
on the 1st day of May, 1980, to and including the 30th day of April, 2000.

LESSEE agrees to pay to the LESSOR the sum of Seven Hundred Thirty-seven Dollars and Thirty-seven One-hundredths (\$737.37) per month for the lease period described in this lease. Such rental payments shall be payable on or before the 15th day of each calendar month. The rental payments shall be paid to the LESSOR at Beaufort County, Arthur Horne Office Building, Box 1228, Beaufort, South Carolina 29902.

It is further agreed and understood that this Lease Agreement may be cancelled by the LESSEE at the end of any fiscal year (June 30) when sufficient appropriations, revenues, income, or grants or other funds from whatever source are not available to the LESSEE to carry on the purposes or programs of the LESSEE: the sufficiency of funds and appropriations to be solely determined by the State Budget and Control Board.

The parties agree and understand that in the event the Department of Health and Environmental Control is dissolved or no longer performs the functions and purposes prescribed to it, that this lease may be cancelled by the LESSEE by giving the LESSOR sixty (60) days notice in writing. However, in the event said Department of Health and Environmental Control is dissolved the LESSEE desires to continue leasing said premises, LESSEE (State of South Carolina) reserves its right to lease said premises according to the terms and conditions set forth herein and to exercise the option to purchase as stated.

It is mutually agreed and understood that either party has the right to cancel this Lease Agreement upon reasonable notice thereof upon the breach of any covenant or condition of this lease.

The LESSEE shall have the right to assign or sublease the demised premises to any State Agency, institution, or program or State operated entity without the written permission of the LESSOR provided that such assignment or sublease shall be under the same terms or conditions as stated herein. The LESSEE shall not assign or sublease the demised leased premises to any other person without written permission of the LESSOR which will not be unreasonably withheld.

The LESSOR agrees to hold LESSEE harmless of and from any and all suits, damages, actions or causes of action arising from any injury to property or person whomsoever for any reason not caused by the negligence of the LESSEE.

EXHIBIT

JUN 24 1980 NO. 20

STATE BUDGET & CONTROL BOARD

-3-

The LESSEE agrees to hold LESSOR harmless of and from any and all suits, damages, actions, or causes of action arising from any injury to property or person whomsoever for any reason not caused by the negligence of the LESSOR.

LESSEE accepts such premises in an "as is" condition and LESSOR will not be held responsible for repair or replacement to any damages done to the premises. LESSEE agrees to be totally and fully responsible at its own cost for all repairs and maintenance of said building and premises; notwithstanding any other provision of this lease.

The LESSEE shall not be required to furnish, provide, or pay any late charges for past due rental or security deposits for rent or other services.

The LESSEE covenants and agrees that it shall:

- (A) pay rent when due without notice or demand.
- (B) maintain the leased premises clean and in good order and in substantially the same condition as received excepting reasonable wear and tear and damage by circumstances over which the LESSEE has no control.
- (C) comply with all local, county, or State laws, rules and regulations.

The LESSOR covenants and agrees that it shall not allow the peaceful enjoyment of the LESSEE to the demised premises to be disrupted or interfered with by anyone claiming under the LESSOR or any other person or thing within the control of the LESSOR.

In the event the LESSEE makes alterations or improvements to the demised premises, such alterations or improvements shall remain the property of the LESSEE in the event LESSEE exercises its option to purchase, as per this agreement.

In the event the LESSEE does not exercise its option to purchase, the LESSEE will remove any alterations, structures, or improvements at his own expense and further to restore the property to the identical condition as when entered upon. LESSEE agrees that if such structures or improvements placed thereon by LESSEE are not removed by the termination date of this lease, then such structures will become property of the LESSOR.

Any taxes, utility costs, water costs, or other expenses and assessments imposed on the property during the term of the lease period will be paid by the LESSEE. The property is leased subject to all rights, permits, restrictions, covenants or easements of record.

As part of the consideration herein, the LESSEE shall have, and the LESSOR hereby grants to the LESSEE the sole and exclusive right at LESSEE's option, at any time during the term of this lease to purchase the premises and improvements thereon as herein set forth. The purchase price for the premises shall be mutually determined by the LESSOR and LESSEE at the time the LESSEE exercises his option to purchase but said purchase price shall not exceed the amount of Ninety-eight Thousand Nine Hundred Dollars (\$98,900.00). The parties further agree and understand that the principal portion of all monthly payments in the amount of \$737.37 per month paid by the LESSEE per this Lease Agreement up to and including the date the LESSEE exercises his option shall be credited towards or deducted from the total purchase price of \$98,900.00, according to the Amortization Schedule attached hereto and made a part of.

In the event LESSEE intends to exercise the above described option, LESSEE shall give LESSOR written notice of its intent to exercise within a reasonable time to the LESSOR's address hereinbefore stated.

In the event of the exercise of this option to purchase, LESSOR covenants and agrees and binds its successors or assigns to convey the property to the LESSEE, in fee, by a proper deed, with covenants of general warranty, free from encumbrances other than rights-of-way, utility and drainage easements. Upon tender of said deed, LESSEE covenants and agrees to pay the purchase price as per this agreement and fully comply with the terms and conditions contained herein.

It is mutually agreed and understood by both parties to this Lease Agreement that the exercise of the option to purchase is subject to and conditioned upon the written approval by the South Carolina Budget and Control Board and the Division of General Services.

This Lease Agreement and option to purchase constitutes the entire agreement between the parties. No representations, warranties or promises pertaining to this Lease Agreement or Option to Purchase, have been made or shall be binding on any of the parties exercised as expressly stated herein. This agreement shall be construed under and governed by the laws of the State of South Carolina.

EXHIBIT

JUN 24 1980

NO. 20

STATE BUDGET & CONTROL BOARD

-5-

Additional provisions governing matters not in this lease shall be set out in writing and signed by the authorized representative of each party duly approved by the Division of General Services and the State Budget and Control Board and attached to this lease.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be issued the day and year above written.

Russell Smith
WITNESS

Arthur Lane
LESSOR

WITNESS

LESSEE

EXHIBIT

JUN 24 1980

NO. 20

AMORTIZATION SCHEDULE

STATE BUDGET & CONTROL BOARD
Page 1

| | <u>Month Number</u> | <u>Payment Number</u> | <u>Interest Portion</u> | <u>Principal Portion</u> | <u>Accumulative Principal Paid</u> |
|---------------|-------------------------|---------------------------|-----------------------------|------------------------------|--|
| \$98,900 Loan | 1 | 1 | 535.71 | 201.66 | 201.66 |
| 6-1/2% APR | 2 | 2 | 534.62 | 202.75 | 404.41 |
| \$737.37/Mo. | 3 | 3 | 533.52 | 203.85 | 608.26 |
| 20 years | 4 | 4 | 532.41 | 204.96 | 813.22 |
| | 5 | 5 | 531.30 | 206.07 | 1,019.29 |
| Year 1 | 6 | 6 | 530.19 | 207.18 | 1,226.47 |
| | 7 | 7 | 529.06 | 208.31 | 1,434.78 |
| | 8 | 8 | 527.94 | 209.43 | 1,644.21 |
| | 9 | 9 | 526.80 | 210.57 | 1,854.78 |
| | 10 | 10 | 525.66 | 211.71 | 2,066.49 |
| | 11 | 11 | 524.51 | 212.86 | 2,279.35 |
| | 12 | 12 | 523.36 | 214.01 | 2,493.36 |
| | 1 | 13 | 522.20 | 215.17 | 2,708.53 |
| | 2 | 14 | 521.04 | 216.33 | 2,924.86 |
| | 3 | 15 | 519.87 | 217.50 | 3,142.36 |
| | 4 | 16 | 518.69 | 218.68 | 3,361.04 |
| | 5 | 17 | 517.50 | 219.87 | 3,580.91 |
| Year 2 | 6 | 18 | 516.31 | 221.08 | 3,801.97 |
| | 7 | 19 | 515.11 | 222.26 | 4,024.23 |
| | 8 | 20 | 513.91 | 223.46 | 4,247.69 |
| | 9 | 21 | 512.70 | 224.67 | 4,472.36 |
| | 10 | 22 | 511.48 | 225.89 | 4,698.25 |
| | 11 | 23 | 510.26 | 227.11 | 4,925.36 |
| | 12 | 24 | 509.03 | 228.34 | 5,153.70 |
| | 1 | 25 | 507.79 | 229.58 | 5,383.28 |
| | 2 | 26 | 506.55 | 230.82 | 5,614.10 |
| | 3 | 27 | 505.30 | 232.07 | 5,846.17 |
| | 4 | 28 | 504.04 | 233.33 | 6,079.50 |
| | 5 | 29 | 502.78 | 234.59 | 6,314.09 |
| Year 3 | 6 | 30 | 501.51 | 235.86 | 6,549.95 |
| | 7 | 31 | 500.23 | 237.14 | 6,787.09 |
| | 8 | 32 | 498.94 | 238.43 | 7,025.52 |
| | 9 | 33 | 497.65 | 239.72 | 7,265.24 |
| | 10 | 34 | 496.36 | 241.01 | 7,506.25 |
| | 11 | 35 | 495.05 | 242.32 | 7,748.57 |
| | 12 | 36 | 493.74 | 243.63 | 7,992.20 |
| | 1 | 37 | 492.42 | 244.95 | 8,237.15 |
| | 2 | 38 | 491.09 | 246.28 | 8,483.43 |
| | 3 | 39 | 489.76 | 247.61 | 8,731.04 |
| | 4 | 40 | 488.42 | 248.95 | 8,979.99 |
| | 5 | 41 | 487.07 | 250.30 | 9,230.29 |
| Year 4 | 6 | 42 | 485.71 | 251.66 | 9,481.95 |
| | 7 | 43 | 484.35 | 253.02 | 9,734.97 |
| | 8 | 44 | 482.98 | 254.39 | 9,989.36 |
| | 9 | 45 | 481.60 | 255.77 | 10,245.13 |
| | 10 | 46 | 480.21 | 257.16 | 10,502.29 |
| | 11 | 47 | 478.82 | 258.55 | 10,760.84 |
| | 12 | 48 | 477.42 | 259.95 | 11,020.79 |

AMORTIZATION SCHEDULE

Page 2

| | <u>Month Number</u> | <u>Payment Number</u> | <u>Interest Portion</u> | <u>Principal Portion</u> | <u>Accumulative Principal Paid</u> |
|---------------|-------------------------|---------------------------|-----------------------------|------------------------------|--|
| \$98,900 Loan | 1 | 49 | 476.01 | 261.36 | 11,282.15 |
| 6-1/2% APR | 2 | 50 | 474.60 | 262.77 | 11,544.92 |
| \$737.37/Mo. | 3 | 51 | 473.17 | 264.20 | 11,809.12 |
| 20 years | 4 | 52 | 471.74 | 265.63 | 12,074.75 |
| | 5 | 53 | 470.30 | 267.07 | 12,341.82 |
| Year 5 | 6 | 54 | 468.86 | 268.51 | 12,610.33 |
| | 7 | 55 | 467.40 | 269.97 | 12,880.30 |
| | 8 | 56 | 465.94 | 271.43 | 13,151.73 |
| | 9 | 57 | 464.47 | 272.90 | 13,424.63 |
| | 10 | 58 | 462.99 | 274.38 | 13,699.01 |
| | 11 | 59 | 461.51 | 275.86 | 13,974.87 |
| | 12 | 60 | 460.01 | 277.36 | 14,252.23 |
| | 1 | 61 | 458.51 | 278.86 | 14,531.09 |
| | 2 | 62 | 457.00 | 280.37 | 14,811.46 |
| | 3 | 63 | 455.48 | 281.89 | 15,093.35 |
| | 4 | 64 | 453.95 | 283.42 | 15,376.77 |
| | 5 | 65 | 452.42 | 284.95 | 15,661.72 |
| Year 6 | 6 | 66 | 450.87 | 286.50 | 15,948.22 |
| | 7 | 67 | 449.32 | 288.05 | 16,236.27 |
| | 8 | 68 | 447.76 | 289.61 | 16,525.88 |
| | 9 | 69 | 446.19 | 291.18 | 16,817.06 |
| | 10 | 70 | 444.62 | 292.75 | 17,109.81 |
| | 11 | 71 | 443.03 | 294.34 | 17,404.15 |
| | 12 | 72 | 441.44 | 295.93 | 17,700.08 |
| | 1 | 73 | 439.83 | 297.54 | 17,997.62 |
| | 2 | 74 | 438.22 | 299.15 | 18,296.77 |
| | 3 | 75 | 436.60 | 300.77 | 18,597.54 |
| | 4 | 76 | 434.97 | 302.40 | 18,899.94 |
| | 5 | 77 | 433.33 | 304.04 | 19,203.98 |
| Year 7 | 6 | 78 | 431.69 | 305.68 | 19,509.66 |
| | 7 | 79 | 430.03 | 307.34 | 19,817.00 |
| | 8 | 80 | 428.37 | 309.00 | 20,126.00 |
| | 9 | 81 | 426.69 | 310.68 | 20,436.68 |
| | 10 | 82 | 425.01 | 312.36 | 20,749.04 |
| | 11 | 83 | 423.32 | 314.05 | 21,063.05 |
| | 12 | 84 | 421.62 | 315.75 | 21,378.80 |
| | 1 | 85 | 419.91 | 317.46 | 21,696.26 |
| | 2 | 86 | 418.19 | 319.18 | 22,015.44 |
| | 3 | 87 | 416.46 | 320.91 | 22,336.35 |
| | 4 | 88 | 414.72 | 322.65 | 22,659.00 |
| | 5 | 89 | 412.97 | 324.40 | 22,983.40 |
| Year 8 | 6 | 90 | 411.21 | 326.16 | 23,309.56 |
| | 7 | 91 | 409.45 | 327.92 | 23,637.48 |
| | 8 | 92 | 407.67 | 329.70 | 23,967.18 |
| | 9 | 93 | 405.89 | 331.48 | 24,298.66 |
| | 10 | 94 | 404.09 | 333.28 | 24,631.94 |
| | 11 | 95 | 402.29 | 335.08 | 24,967.02 |
| | 12 | 96 | 400.47 | 336.90 | 25,303.92 |

EXHIBIT

JUN 24 1980

NO. 20

AMORTIZATION SCHEDULE

STATE BUDGET & CONTROL BOARD
Page 3

| | Month Number | Payment Number | Interest Portion | Principal Portion | Accumulative Principal Paid |
|---------------|-----------------|-------------------|---------------------|----------------------|-----------------------------------|
| \$98,900 Loan | 1 | 97 | 398.65 | 338.72 | 25,642.64 |
| 6-1/2% APR | 2 | 98 | 396.81 | 340.56 | 25,983.20 |
| \$737.37/Mo. | 3 | 99 | 394.97 | 342.40 | 26,325.60 |
| 20 Years | 4 | 100 | 393.11 | 344.26 | 26,669.86 |
| | 5 | 101 | 391.25 | 346.12 | 27,014.12 |
| Year 9 | 6 | 102 | 389.37 | 348.00 | 27,362.12 |
| | 7 | 103 | 387.49 | 349.88 | 27,712.00 |
| | 8 | 104 | 385.59 | 351.78 | 28,063.78 |
| | 9 | 105 | 383.69 | 353.68 | 28,417.46 |
| | 10 | 106 | 381.77 | 355.60 | 28,773.06 |
| | 11 | 107 | 379.84 | 357.53 | 29,130.59 |
| | 12 | 108 | 377.91 | 359.46 | 29,490.05 |
| | 1 | 109 | 375.96 | 361.41 | 29,851.46 |
| | 2 | 110 | 374.00 | 363.37 | 30,214.83 |
| | 3 | 111 | 372.03 | 365.34 | 30,580.17 |
| | 4 | 112 | 370.06 | 367.31 | 30,947.48 |
| | 5 | 113 | 368.07 | 369.30 | 31,316.78 |
| Year 10 | 6 | 114 | 366.07 | 371.30 | 31,688.08 |
| | 7 | 115 | 364.05 | 373.32 | 32,061.40 |
| | 8 | 116 | 362.03 | 375.34 | 32,436.74 |
| | 9 | 117 | 360.00 | 377.37 | 32,814.11 |
| | 10 | 118 | 357.95 | 379.42 | 33,193.53 |
| | 11 | 119 | 355.90 | 381.47 | 33,575.00 |
| | 12 | 120 | 353.83 | 383.54 | 33,958.54 |
| | 1 | 121 | 351.76 | 385.61 | 34,344.15 |
| | 2 | 122 | 349.67 | 387.70 | 34,731.85 |
| | 3 | 123 | 347.57 | 389.80 | 35,121.65 |
| | 4 | 124 | 345.46 | 391.91 | 35,513.56 |
| | 5 | 125 | 343.33 | 394.04 | 35,907.60 |
| Year 11 | 6 | 126 | 341.20 | 396.17 | 36,303.77 |
| | 7 | 127 | 339.05 | 398.32 | 36,702.09 |
| | 8 | 128 | 336.89 | 400.48 | 37,102.57 |
| | 9 | 129 | 334.73 | 402.64 | 37,505.21 |
| | 10 | 130 | 332.54 | 404.83 | 37,910.04 |
| | 11 | 131 | 330.35 | 407.02 | 38,317.06 |
| | 12 | 132 | 328.15 | 409.22 | 38,726.28 |
| | 1 | 133 | 325.93 | 411.44 | 39,137.72 |
| | 2 | 134 | 323.70 | 413.67 | 39,551.39 |
| | 3 | 135 | 321.46 | 415.91 | 39,967.30 |
| | 4 | 136 | 319.21 | 418.16 | 40,385.46 |
| | 5 | 137 | 316.94 | 420.43 | 40,805.89 |
| Year 12 | 6 | 138 | 314.67 | 422.70 | 41,228.59 |
| | 7 | 139 | 312.38 | 424.99 | 41,653.58 |
| | 8 | 140 | 310.07 | 427.30 | 42,080.88 |
| | 9 | 141 | 307.76 | 429.61 | 42,510.49 |
| | 10 | 142 | 305.43 | 431.94 | 42,942.43 |
| | 11 | 143 | 303.09 | 434.28 | 43,376.71 |
| | 12 | 144 | 300.74 | 436.63 | 43,813.34 |

AMORTIZATION SCHEDULE

Page 4

| | <u>Month Number</u> | <u>Payment Number</u> | <u>Interest Portion</u> | <u>Principal Portion</u> | <u>Accumulative Principal Paid</u> |
|---------------|-------------------------|---------------------------|-----------------------------|------------------------------|--|
| \$98,900 Loan | 1 | 145 | 298.38 | 438.99 | 44,252.33 |
| 6-1/2% APR | 2 | 146 | 296.00 | 441.37 | 44,693.70 |
| \$737.37/Mo. | 3 | 147 | 293.61 | 443.76 | 45,137.46 |
| 20 Years | 4 | 148 | 291.20 | 446.17 | 45,583.63 |
| | 5 | 149 | 288.79 | 448.58 | 46,032.21 |
| Year 13 | 6 | 150 | 286.36 | 451.01 | 46,483.22 |
| | 7 | 151 | 283.91 | 453.46 | 46,936.68 |
| | 8 | 152 | 281.46 | 455.91 | 47,392.59 |
| | 9 | 153 | 278.99 | 458.38 | 47,850.97 |
| | 10 | 154 | 276.51 | 460.86 | 48,311.83 |
| | 11 | 155 | 274.01 | 463.36 | 48,775.19 |
| | 12 | 156 | 271.50 | 465.87 | 49,241.06 |
| | 1 | 157 | 268.98 | 468.39 | 49,709.45 |
| | 2 | 158 | 266.44 | 470.93 | 50,180.38 |
| | 3 | 159 | 263.89 | 473.48 | 50,653.86 |
| | 4 | 160 | 261.32 | 476.05 | 51,129.91 |
| Year 14 | 5 | 161 | 258.74 | 478.63 | 51,608.54 |
| | 6 | 162 | 256.15 | 481.22 | 52,089.76 |
| | 7 | 163 | 253.54 | 483.83 | 52,573.59 |
| | 8 | 164 | 250.92 | 486.45 | 53,060.04 |
| | 9 | 165 | 248.29 | 489.08 | 53,549.12 |
| | 10 | 166 | 245.64 | 491.73 | 54,040.85 |
| | 11 | 167 | 242.98 | 494.39 | 54,535.24 |
| | 12 | 168 | 240.30 | 497.07 | 55,032.31 |
| | 1 | 169 | 237.61 | 499.76 | 55,532.07 |
| | 2 | 170 | 234.90 | 502.47 | 56,034.54 |
| | 3 | 171 | 232.18 | 505.19 | 56,539.73 |
| | 4 | 172 | 229.44 | 507.93 | 57,047.66 |
| Year 15 | 5 | 173 | 226.69 | 510.68 | 57,558.34 |
| | 6 | 174 | 223.92 | 513.45 | 58,071.79 |
| | 7 | 175 | 221.14 | 516.23 | 58,588.02 |
| | 8 | 176 | 218.35 | 519.02 | 59,107.04 |
| | 9 | 177 | 215.53 | 521.84 | 59,628.88 |
| | 10 | 178 | 212.71 | 524.66 | 60,153.54 |
| | 11 | 179 | 209.87 | 527.50 | 60,681.04 |
| | 12 | 180 | 207.01 | 530.36 | 61,211.40 |
| | 1 | 181 | 204.14 | 533.23 | 61,744.63 |
| | 2 | 182 | 201.25 | 536.12 | 62,280.75 |
| | 3 | 183 | 198.34 | 539.03 | 62,819.78 |
| | 4 | 184 | 195.42 | 541.95 | 63,361.73 |
| Year 16 | 5 | 185 | 192.49 | 544.88 | 63,906.61 |
| | 6 | 186 | 189.54 | 547.83 | 64,454.44 |
| | 7 | 187 | 186.57 | 550.80 | 65,005.24 |
| | 8 | 188 | 183.59 | 553.78 | 65,559.02 |
| | 9 | 189 | 180.59 | 556.78 | 66,115.80 |
| | 10 | 190 | 177.57 | 559.80 | 66,675.60 |
| | 11 | 191 | 174.54 | 562.83 | 67,238.43 |
| | 12 | 192 | 171.49 | 565.88 | 67,804.31 |

EXHIBIT

JUN 24 1980

NO. 20

AMORTIZATION SCHEDULE

STATE BUDGET & CONTROL BOARD
Page 5

| | <u>Month Number</u> | <u>Payment Number</u> | <u>Interest Portion</u> | <u>Principal Portion</u> | <u>Accumulative Principal Paid</u> |
|---------------|-------------------------|---------------------------|-----------------------------|------------------------------|--|
| \$98,900 Loan | 1 | 193 | 168.42 | 568.95 | 68,373.26 |
| 6-1/2% APR | 2 | 194 | 165.34 | 572.03 | 68,945.29 |
| \$737.37/Mo. | 3 | 195 | 162.24 | 575.13 | 69,520.42 |
| 20 Years | 4 | 196 | 159.13 | 578.24 | 70,098.66 |
| | 5 | 197 | 156.00 | 581.37 | 70,680.03 |
| Year 17 | 6 | 198 | 152.85 | 584.52 | 71,264.55 |
| | 7 | 199 | 149.68 | 587.69 | 71,852.24 |
| | 8 | 200 | 146.50 | 590.87 | 72,443.11 |
| | 9 | 201 | 143.30 | 594.07 | 73,037.18 |
| | 10 | 202 | 140.08 | 597.29 | 73,634.47 |
| | 11 | 203 | 136.84 | 600.53 | 74,235.00 |
| | 12 | 204 | 133.59 | 603.78 | 74,838.78 |
| | 1 | 205 | 130.32 | 607.05 | 75,445.83 |
| | 2 | 206 | 127.03 | 610.34 | 76,056.17 |
| | 3 | 207 | 123.73 | 613.64 | 76,669.81 |
| | 4 | 208 | 120.40 | 616.97 | 77,286.78 |
| | 5 | 209 | 117.06 | 620.31 | 77,907.09 |
| Year 18 | 6 | 210 | 113.70 | 623.67 | 78,530.76 |
| | 7 | 211 | 110.32 | 627.05 | 79,157.81 |
| | 8 | 212 | 106.93 | 630.44 | 79,788.25 |
| | 9 | 213 | 103.51 | 633.86 | 80,422.11 |
| | 10 | 214 | 100.08 | 637.29 | 81,059.40 |
| | 11 | 215 | 96.63 | 640.74 | 81,700.14 |
| | 12 | 216 | 93.16 | 644.21 | 82,344.35 |
| | 1 | 217 | 89.67 | 647.70 | 82,992.05 |
| | 2 | 218 | 86.16 | 651.21 | 83,643.26 |
| | 3 | 219 | 82.63 | 654.74 | 84,298.00 |
| | 4 | 220 | 79.08 | 658.29 | 84,956.29 |
| | 5 | 221 | 75.52 | 661.85 | 85,618.14 |
| Year 19 | 6 | 222 | 71.93 | 665.44 | 86,283.58 |
| | 7 | 223 | 68.33 | 669.04 | 86,952.62 |
| | 8 | 224 | 64.70 | 672.67 | 87,625.29 |
| | 9 | 225 | 61.06 | 676.31 | 88,301.60 |
| | 10 | 226 | 57.40 | 679.97 | 88,981.57 |
| | 11 | 227 | 53.71 | 683.66 | 89,665.23 |
| | 12 | 228 | 50.01 | 687.36 | 90,352.59 |
| | 1 | 229 | 46.29 | 691.08 | 91,043.67 |
| | 2 | 230 | 42.54 | 694.83 | 91,738.50 |
| | 3 | 231 | 38.78 | 698.59 | 92,437.09 |
| | 4 | 232 | 35.00 | 702.37 | 93,139.46 |
| | 5 | 233 | 31.19 | 706.18 | 93,845.64 |
| Year 20 | 6 | 234 | 27.37 | 710.00 | 94,555.64 |
| | 7 | 235 | 23.52 | 713.85 | 95,269.49 |
| | 8 | 236 | 19.65 | 717.72 | 95,987.21 |
| | 9 | 237 | 15.77 | 721.60 | 96,708.81 |
| | 10 | 238 | 11.86 | 725.51 | 97,434.32 |
| | 11 | 239 | 7.93 | 729.44 | 98,163.76 |
| | 12 | 240 | 1.13 | 736.24 | 98,900.00 |

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 21

REGULAR SESSION AGENDA

MEETING OF June 24, 1980

ITEM NUMBER

20

STATE BUDGET & CONTROL BOARD

Agency: Division of General Services

Subject: Lease Purchase Agreement for Department of Insurance

The Department of Insurance would like to purchase the IBM System 6 that is being cancelled by the Attorney General (Office of Child Support Enforcement). The State has an accrual in excess of \$8,700 in this machine. If the machine is placed on a lease/purchase agreement, it will result in a monthly savings of \$369.53 over a straight lease price (\$869.00 minus \$499.47). The total purchase price will be \$29,968.20 which includes 9½% interest and will be for a term of sixty (60) months.

Because of the savings possible with the lease/purchase agreement, the Division recommends that the Department of Insurance be authorized to enter into the contract for this machine.

Board Action Requested:

Staff Comment:

Attachments:

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 22 REGULAR SESSION AGENDA

MEETING OF June 24, 1980

STATE BUDGET & CONTROL BOARD

ITEM NUMBER

21

Agency: Division of General Services

Subject: Aircraft Insurance for Period July 15, 1980-81

Bids were received from four companies to provide State aircraft insurance for a period of one year beginning July 15, 1980.

The Division recommends the bid be awarded to the low bidder, Stuart Hope Agency for the Federal Insurance Company in the amount of \$142,201.

Board Action Requested:

Staff Comment:

Attachments:

EXHIBIT

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION AGENDA

MEETING OF June 24, 1980

JUN 24 1980

NO. 23

ITEM NUMBER

22

STATE BUDGET & CONTROL BOARD

Agency: Finance Division (Grants and Contracts)

Subject: (a) Package of 75 Projects Dated June 13; and
(b) Special Item Relating to Computer Systems Management

(a) The Grants and Contracts Subcommittee submits a package of 75 projects involving \$16,125,472 of federal funds, \$2,154,798 of State funds and \$3,188,531 of other funds for a total of \$21,468,801.

This package has not yet been submitted to the Joint Appropriations Review Committee.

(b) A project involving the Finance Division's Computer Systems Management Section is submitted for special consideration. The purpose of the program is to continue a program to evaluate the objectives of criminal justice programs and to determine the adequacy of meeting these needs by subcontractors. One hundred fifty-four subgrants were audited last year.

Board Action Requested:

- and
- (a) Approve recommendations of the Grants and Contracts Subcommittee;
 - (b) Approve GCR 0-F04-005, Computer Systems Management project.

Staff Comment:

Attachments:

- (a) Referenced package and (b) Oliver June 17 memo to Putnam

State of South Carolina
State Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

Box 12444
Columbia
29211

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN, WAYS AND MEANS COMMITTEE

WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

EXHIBIT

JUN 24 1980 NO. 23

MEMORANDUM

TO: William T. Putnam, Executive Director
Budget and Control Board

STATE BUDGET & CONTROL BOARD

FROM: Grady L. Patterson, Jr., State Treasurer
Chairman, Grants and Contracts Subcommittee

DATE: June 17, 1980

The attached summary is provided in compliance with Section 4, Act 651 of 1978 (Joint Resolution), to the Budget and Control Board for their necessary action.

When the Legislature is in session, the Budget and Control Board shall furnish their recommendations to the Joint Appropriations Review Committee, which shall furnish to the Board within 14 days a statement of concurrence or nonconcurrence as to the Board's recommendations. If the Committee fails to act within the allotted time, the action of the Budget and Control Board shall be deemed to be approved.

There are 75 projects from 22 state agencies who are requesting the following amounts from federal, state, and other sources:

| | |
|---------------|------------------|
| Federal Funds | \$16,125,472 |
| State Funds | 2,154,798 |
| Other Funds | <u>3,188,531</u> |
| Total | \$21,468,801 |

(These total funds include \$6,688,259 in 28 subcontracts between state agencies.)

The total number of personnel to be hired or retained on these programs is as follows (new personnel not to exceed authorized ceiling):

| | |
|----------------------|-----------------------------|
| <u>New Personnel</u> | <u>Continuing Personnel</u> |
| Full-Time - 65.8 | Full-Time - 149.16 |
| Part-Time - 80 | Part-Time - <u>1</u> |
| <u>145.8</u> | <u>150.16</u> |

The Grants and Contracts Subcommittee recommendations for these programs are reflected in Column 10 of the attached summary.

EXHIBIT

JUN 24 1980 NO. 23

STATE BUDGET & CONTROL BOARD

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

| State Agency | State Identifier | Amount | Time Period | % of Fed. Funds | % of State Funds | % of Other Funds | Personnel New | Personnel Cont. | Federal Agency/CFDA/ Program Purpose | GCR Unit Recommendation BSC Board/ GCR Subcommittee Recommendation | Remarks |
|--------------------------------------|------------------|-----------|--------------------|-------------------|------------------|------------------|---------------|-----------------|---|--|---|
| 1 OEPP, Governor's Intern Program | 0-D17-033 | 55,969 | 7-1-80 6-30-81 | 36,000 64% | 0 | 19,969 36% | 0 | 0 | HUD - 14.203 To provide eight financially needy students with academic preparation and professional on-the-job training in city and regional planning. | Approval | The federal funds were not included in agency's budget. |
| 2 OEPP, Energy Resources | 0-D17-048 | 1,036,045 | 1-1-80 12-31-80 | 1,036,045 100% | 0 | 0 | 0 | 16 | U.S. Dept. of Energy-81.041 To implement energy conservation programs designed to achieve a 5 percent reduction in projected energy consumption as prescribed in the State Energy Conservation Plan. | Approval | \$572,945 of the \$1,036,045 are carry over funds from 1979. This is the last year of this program. A new Energy Management and Partnership Act is being considered by Congress which would continue these programs and require a 20 percent state match. |
| 3 OEPP, Energy Resources | 0-D17-049 | 6,000 | 5-1-80 9-30-80 | 6,000 100% | 0 | 0 | 0 | 0 | U.S. Dept. of Energy-81.051 To provide for the administration and technical assistance of the Appropriate Technology Program which is to encourage research and development of small scale technology. | Approval | This project was not included in agency's budget. |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

June 19, 1980

| 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 OEPP, Governor's Intern Program | 0-D17-054 | 50,000 | 10-1-80 9-30-81 | 50,000 100% | 0 | 0 | 0 | 2 | Coastal Plains Regional Commission - 28.002 To provide college students professional off-campus learning experiences while offering agencies competent manpower services. | Approval | |
| 5 OEPP, Economic Development and Transportation | 0-D17-055 | 1,882,436 | 7-1-80 6-30-81 | 1,882,436 100% | 0 | 0 | 0 | 0 | Dept. of Transportation - 20.000 To provide public transportation to small urban and rural reasa by providing funds for capital assistance, operations assistance, and administrative assistance. | Approval | This project was not included in agency's budget. |
| 6 OEPP, Energy Resources | 0-D17-056 | 421,692 | 1-1-80 12-31-80 | 421,692 100% | 0 | 0 | 0 | 15 | U.S. Dept. of Energy-81.043 To facilitate energy conservation through (1) a continuing public education program; (2) an inter-governmental coordination program; and (3) an energy audit program. | Approval | \$280,092 of the \$421,692 are carry over funds from 1979. This is the last year of this program. A new Energy Management and Partnership Act is being considered by Congress which would continue these programs and require a 20 percent state match. |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

DATE: June 13, 1980

| State Agency | State Identifier | Amount | Time Period | % of Fed. Funds | % of State Funds | % of Other Funds | Personnel | | Federal Agency/ CFDA/ Program Purpose | GCR Unit | Remarks |
|-----------------------------|------------------|---------|--------------------|-----------------|------------------|------------------|-----------|-------|--|--|--|
| | | | | | | | New | Cont. | | Recommendation B&C Board/ GCR Subcommittee Recommendation | |
| 7 Clemson | 0-H12-040 | 9,819 | 7-1-79 6-30-81 | 9,819 100% | 0 | 0 | 1 | 0 | HHS - 13.386 To provide support for the nursing associate degree program. | Conditional Approval | Provided the new position is within the agency's authorized headcount. |
| 8 Clemson | 0-H12-041 | 161,738 | 8-15-80 8-14-81 | 0 | 99,738IK 62% | 62,000 38% | 0 | 2.3 | Packaging Education Foundation To continue support for the food packaging curriculum to include the establishment of a master's degree in packaging. | Approval | |
| 9 Francis Marion College | 0-H18-009 | 107,705 | 7-15-80 6-14-81 | 107,705 100% | 0 | 0 | 0 | 1 | U.S. Office of Education - 13.489 To continue an in-service training program for teachers in three schools at Mount Pleasant, Lee County. It allows teachers in these schools to enroll in graduate courses at Francis Marion to improve the teachers' ability to provide quality education to students in this economically deprived county. | Approval | |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

| 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. | | | |
| 10 USC | 0-H27-117 | 69,400 | 7-1-80 6-30-81 | 69,400 100% | 0 | 0 | 0 | 4.25 | U.S. Office of Education - 13,540 To continue the delivery of services to 3,000 veterans, dependents, and in-servicemen attending the University. Program pro- vides outreach, recruit- ment, counseling, tutorial, work-study, and special educational assistance for handicapped veterans. Program covers all nine USC campuses. | Approval | |
| 11 USC | 0-H27-118 | 10,357 | 7-1-80 6-30-81 | 0 | 0 | 10,357 | 0 | .25 | Contract, Sea Island Com- prehensive Health Corp. To provide consultation services of Dr. Ralph Lynton to the Sea Island Comprehensive Health Cor- poration on the organiza- tional issues of the corporation's clinics and the proper relationship between health and medical missions. Dr. Lynton will be employed for 20 percent of this time in this effort. | Approval | |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

June 13, 1980

| 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. | | | |
| 12 USC | 0-H27-119 | 51,574 | 10-1-80 4-30-81 | 30,000 58% | 21,574IK 42% | 0 | .5 | 1S | U.S. Office of Education - 13.403 A project to establish in the College of Education a training program to meet the needs of teaching 41,893 non-English speaking students in elementary and secondary schools in South Carolina. Currently, three school districts have English as a second lan- guage program but there is no assistance for teachers' training institutions or aid to the instructors in this effort. Program will also coordinate the needs of these students as well as enlist the aid of faculty of other depart- ments to develop courses to train bi-lingual students. | Conditional Approval | Provided new position does not exceed the authorized ceiling in 1980-81 Appropriations Act. |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

| 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. | | | |
| 13 USC | 0-H27-120 | 23,058 | 1-1-81 8-31-81 | 19,059 83% | 3,999IK 17% | 0 | 0 | 1 | U.S. Office of Education - 13.584 To continue the clinical experience program for seniors in the Law School in such basic skills as interviewing, counseling, negotiating, and advocacy. Students will represent actual clients under direct supervision of staff attorneys. Grant employs one full time coordinator. | Approval | |
| 14 USC-Aiken | 0-H29-005 | 9,305 | 3-15-80 3-14-81 | 4,652 50% | 4,653IK 50% | 0 | 0 | .01S | Dept. of Energy - 81.052 A 50/50 matching program to provide an energy study of the administration and classroom buildings on the Aiken campus. Results of study will provide recom- mendations pertaining to conservation of energy or modification of existing equipment to conserve energy. | Approval | |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

| 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 | |
| 15 MUSC | 0-H51-048 | 65,124 | 6-1-80 5-31-81 | 65,124 100% | 0 | 0 | 0 | 0 | National Institute of Health - 13.226 A program to provide outstanding students in the College of Medicine, Dental Medicine, and Pharmacy experiences in a productive research environment. Program will provide students opportunity to learn research approach and specific techniques associated with research programs. Grant will provide \$420 for three months for 30 students. | Approval | 13 faculty members will oversee the training effort of the students; however, the time does not represent any additional effort beyond their training responsibility. |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 15, 1980

| 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 MUSC | 0-H51-049 | 146,389 | 7-1-80 6-30-81 | 0 | 0 | 146,389 100% | 0 | .2S | Robert Wood Foundation A program which will benefit the Health Care services in the northeastern section of South Carolina in six counties. Objective of program is to reduce infant mortality in the Pee Dee Region via outreach education, consultation, research, and family care in conjunction with Pee Dee Health Center, McLeod Regional Medical Center, and MUSC College of Medicine. | Approval | |
| 17 MUSC | 0-H51-050 | 235,609 | 9-30-80 9-29-81 | 223,665 95% | 11,944IK 5% | 0 | 2.85 | 5.9 | Bureau of Manpower, Dept. of Education - 13.358 To continue for a third year a graduate education program in nursing. Objectives of program are to assist School of Nursing in planning, implementing and evaluating clinical specialist skills in maternity, pediatrics, and medical surgical nursing. 39 graduate nurses are enrolled in program with 36 from South Carolina and 3 from other states. | Conditional Approval | Provided new positions do not exceed total authorized ceiling in 1980-81 Appropriations Act. |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

| State Agency | State Identifier | Amount | Time Period | % of Fed. Funds | % of State Funds | % of Other Funds | Personnel New | Cont. | Federal Agency/CFDA/ Program Purpose | GCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation | Remarks |
|--------------------|------------------|--------|--------------------|-----------------|------------------|------------------|---------------|-------|--|--|---|
| 18 Midlands TEC | 0-H59-138 | 17,081 | 5-1-80 12-30-80 | 7,891 46% | 9,190IK 54% | 0 | 1T | 0 | S.C. Committee for the Humanities - 45.129 To fund a two-day seminar on the works of Julia Peterkin in commemoration of the 100th anniversary of her birth, October 31, 1880, a South Carolina writer. The conference will open on Friday, October 31, 1980 and end in late afternoon Saturday, November 1, 1980. | Conditional Approval | Provided the temporary position is not hired for longer than six months and is within the authorized ceiling. This project has been approved by the S.C. Committee on the Humanities subject to the approval of the Budget and Control Board and the Joint Committee. The Commission on Higher Education has also approved the purposes of the project. |
| 19 Trident TEC | 0-H59-139 | 70,706 | 10-1-80 9-30-81 | 70,706 100% | 0 | 0 | 3 | 0 | U.S. Dept. of Education - 13.564 To produce 150 consumer information tapes which will be available to the general public through an already existing and widely used dial-a-tape information service. | Conditional Approval | Provided the new positions are within the authorized ceiling. |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

| State Agency | State Identifier | Amount | Time Period | % of Fed. Funds | % of State Funds | % of Other Funds | Personnel New | Personnel Cont. | Federal Agency/CFDA/Program Purpose | GCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation | Remarks |
|-------------------|------------------|--------|--------------------|-----------------|------------------|------------------|---------------|-----------------|---|--|---|
| 20 Trident TEC | 0-H59-140 | 45,383 | 10-1-80 9-30-81 | 45,383 100% | 0 | 0 | 5 | 0 | Governor's Office of Exec. Policy & Programs, CETA - 17.232 To change the inactive records of students from hard copy to microfiche since the active student records are now being computerized. | Conditional Approval | Provided the new positions are within the authorized ceiling. |
| 21 Trident TEC | 0-H59-141 | 80,136 | 10-1-80 9-30-81 | 80,136 100% | 0 | 0 | 4 | 0 | Governor's Office of Exec. Policy & Programs, CETA - 17.232 To purchase and operate a mobile outreach career information, basic skills assessment and other related services to women (displaced homemakers), senior citizens, out-of-school youth, and handicapped individuals in the Trident area. CONTINUED FROM COLUMN 11: additional \$500 for microfiche materials. Also included is \$50 for the installation of a mobile telephone and \$6,000 for local calls and long distance calls. Therefore, we are recommending disapproval. | Disapproval | This is essentially the same proposal which was presented by Trident TEC on August 28, 1979, under GCR No. 9-H59-190 and was conditionally approved by the Joint Appropriations Review Committee. The condition was that no new personnel were to be employed on the project. The project was subsequently not funded by the Governor's Office of Manpower. This present project calls for 4 new personnel. We feel that the Board and Committee should be advised that the project calls for the purchase of a Winnebago Van, equipped with a microfiche reader and an |

CONTINUED IN COLUMN 9

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

| June 12, 1980 | | | | | | | | | | | |
|-------------------|------------------|--------|--------------------|-----------------|------------------|------------------|-----------|-------|---|---|--|
| 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 | |
| 22 Trident TEC | 0-H59-142 | 18,011 | 10-1-80 9-30-81 | 18,011 100% | 0 | 0 | 2 | 0 | Governor's Office of Exec. Policy & Programs, CETA - 17,232 Title VI To fund the employment of two computer laboratory assistants under Public Service Employment (CETA). This service will benefit the students in the laboratory and at the same time the participants will gain skills that can be transferable in non-subsidized employment. | Conditional Approval | Provided the new positions do not exceed the authorized ceiling and provided the salaries for all new public service employment (PSE) participants hired by state agencies under CETA Titles II and VI are sufficiently below the \$10,000 ceiling to allow for a cost of living and merit increase annually without augmentation of state appropriated funds without Budget and Control Board approval. |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

DATE: June 13, 1980

| 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 BLC Board/ GCR Subcommittee Recommendation | Remarks |
|-------------------|------------------|--------|--------------------|-----------------|------------------|------------------|-----------|-------|---|--|---|
| | | | | | | | New | Cont. | | | |
| 23 Trident TEC | 0-B59-143 | 36,005 | 10-1-80 9-30-81 | 36,005 100% | 0 | 0 | 4 | 0 | Governor's Office of Exec. Policy & Programs, CETA 17.232 To fund the employment of four shop/laboratory safety assistants to: (1) identify hazards associated with the various shops and labs, (2) determine OSHA standards for specified activities and to determine the compliance therewith, (3) assist in the implementation of programs to bring shop and lab activities in compliance with the standards, (4) assist with routine inspection of facilities and procedures, and (5) develop a mechanism for reporting the safety status of shops and labs. | Conditional Approval | Provided the new positions are within authorized ceiling and provided the salaries for all new public service employment (PSE) participants hired by state agencies under CETA Titles II and VI are sufficiently below the \$10,000 ceiling to allow for a cost of living and merit increase annually without augmentation of state appropriated funds without Budget and Control Board approval. |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

DATE: June 13, 1980

| 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 Trident TEC | 0-H59-144 | 101,027 | 10-1-80 9-30-81 | 101,027 100% | 0 | 0 | 3 | 0 | Governor's Office of Exec. Policy & Programs, CETA - 17.232 To identify and recruit 15 qualified (handicapped) program participants, conduct orientation sessions of eight weeks, development of individualized education program for participants and to provide remedial, tutorial and other educational support services for program participants according to individual needs. | Conditional Approval | Provided the new positions are within the authorized ceiling and provided the salaries for all new public service employment (PSE) participants hired by state agencies under CETA Titles II and VI are sufficiently below the \$10,000 ceiling to allow for a cost of living and merit increase annually without augmentation of state appropriated funds without Budget and Control Board approval. |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

| 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. | | | |
| 25 State TEC | 0-H59-145 | 56,079 | 10-11-80 10-10-81 | 44,779 80% | 11,300 20% 6,500IK 4,800C | 0 | 1 | 1 | Mine Safety and Health Administration - 17.600 To conform to federal law which mandates that S.C. mines have adequate training in order to pre- vent serious physical harm from accidents and to prevent occupational diseases. | Conditional Approval | Provided the new position is within the authorized ceiling. |
| 26 Midlands TEC | 0-H59-146 | 105,568 | 10-1-80 9-30-81 | 105,568 100% | 0 | 0 | 1 2T | 0 | Governor's Office of Exec. Policy & Programs - 17.232 To train 15 visually impaired or other physical- ly handicapped persons, exclusive of the deaf and hearing impaired, as medical transcribers and to develop and secure job placement in hospitals, clinics for 80 percent of the participants. | Conditional Approval | Provided the temporary positions are not hired for longer than six months and all new positions are within the authorized ceiling. |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

| June 15, 1980 | | | | | | | | | | | | |
|---------------|--------------|------------------|--------|--------------------|-----------------|------------------|------------------|-----------|-------|--|---|---|
| 27 | 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 | |
| | Midlands TEC | 0-H59-148 | 11,363 | 10-1-80 9-30-81 | 11,363 100% | 0 | 0 | 3T | 0 | U.S. Dept. of Energy- Unavailable To construct a portable passive solar hot water heater utilizing a single glazed flat plate collector to be mounted on a trailer with a domestic water system storage tank for showing at malls, fairs, other institutions, etc. | Conditional Approval | Provided the temporary positions are not hired for longer than six months and do not exceed the authorized ceiling. |
| 28 | Midlands TEC | 0-H59-149 | 73,008 | 7-1-80 6-30-81 | 73,008 100% | 0 | 0 | 0 | 5 | U.S. Dept. of Education - 13,540 To provide counseling and other supportive services to veterans in the pursuit of their post-secondary education. | Approval | |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

| State Agency | State Identifier | Amount | Time Period | % of Fed. Funds | % of State Funds | % of Other Funds | Personnel New | Personnel Cont. | Federal Agency/CFDA/ Program Purpose | GCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation | Remarks |
|--------------------|------------------|---------|--------------------|-----------------|------------------|------------------|---------------|-----------------|---|--|--|
| 29 Midlands TEC | 0-H59-150 | 147,268 | 10-1-80 9-30-81 | 147,268 100% | 0 | 0 | 1 2T | 0 | Governor's Office of Exec. Policy & Programs - 17.232 To increase female participants in high-paying, higher status blue collar and technical occupations in the private sector, to increase basic educational skills, proficiency among project participants, to assist in initial job placement and skills training and to enhance an awareness of career decision making processes such as goal setting and values clarification that will increase chances of employability and job retention. | Conditional Approval | Provided the new temporary positions are not hired for longer than six months and all new positions are within the authorized ceiling. |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

| 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 | |
| 30 Tri-County TEC | 0-H59-151 | 750 | 7-1-80 6-30-81 | 0 | 0 | 750 | 0 | 0 | Motorcycle Safety Foundation - N/A To supplement funds awarded through the Office of Highway Safety to provide education in motorcycle safety. | Approval | |
| 31 Horry-Georgetown TEC | 0-H59-152 | 50,000 | 1-1-81 12-31-81 | 50,000 100% | 0 | 0 | .25 7T | 0 | U.S. Dept. of Energy - Unavailable To develop and construct a device consisting of a rotating drum shredder for waste rubber (grindings, old tires, etc.) a water-gravity separation tank to remove foreign material from the rubber fuel, a drying section, and a storage bin, resulting in energy savings. | Conditional Approval | Provided the temporary positions are not hired for longer than six months and all positions are within the authorized ceiling. |

JUN 24 1980

NO. 23

STATE BUDGET & CONTROL BOARD

EXHIBIT
JUN 24 1980 NO. 23
STATE BUDGET & CONTROL BOARD

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

| 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. | | | |
| 32 Horry-Georgetown TEC | 0-H59-153 | 66,785 | 1-1-81 12-31-81 | 62,716 94% | 4,0691K 6% | 0 | 2 | 0 | U.S. Dept. of Education - 13.561 To provide workshops for (1) consumers, (2) faculty and students, and (3) industry in the use of the metric system. | Conditional Approval | Provided the new positions are within the authorized ceiling. |
| 33 Horry-Georgetown TEC | 0-H59-154 | 24,564 | 7-1-80 6-30-81 | 24,564 100% | 0 | 0 | 0 | 2 | U.S. Dept. of Education - 13.540 To provide necessary coun- seling to veterans and to assist veterans in other ways in the pursuit of their post-secondary education. | Approval | |
| 34 Trident TEC | 0-H59-155 | 68,395 | 7-1-80 6-30-81 | 68,395 100% | 0 | 0 | 0 | 4.5 | U.S. Dept. of Education - 13.540 To provide support for the veterans' education pro- gram including counseling services in their post- secondary education pur- suits. | Approval | This is a continuation program. |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

| State Agency | State Identifier | Amount | Time Period | % of Fed. Funds | % of State Funds | % of Other Funds | Personnel New | Cont. | Federal Agency/CFDA/ Program Purpose | GCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation | Remarks |
|----------------------|------------------|--------|-------------------|-----------------|------------------|------------------|---------------|-------|---|--|--|
| 35 Tri-County TEC | 0-H59-156 | 41,451 | 6-2-80 9-1-80 | 41,451 100% | 0 | 0 | 4T | 0 | Governor's Office of Exec. Policy & Programs - 17.232 To conduct an eight-week summer project for 30 economically disadvantaged high school youths from Anderson County involving 30 hours, six hours per day, five days a week. They will receive remedial training, career education, and exposure to the world of work through employment with a state agency or other non-profit organization. | Conditional Approval | Provided the temporary positions are not hired for longer than six months and are within the authorized ceiling. |
| 36 Piedmont TEC | 0-H59-157 | 8,920 | 9-1-80 8-30-81 | 8,920 100% | 0 | 0 | 0 | 0 | U.S. Dept. of Energy-81.050 To fund a solar heating system for the student services facility at Piedmont TEC, providing low cost and efficient heating system. | Approval | |
| 37 Piedmont TEC | 0-H59-158 | 29,691 | 7-1-80 6-30-81 | 29,691 100% | 0 | 0 | 0 | 2 | U.S. Dept. of Education - 13.540 To provide counseling and other supportive services to veterans in their post-secondary education pursuits. | Approval | |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

| 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 BSC Board/ GCR Subcommittee Recommendation | Remarks |
|----------------------------------|------------------|---------|--------------------|-----------------|------------------|------------------|-----------|-------|---|--|------------------------|
| | | | | | | | New | Cont. | | | |
| 38 Williamsburg TEC | 0-H59-159 | 108,411 | 10-1-80 9-30-81 | 108,411 100% | 0 | 0 | 0 | 4 | Governor's Office of Exec. Policy & Programs, CETA - 17.232 To facilitate the entry or re-entry of individuals in the target groups into the labor market through a period of intensive transition services focusing on individual assessment, career exploration and job search activities. The target groups are females, minorities, AFDC recipients, displaced homemakers, the handicapped, and offenders. | Approval | A continuation project |
| 39 Florence-Darlington TEC | 0-H59-160 | 1,900 | 7-1-80 6-30-81 | 1,900 100% | 0 | 0 | 0 | 0 | U.S. Dept. of Education - 13.540 To provide counseling assistance to veterans in their educational pursuits | Approval | A continuation project |
| 40 State TEC | 0-H59-161 | 60,000 | 10-1-80 9-30-81 | 60,000 100% | 0 | 0 | 0 | 1 | Governor's Office of Exec. Policy & Programs - 20.600 To continue the approved motorcycle safety training to novice riders at 11 locations in order to reduce accidents, injuries and fatalities. | Approval | A continuation project |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

| 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. | | | |
| 41 Education | 0-H63-045 | 30,240 | 7-1-80 6-30-81 | 30,240 100% | 0 | 0 | 1 | 0 | Subgrant, Governor's Office Appalachian Regional Commission - 23,012 A program to develop comprehensive community education and citizen participation in education models. Purpose is to increase the quality and quantity of parent and community involvement in the educational system in the Appalachian Region. | Conditional Approval | Provided new position does not exceed the authorized ceiling in 1980-81 Appropriations Act. |
| 42 Education | 0-H63-046 | 38,861 | 10-1-80 9-30-81 | 31,089 80% | 7,772C 20% | 0 | 1 | 0 | Subcontract, Governor's Highway Safety Office - 20.600 To develop a safety education program for school districts in South Carolina. The program will concentrate on safety of students through classroom sessions, conferences, and brochures to explain safety necessary for use of bicycles and mopeds. | Conditional Approval | Provided new position does not exceed the authorized ceiling in 1980-81 Appropriations Act. |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

| State Agency | State Identifier | Amount | Time Period | % of Fed. Funds | % of State Funds | % of Other Funds | Personnel New | Personnel Cont. | Federal Agency/CFDA/ Program Purpose | GCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation | Remarks |
|-----------------|------------------|--------|--------------------|-----------------|------------------|------------------|---------------|-----------------|---|--|---|
| 43 Education | 0-H63-047 | 6,200 | 5-26-80 6-30-81 | 6,200 100% | 0 | 0 | 0 | 0 | National Center for Educational Statistics - N/A A contract to establish and maintain a comprehensive educational data base from data collected for state and local school officials that is provided to educational planners, researchers, and policy analysts at local, state, and national levels. Data collected includes enrollments, school facilities, revenues, staff employed, number of graduates, debt service, etc. | Approval | Amount reimbursed will be deposited to General Fund as earned funds. |
| 44 Education | 0-H63-048 | 93,600 | 10-1-80 9-30-81 | 72,000 77% | 21,600IK 23% | 0 | 3 | 0 | Subcontract, Governor's Office of Highway Safety-22,600 To provide additional instruction personnel to increase school bus driver proficiency through an expanded program of driver training. Program will concentrate on the urban area problems. Program will add three instructors in order to increase the behind-the-wheel drivers training from two hours to four hours and to provide evaluation of student drivers with goal of reducing accidents by 30% during 1980-81 | Conditional Approval | Provided new personnel are within the authorized ceiling of 1980-81 Appropriations Act. |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

DATE: June 13, 1980

| 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. | | B5C Board/ GCR Subcommittee Recommendation | |
| 45 Arts Commission | 0-H91-006 | 10,000 | 1-5-81 6-4-81 | 5,000 50% | 1,000C 10% | 4,000 40% | 0 | 0 | National Endowment for the Arts - 45.004 To pay fees for one professional writer and five visiting writers to conduct classes and workshops in creative writing, play writing, and poetry. In addition, they will give readings to inmates at four correctional institutions, encouraging the inmates to submit writings for possible publications. | Approval | |
| 46 Arts Commission | 0-H91-007 | 23,083 | 11-1-80 10-30-81 | 10,000 43% | 12,683 54% 5,650IK 7,033C | 400 3% | 5PT | 0 | National Endowment for the Arts - 45.004 To renovate an existing Mobile Literature Truck to serve the needs of emerging writers as a traveling studio-workshop space. In addition, eight writer development residencies will be conducted in eight sample locations in the state. | Conditional Approval | Provided the new part-time positions are within the authorized ceiling. |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

| State Agency | State Identifier | Amount | Time Period | % of Fed. Funds | % of State Funds | % of Other Funds | Personnel New | Personnel Cont. | Federal Agency/CFDA/ Program Purpose | GCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation | Remarks |
|-----------------------|------------------|---------|--------------------|-----------------|--------------------------------------|------------------|---------------|-----------------|--|--|--|
| 47 Arts Commission | 0-H91-008 | 106,084 | 1-1-81 12-31-81 | 50,000 47% | 46,784 44% 13,250IK 33,534C | 9,300 9% | 0 | 2 1PT | National Endowment for the Arts - 45.006 To continue to provide services to insure comprehensive growth of media arts through (1) artist development which includes editing facilities, workshops, and individual consultation, (2) audience education through film programs, publicity, program notes and technical assistance and (3) media arts education through young film maker festivals, films in schools, etc. | Approval | |
| 48 DHEC | 0-J04-065 | 125,032 | 10-1-80 9-30-81 | 125,032 100% | 0 | 0 | 3 | 0 | HHS - 13.292 To develop a system of case management to identify sudden infant death syndrome deaths and provide counseling services for families. | Conditional Approval | Provided new positions are within authorized headcount. This project was not included in agency's budget. |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

June 15, 1980

| 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 BLC Board/ GCR Subcommittee Recommendation | Remarks |
|---|------------------|---------|--------------------|-----------------|------------------|------------------|-----------|-------|---|--|---|
| | | | | | | | New | Cont. | | | |
| 49 DHEC | 0-J04-066 | 304,935 | 10-1-80 9-30-81 | 304,935 100% | 0 | 0 | 2 | 2 | HHS - 13.981 To coordinate health education programs emphasizing personal choice behaviors that reduce the risk of developing chronic diseases or conditions in the primary areas of nutrition, smoking, high blood pressure, exercise and cancer. | Conditional Approval | Provided new position are within authorized ceiling. |
| 50 DHEC | 0-J04-074 | 275,664 | 6-1-80 5-31-81 | 189,857 69% | 51,753IK 19% | 34,054 12% | 10 | 0 | HHS - 13.975 To provide health care services for adolescents of unintended pregnancies, for pregnant adolescents, and for adolescent parents. | Conditional Approval | Provided new positions are within authorized ceiling. |
| 51 Mental Health, Columbia Area MHC | 0-J12-024 | 172,650 | 1-1-81 12-31-81 | 89,250 52% | 31,450C 18% | 51,950 30% | 0 | 5 | HHS - 13.295 To provide consultation and education services for prevention of mental illness. | Approval | |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

| State Agency | State Identifier | Amount | Time Period | % of Fed. Funds | % of State Funds | % of Other Funds | Personnel New | Personnel Cont. | Federal Agency/CFDA/ Program Purpose | GCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation | Remarks |
|---|------------------|--------|-------------------|-----------------|------------------|------------------|---------------|-----------------|--|--|--|
| 52 Mental Health, Columbia Area MHC | 0-J12-025 | 62,810 | 7-1-80 6-30-81 | 62,810 | 0 | 0 | 0 | 0 | HHS - 13.275 To provide funding for the projected deficit and maintain the delivery of comprehensive mental health services. | Approval | This is the last year of federal funding. |
| 53 Mental Health | 0-J12-026 | 7,659 | 2-1-80 6-19-80 | 5,558 73% | 2,101C 27% | 0 | 0 | 1 | HHS through DSS - 13.714 To provide support for case management services for community long-term care clients in Spartanburg, Cherokee, and Union Counties. | Approval | |
| 54 Mental Health, Spartanburg Area MHC | 0-J12-027 | 69,228 | 7-1-80 6-30-81 | 69,228 | 0 | 0 | 0 | 0 | HHS - 13.295 To provide financial distress funding for the projected deficit for the provision of comprehensive mental health service to Spartanburg, Union, and Cherokee Counties. | Approval | This is the fifth and probably final year of financial distress funding. The center will dependent upon state and local funding and other third party payments at the conclusion of the grant. |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

| State Agency | State Identifier | Amount | Time Period | % of Fed. Funds | % of State Funds | % of Other Funds | Personnel New | Personnel Cont. | Federal Agency/CFDA/ Program Purpose | GCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation | Remarks |
|---|------------------|-----------|-------------------|------------------|-------------------|------------------|---------------|-----------------|---|--|---|
| 55 Mental Retardation | 0-J16-020 | 4,773,085 | 7-1-80 6-30-81 | 3,579,814 75% | 1,193,271C 25% | 0 | 0 | 0 | HHS through DSS To provide development services to Title XX eligible mentally retarded and other developmentally disabled clients. | Approval | |
| 56 Mental Retardation, Coastal Center | 0-J16-021 | 130,040 | 7-1-80 6-30-81 | 90,000 69% | 36,440IK 28% | 3,600 3% | 0 | 0 | HHS through Governor's Division of Health and Human Services - 13.630 To locate and coordinate the activities of services provided to the developmentally disabled in the coastal region. | Approval | The federal funds were not included in the agency's budget. |
| 57 Mental Retardation | 0-J16-022 | 485,107 | 7-1-80 6-30-81 | 485,107 100% | 0 | 0 | 0 | 36 | U.S. Dept. of Education through State Dept. of Education - 13.427 To augment the educational services to school age eligible handicapped children in the areas of self-help skills, communication skills, vocational skills, functional academic and personal social skills. | Approval | |

DATE: June 13, 1980

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

| June 12, 1980 | | | | | | | | | | | |
|--|------------------|---------|--------------------|-----------------|------------------|------------------|-----------|-------|---|---|---|
| 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. | | BSC Board/ GCR Subcommittee Recommendation | |
| 58 Mental Retardation | 0-J16-023 | 139,256 | 7-1-80 | 109,248 78% | 9,958IK 7% | 20,050 15% | 0 | 6.5 | IHS - 13,444 To provide comprehensive education for pre-school handicapped children in order to remove any developmental delay. | Approval | The federal funds were not included in agency's budget. |
| 59 Commission on Alcohol & Drug Abuse | 0-J20-016 | 63,000 | 10-1-80 9-30-81 | 63,000 100% | 0 | 0 | 0 | 0 | Dept. of Transportation through Division of Public Safety - 20,600 To provide a public information education campaign addressing the problems of highway safety and alcohol. | Approval | This project was not included in agency's budget. |
| 60 John de la Howe | 0-L12-006 | 97,339 | 7-1-80 6-30-81 | 97,339 100% | 0 | 0 | 1 | 8 | U.S. Dept. of Education through State Dept. of Education - 13,431 To provide support for basic education for institutionalized neglected children. | Conditional Approval | Provided new position is within authorized headcount. |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

| State Agency | State Identifier | Amount | Time Period | % of Fed. Funds | % of State Funds | % of Other Funds | Personnel New | Personnel Cont. | Federal Agency/CFDA/ Program Purpose | GCR Unit Recommendation BSC Board/ GCR Subcommittee Recommendation | Remarks |
|----------------------------|------------------|--------|---------------------|-----------------|------------------|------------------|---------------|-----------------|---|--|---|
| 61 Commission on Aging | 0-L28-003 | 10,000 | 6-13-80 12-12-81 | 10,000 100% | 0 | 0 | 0 | 0 | HHS - 13.637 To hold local forums and a Governor's State White House Conference on Aging preparatory to the National White House Conference on Aging. | Approval | |
| 62 Dept. of Corrections | 0-N04-031 | 30,254 | 7-1-80 6-03-81 | 27,229 90% | 3,025C 10% | 0 | 1 | 0 | LEAA through Division of Public Safety - 16.502 To provide for the development and implementation of child care programs at a minimum of four SCDC institutions for the benefit of visiting inmate families. Two institutions already provide a program for children visiting incarcerated family members. It is the policy of SCDC to encourage the maintenance of family ties. | Conditional Approval | Provided new position is within authorized ceiling. This is a two-year project and approximately \$3,297 additional funds will be required the second year. |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

June 13, 1980

| 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. | | GCR Subcommittee Recommendation | |
| 63 Corrections | 0-N04-032 | 4,311 | 7-1-80 8-31-80 | 2,156 50% | 2,155C 50% | 0 | 0 | 0 | LEAA through Division of Public Safety - 16.502 To send five employees to the 1980 American Correctional Association Congress in San Diego, California. | Approval | |
| 64 Corrections | 0-N04-033 | 149,943 | 7-1-80 6-30-81 | 149,943 100% | 0 | 0 | 7 | 0 | Dept. of Labor through CETA Division - 17.232 To provide support and assistance for each offender's direct linkage into employment or a training program that will lead to employment. | Conditional Approval | Provided new positions are within authorized headcount. |
| 65 Probation, Parole, & Pardon Board | 0-N08-003 | 13,483 | 4-3-80 9-30-80 | 13,483 100% | 0 | 0 | 2 | 0 | Dept. of Labor through CETA Division - 17.232 To employ two underemployed or unemployed individuals as Clerk II in support of the Board's activities. | Conditional Approval | Provided new positions are within authorized headcount. |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

| State Agency | State Identifier | Amount | Time Period | % of Fed. Funds | % of State Funds | % of Other Funds | Personnel New | Personnel Cont. | Federal Agency/CFDA/Program Purpose | GCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation | Remarks |
|--------------------------------------|------------------|---------|--------------------|-----------------|-------------------------------------|------------------|---------------|-----------------|---|--|---|
| 66 Juvenile Placement & Aftercare | 0-N16-022 | 180,958 | 7-1-80 6-30-81 | 135,719 75% | 45,239C 25% | 0 | 0 | 14 | MHS through DSS - 13.642 To provide community based counseling and special residential counseling to Title XX funds eligible children in order to minimize their involvement in the Criminal Justice System. | Approval | |
| 67 Land Resources | 0-P08-016 | 16,920 | 8-1-80 1-30-81 | 16,920 100% | 0 | 0 | 1 | 0 | U.S. Geological Survey - 15.801 To provide a comprehensive inventory of the aerial photographic holdings of South Carolina to provide the needed information for resource planning and development. | Conditional Approval | Provided the new position in within authorized ceiling. |
| 68 Agriculture | 0-P16-001 | 34,200 | 6-15-80 6-14-81 | 17,100 50% | 17,100 50% 15,000IK 2,100C | 0 | 0 | 0 | U.S. Dept. of Agriculture- 10.156 To assist producers who sell in local markets relative to the characteristics and desires of this group of consumers in order to better serve this group, leading to more efficient and effective marketing. | Approval | |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

| 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 BSC Board/ GCR Subcommittee Recommendation | Remarks |
|--------------------------------------|------------------|-----------|-------------------|------------------|------------------|------------------|-----------|-------|---|--|--|
| | | | | | | | New | Cont. | | | |
| 69 Parks, Recreation & Tourism | 0-P28-011 | 6,663,424 | 8-1-80 7-30-81 | 3,331,712 50% | 506,000C 8% | 2,825,712 42% | 0 | 0 | U.S. Dept. of Interior - 15,400 The acquisition of 9,764 acre wilderness area for public recreation and conservation purposes, involving eight tracts along North Carolina/South Carolina state line. This area is known as the Moun- tain Bridge properties, one of South Carolina's finest natural resources. | Approval | This project includes the acquisition of the Watson Property which was included in a project submitted by Wildlife and approved by the Joint Appro- priations Review Committee at their meeting on May 20, 1980. This project was subsequently with- drawn by Wildlife and has been made a part of this project. \$2,825,712 or 42 per- cent of the purchase price is being donated by all of the landowners except one. This is the reason that \$506,000 was included in the 1980-81 Bond Bill, representing a portion of the state's share. |

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

| 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. | | | |
| 70 Employment Security Commission | 0-R60-109 | 1,040,625 | 6-9-80 9-8-80 | 1,040,625 100% | 0 | 0 | 0 | 0 | Governor's Office of Exec. Policy & Programs, CETA - 17.232 Title IV To provide work experience and classroom training to participants who are economically disadvantaged and between the ages of 14 and 21. The primary objectives are to provide income for students, teach- ing good work habits and exposing them to an occupational environment. | Approval | |
| 71 Employment Security Commission | 0-R60-110 | 224,137 | 7-1-80 9-30-80 | 224,137 100% | 0 | 0 | 0 | 0 | U.S. Dept. of Labor-17.207 To provide cost of living increases for Employment Services employees which are not projected in the annual plan and budget submitted for federal Fiscal Year 1980. | Approval | |
| 72 Employment Security Commission | 0-R60-111 | 202,145 | 7-1-80 9-30-80 | 202,145 100% | 0 | 0 | 0 | 0 | U.S. Dept. of Labor-17.225 To provide for cost of living increases for the unemployment insurance em- ployees which was not pro- jected in the annual plan and budget submitted for federal Fiscal Year 1980. | Approval | |

EXHIBIT

JUN 24 1980 NO. 23

STATE BUDGET & CONTROL BOARD

SUMMARY
FEDERAL GRANTS AND CONTRACTS REQUESTS

DATE: June 13, 1980

| State Agency | State Identifier | Amount | Time Period | % of Fed. Funds | % of State Funds | % of Other Funds | Personnel New | Cont. | Federal Agency/CFDA/ Program Purpose | GCR Unit Recommendation B&C Board/ GCR Subcommittee Recommendation | Remarks |
|--------------------------------------|------------------|---------|--------------------|-----------------|------------------|------------------|---------------|-------|--|--|--|
| 73 Employment Security Commission | 0-R60-112 | 144,995 | 10-1-80 9-30-81 | 144,995 100% | 0 | 0 | 0 | 6.3 | Governor's Office of Exec. Policy & Programs - 17.232 To continue the funding of the expenses of a network of work/education councils in South Carolina. The purpose is to link local and state initiatives in the education/work transition. | Approval | |
| 74 Employment Security Commission | 0-R60-113 | 49,811 | 7-1-80 6-30-81 | 49,811 100% | 0 | 0 | 2.2 | 0 | Governor's Office of Exec. Policy & Programs - 17.232 Title VII To provide unemployed individuals the skills needed to obtain unsubsidized employment within the private sector, teaching job-search skills and how to overcome barriers to employment, also providing employment information. | Conditional Approval | Provided the new positions are within authorized ceiling. |
| 75 Employment Security Commission | 0-R60-114 | 125,000 | 6-8-80 9-7-80 | 125,000 100% | 0 | 0 | 56T | 0 | U.S. Dept. of Labor-17.232 To place youth in unsubsidized employment teaching them good work habits and the necessity of work to be self-sustaining. | Conditional Approval | Provided the temporary positions are hired for no longer than six months and are within the agency's authorized ceiling. |

EXHIBIT

JUN 24 1980

NO. 23

STATE OF SOUTH CAROLINA

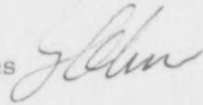
STATE BUDGET & CONTROL BOARD

EDGAR A. VAUGHN, JR., CPA
STATE AUDITOR

OFFICE OF THE STATE AUDITOR
P. O. BOX 11333
COLUMBIA
29211

MEMORANDUM

TO: William T. Putnam, Executive Director
Budget and Control Board

FROM: George F. Oliver, Director of Grant Services 

DATE: June 17, 1980

SUBJECT: GCR 0-F04-005, Computer Systems Management

The attached project is provided for special consideration at the June 24, 1980, meeting of the Budget and Control Board. Approval is recommended.

Attachment

TELEPHONES (AREA CODE 803)

ADMINISTRATION
758-3106

BUDGET DIVISION
758-7415

AUDITING DIVISION
758-8408

GRANTS AND CONTRACTS
758-7707

ENGINEERING
758-2657

STATE AUDITOR'S OFFICE
GRANTS AND CONTRACTS REVIEW SUMMARY SHEET

Name of Agency: Computer Systems Management, State Auditor
Title of Project: Management Studies - Program Area (B-01)
Proposed Dates: Beginning: 8-1-80 Ending: 7-30-81
Date of Report: 6-17-80 Prepared by: G. Oliver
Federal Source: Subcontract - OEPP, Division of Public Safety (OCJP)
Control Number: 0-F04-005 Federal Catalog No. 16.502

I. Program

- a. Purpose: A continuation of a program to evaluate the objectives of Criminal Justice Programs and to determine the adequacy of meeting these needs by subcontractors. There were 154 subgrants audited last year with corrective action taken to improve the programs.
- b. Public Benefit: Assist state and local agencies to better meet objectives for the improvement of Criminal Justice Programs.
- c. Impact on future State Financing: None

II. Financial

- a. Total Amount: \$ 19,568
- b. Amount Federal: \$ 12,719 65 % Amount State: \$ 6,849 35 %
Amount Other: \$ 0 %
- c. Funds Available to Match Program: Yes ☒ No ☐
Amount: \$ 6,849
- d. Fringe Benefits Included: Yes ☐ No ☐
Amount: \$ 1,242
- e. Indirect Cost: \$ 1,034
- f. Cost Sharing: In Kind: \$ 4,892 Cash: \$ 1,857
- g. Amount of earned revenue or income expected other than indirect cost collections:
\$ 0

III. Personnel

- a. Number of new federally funded personnel: Number: 0 Amount: \$ 0
- b. Number of personnel shifted to federal funds as a result of new program or service: Number: 0 Amount: \$ 0
- c. Current number of federally funded positions continuing on this program:
Number: 5 Amount: \$ 0
- d. Number of temporary positions: 0 Amount: \$ 0

Remarks: To be added to JARC and B&C Board Spread Sheets

Approval: Program is in its third year of operation. State matching funds are ten percent provided by Office of Criminal Justice (\$1,958) and 25 percent by Finance Division (\$4,892).

GRANTS AND CONTRACTS REVIEW UNIT
P.O. BOX 11333 COLUMBIA, S.C. 29211
TEL: 803-758-7707

| | | | | | | | | | |
|---|--|---|--|--|--|--|--|--|--|
| FEDERAL ASSISTANCE | | 2. APPLI- CANT'S APPLI- CATION | | a. NUMBER | | 3. STATE APPLICA- TION IDENTI- FIER | | a. NUMBER 0-F04-005 | |
| 1. TYPE OF ACTION (Mark ap- propriate box) | | <input type="checkbox"/> PREAPPLICATION <input type="checkbox"/> APPLICATION <input type="checkbox"/> NOTIFICATION OF INTENT (Opt.) <input type="checkbox"/> REPORT OF FEDERAL ACTION | | b. DATE Year month day 19 80-6-16 | | b. DATE Year month day ASSIGNED 19 | | | |
| | | Leave Blank | | | | | | | |
| 4. LEGAL APPLICANT/RECIPIENT | | | | | | 5. FEDERAL EMPLOYER IDENTIFICATION NO. 57-6000-286 | | | |
| a. Applicant Name: Charles H. Burr, Director b. Organization Unit: Computer Systems Management, St. Aud. c. Street/P.O. Box: P. O. Box 11488 d. City: Columbia e. State: S.C. f. County: Richland g. ZIP Code: 29211 h. Contact Person (Name & telephone No.): E. R. Tilburne 803-758-3578 | | | | | | 6. PRO- GRAM (From Federal Catalog) a. NUMBER: 16151021 b. TITLE: Law Enforcement Assistant | | | |
| 7. TITLE AND DESCRIPTION OF APPLICANT'S PROJECT Management Studies - Program Area (B-01) | | | | | | 8. TYPE OF APPLICANT/RECIPIENT A-State H-Community Action Agency B-Interstate I-Higher Educational Institution C-Substate J-Indian Tribe District K-Other (Specify): D-County E-City F-School District G-Special Purpose District Enter appropriate letter A | | | |
| | | | | | | 9. TYPE OF ASSISTANCE A-Basic Grant D-Insurance B-Supplemental Grant E-Other C-Loan Enter appropriate letter(s) IA | | | |
| 10. AREA OF PROJECT IMPACT (Names of cities, counties, States, etc.) State-wide | | | | | | 11. ESTIMATED NUMBER OF PERSONS BENEFITING SC Population 2.5 Million | | | |
| 13. PROPOSED FUNDING | | | | | | 14. CONGRESSIONAL DISTRICTS OF: | | | |
| a. FEDERAL \$ 12,710.00 b. APPLICANT 4,897.00 c. STATE 1,957.00 d. LOCAL 0.00 e. OTHER 0.00 f. TOTAL \$ 19,568.00 | | | | | | a. APPLICANT 2 b. PROJECT A11 16. PROJECT START DATE Year month day 19 80-8-1 17. PROJECT DURATION 12 Months 18. ESTIMATED DATE TO BE SUBMITTED TO FEDERAL AGENCY Year month day 19 80-6-16 | | | |
| 19. EXISTING FEDERAL IDENTIFICATION NUMBER | | | | | | 20. FEDERAL AGENCY TO RECEIVE REQUEST (Name, City, State, ZIP code) CCSP | | | |
| 21. REMARKS ADDED <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | | | | | | |
| SECTION II - CERTIFICATION 22. THE APPLICANT CERTIFIES THAT: | | a. To the best of my knowledge and belief, data in this preapplication/application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is approved. b. If required by OMB Circular A-95 this application was submitted, pursuant to instructions therein, to appropriate clearinghouses and all responses are attached: (1) Grants & Contract Review (2) (3) | | | | | | | |
| | | 23. CERTIFYING REPRESENTATIVE Charles H. Burr, Director | | b. SIGNATURE <i>Charles H. Burr</i> | | c. DATE SIGNED Year month day 19 80-6-16 | | | |
| | | 24. AGENCY NAME | | 25. APPLICA- Year month day TION RECEIVED 19 | | | | | |
| 26. ORGANIZATIONAL UNIT | | 27. ADMINISTRATIVE OFFICE | | 28. FEDERAL APPLICATION IDENTIFICATION | | 29. FEDERAL GRANT IDENTIFICATION | | | |
| 30. ADDRESS | | 31. ACTION TAKEN | | 32. FUNDING | | 33. ACTION DATE Year month day 19 | | 34. Year month day STARTING DATE 19 | |
| <input type="checkbox"/> a. AWARDED <input type="checkbox"/> b. REJECTED <input type="checkbox"/> c. RETURNED FOR AMENDMENT <input type="checkbox"/> d. DEFERRED <input type="checkbox"/> e. WITHDRAWN | | a. FEDERAL \$ 0.00 b. APPLICANT 0.00 c. STATE 0.00 d. LOCAL 0.00 e. OTHER 0.00 f. TOTAL \$ 0.00 | | 35. CONTACT FOR ADDITIONAL INFORMATION (Name and telephone number) | | 36. Year month day ENDING DATE 19 | | 37. REMARKS ADDED <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| 38. FEDERAL AGENCY A-95 ACTION | | a. In taking above action, any comments received from clearinghouses were considered. If agency response is due under provisions of Part 1, OMB Circular A-95, it has been or is being made. b. FEDERAL AGENCY A-95 OFFICIAL (Name and telephone no.) | | | | | | | |

GCR-1
(Form)

PART II

SECTION 1--PROPOSED BUDGET CATEGORIES, FIRST YEAR

| 1. Object Class Categories | (1) Federal | (2) State* | (3) Other* | (4) Other* | (5) Total |
|-----------------------------------|-------------|------------|------------|------------|-----------|
| a. Personnel | \$ 9,100 | \$ 1,400 | \$ 3,500 | \$ | \$ 14,000 |
| b. Fringe Benefits % <u>13.65</u> | 1,242 | 191 | 478 | | 1,911 |
| c. Travel | 975 | 150 | 375 | | 1,500 |
| d. Equipment | | | | | |
| e. Supplies | | | | | |
| f. Contractual | | | | | |
| g. Construction | | | | | |
| h. Other | 368 | 57 | 141 | | 566 |
| i. Total Direct Charges | 11,685 | 1,798 | 4,494 | | 17,977 |
| j. Indirect Charges % <u>10.</u> | 1,034 | 159 | 398 | | 1,591 |
| k. TOTALS | \$ 12,719 | \$ 1,957 | \$ 4,892 | \$ | \$ 19,568 |
| 2. Program Income | \$ | \$ | \$ | \$ | \$ |

* Indicate In Kind (IK) or Cash (C) with the amount at each object class category

SECTION 2--BUDGET ESTIMATES OF FUNDS NEEDED FOR THE CONTINUATION OF THE PROJECT

| (a) Source of Funds | Future Funding Periods (Years) | | | |
|---------------------|--------------------------------|-----------|------------|-----------|
| | (b) Second | (c) Third | (d) Fourth | (e) Fifth |
| 1. Federal | \$ | \$ | \$ | \$ |
| 2. State BuyIn | | | | |
| 3. Other State | <u>20,000</u> | 21,000 | 23,000 | 25,000 |
| 4. Other | | | | |
| 5. TOTALS | \$ <u>20,000</u> | \$ 21,000 | 23,000 | \$ 25,000 |

SECTION 3

1. Method of Payment: ☒ Advance ☐ Reimbursement ☐ Letter of Credit
☐ Other (Identify) _____

2. Will specified project obligate or require State appropriations beyond one year?

X Yes No If yes, explain This application is for that year of proj. 1. All future funding will be from state appropriations (See Section 2 for estimated amounts)

5. Will any of the funds be granted or contracted to other State agencies?

☐ Yes ☒ No If YES, attach a list of agencies and estimated amounts to be subgranted.

6. Indicate by checking the appropriate blocks the supportive services that will be provided or be a component part of this project:

☐ Transportation Services

☐ Medical or Health Services

☐ Data Processing Services

☐ Other (Identify) _____

☐ Training (Staff or Participants)

NONE

7. Does this program require environmental impact statements? ☐ Yes ☒ No

8. Does this program require additional space beyond the amount necessary for current operations? ☐ Yes ☒ No If YES, complete the following:

a. Are the necessary funds for this additional space included in the amount requested from the federal agency in your proposal? ☐ Yes ☐ No

b. If NO, explain what arrangements your agency will make to provide the additional space if the program is funded. _____

SECTION 5 - ABSTRACT

Provide a narrative statement which will address the following specific items:

A. Describe the public benefit to be derived from the program or service by identifying:

1. The existence, scope and level of need for the program or service; and
2. The objectives of the program.

B. Describe how the program effectiveness will be measured. For continuation programs attach a copy of the last performance evaluation.

C. Identify the program area this project will support as indicated in the current State Budget Request.

D. Describe what action will be taken to continue program if federal funds are withdrawn, decreased or if federal regulations mandate increased State matching funds in subsequent periods.

EXHIBIT

SECTION 5 - ABSTRACT

JUN 24 1980

NO. 23

STATE BUDGET & CONTROL BOARD

I-A - Public Benefit

1. Prior to August 1978, there was no mechanism for determining whether the systems and procedures used by the state and local agencies involved in the State's criminal justice programs were adequate for meeting the program objectives. As a result of the first two year's effort under this program, it is expected about 154 of the 256 agencies involved will have been audited and corrective actions undertaken as necessary. The remainder are planned to be covered in the third year.
2. The program objectives are to continue to review the existing systems and procedures to evaluate their adequacy, and to assist in developing improvements, when found necessary. Initial planning in May 1978 called for expansion of staff by one analyst the first year followed by two additional members in subsequent years. This was reduced to the original one analyst to conform to State funding limitations. The part time effort of one analyst ($\frac{1}{2}$) is now projected for the third year for the same reason.
- B. To measure achievement of objectives, comparisons of performance results of "before and after" operations are being made.
- C. The agency assigned to handle this review program is the Computer Systems Management Division, a component of the State Auditor's Office, and currently works with all State agencies (including those involved with the Criminal Justice Programs) on the determination of their management system requirements. This program will further the audit function, which is currently not being pursued for lack of funds.

The review (audit) staff is expected to be established ultimately as a separate section of the Computer Systems Management Division. Currently, it operates under the Planning and Administration Section.

| Personnel - (Continuation) | No. | Total Amount(\$) |
|---|--------------------------------------|---|
| a. Number of Federally funded Personnel | 1 | ^{14,000} \$34,887 (with fringe) |
| b. Number of State funded Personnel | - | - |
| c. Number of Personnel shifted to Federal Funds as a result of this program | (None - One shifted first year only) | |
| d. Number of Temporary Positions | - | - |
| e. Total number of personnel funded | 1 | \$34,887 |

- D If federal funds are not provided, the schedule of audits will be reduced and the initial audit cycle will be extended beyond the planned three years.

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 24

REGULAR SESSION AGENDA

MEETING OF June 24, 1980

ITEM NUMBER

23

STATE BUDGET & CONTROL BOARD

Agency: State Fire Commission

Subject: Fire Marshal's Appeals Board

Chief David A. MacLellan, Chairman of the State Fire Commission, pursuant to the procedure previously approved by the Board, has recommended the membership of the Appeals Board for the Fire Marshal's Office. Chief MacLellan recommends that the terms of these members of the Fire Commission who will serve on the Appeals Board be from May 21, 1980 to July 15, 1981, or until successors have been accepted to take their places.

The following persons are recommended by Chief MacLellan:

- (1) Mr. Lewis Lee, Chairman
- (2) Mr. Alex Gundry, Vice Chairman
- (3) Mr. Harold Tarleton, Jr.
- (4) Mr. Donald Simons
- (5) Mr. Joseph Floyd
- (6) Mrs. Pernyece Gerideau
- (7) Mr. Carl R. Dickert

Board Action Requested:

Appoint membership of the Fire Marshal's Appeals Boards as recommended by Chief David A. MacLellan, Chairman of the State Fire Commission.

Staff Comment:

Attachments:

MacLellan May 22 and June 18 letters to Putnam



EXHIBIT

MAY 24 1980

NO. 24

STATE BUDGET & CONTROL BOARD

Member
South Carolina
State Firemen's Association
National Fire
Protection Association
Southern Building
Code Congress International

David A. MacLellan, Chief

Sea Pines-Forest Beach
Fire Department
P.O. Box 5193
Hilton Head Island, S.C. 29928
803-785-2306

May 22, 1980

Mr. William T. Putnam, Executive Director
SOUTH CAROLINA STATE BUDGET AND CONTROL BOARD
Post Office Box 12444
Columbia, South Carolina 29211

Dear Mr. Putnam,

The following Commissioners, listed below, have agreed and are being recommended by me to serve on the Appeals Board for the Fire Marshal's Office. Their term will be from May 21, 1980 to July 15, 1981, or until a successor has been accepted to take their place. I have placed my name on the Board, only temporarily, until a new Commissioner or the present Commissioner is reinstated. The Commissioner I am speaking about is Mr. Ronald Self. He has resigned from the Commission because he is making application for the position of State Fire Marshal.

The recommendations are as follows:

- | | |
|------------------------------------|------------------------|
| 1.) Mr. Lewis Lee, Chairman | Paid Fire Fighter |
| 2.) Mr. Alex Gundry, Vice Chairman | Volunteer Fire Fighter |
| 3.) Mr. Harold Tarleton, Jr. | Architech |
| 4.) Mr. Donald Simons | Contractor |
| 5.) Mr. Joseph Floyd | Building Official |
| 6.) Mrs. Pernyece Gerideau | Consumer |
| 7.) Mr. David A. MacLellan | Fire Chief |

Thank you for the opportunity to recommend the names for the Budget and Control Board's approval.

Sincerely,

Chief David A. MacLellan, Chairman
South Carolina State Fire Commission

DAM/gml

RECEIVED

MAY 26 1980

BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

EXHIBIT

JUN 24 1980

NO. 24

SOUTH CAROLINA
STATE FIRE COMMISSION

Post Office Box 12444
212 Wade Hampton Office Building
Columbia, South Carolina 29211

STATE BUDGET & CONTROL BOARD

RECEIVED

JUN 18 1980

BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

June 18, 1980

Mr. William T. Putnam, Executive Director
State Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

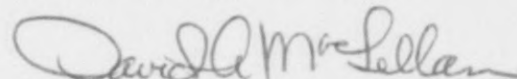
Dear Mr. Putnam:

Reference my recent letter to you recommending a list of persons to be approved by the Budget and Control Board to serve on the Fire Marshal's Appeals Board.

Due to the recent appointment by Governor Riley of Mr. Carl R. Dickert to replace Mr. Ronald Self on the State Fire Commission, I would like you to remove my name from the list submitted to you and add Mr. Dickert's name to serve on the Appeals Board.

Thank you for your cooperation in this matter.

Sincerely,



Chief David A. MacLellan
Chairman

DAM/nk

EXHIBIT

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION AGENDA

MEETING OF June 24, 1980

JUN 24 1980

NO. 25

ITEM NUMBER

24

STATE BUDGET & CONTROL BOARD

Agency: (a) Retirement Division
(b) Francis Marion College

Subject: Positions Above Number Authorized

(a) As a follow-up to the Board action of May 13 which authorized the Retirement Division to establish seven positions above the number authorized, a request is now presented for three additional positions (2 Microfilm Tech I, grade 12, and 1 Clerk II, grade 12, positions) for the automation of service credits project. Mr. Collins assures the Board that each of these employees has signed the statement that the State has no further obligation to them once the project has been completed.

(b) Francis Marion College requests authorization to create one position above the number authorized and recommends that it be at or near a grade 35 and carry the job title, "Public Information Director II,"

Board Action Requested:

Approve

Staff Comment:

Attachments:

Cantrell June 16 memorandum to Vaughn and Frederick January 4 letter to Vaughn

JUN 17 1980



STATE OF SOUTH CAROLINA

EXHIBIT

OFFICE OF THE STATE AUDITOR
P. O. BOX 11333
COLUMBIA
29211

JUN 24 1980 NO. 25

EDGAR A. VAUGHN, JR., CPA
STATE AUDITOR

STATE BUDGET & CONTROL BOARD

TO: Edgar A. Vaughn, Jr.
State Auditor

FROM: Preston T. Cantrell
Director of Budget Development

PTC

SUBJECT: Positions - Request to exceed authorized Head Count - Retirement Division

DATE: June 16, 1980

The Retirement Division received an appropriation of \$270,416 in 1979-80 for Automation of Service Credits. This project will not be completed in fiscal year 1980 and a carry forward proviso is included in the 1980-81 Appropriations Act. All positions were temporary and there will be thirteen in all.

Factually, most of these positions will be filled longer than six months and must be classified as permanent positions after that time.

The Budget and Control Board approved seven positions on May 13, 1980 for reclassification to permanent status, with the understanding, that the position must be deleted in three years or upon completion of the project.

The attached request is for an additional three positions and I understand there could be as many as three more in the next several months.

PTC/sh

RECEIVED

JUN 17 1980

STATE AUDITOR'S OFFICE
DIVISION OF ADMINISTRATION

TELEPHONES (AREA CODE 803)

ADMINISTRATION
756-3106

BUDGET DIVISION
756-7415

AUDITING DIVISION
756-8406

GRANTS AND CONTRACTS
756-7707

ENGINEERING
756-2667

REQUEST FOR NEW POSITION

JUN 17 1980

DATE: June 16, 1980

FROM: S. C. Retirement System
Agency

CODE NO. F20

TO: Budget and Control Board
Finance Division - Budget Development

SUBJECT: Request for positions exceeding number authorized in 1979-80 Appropriation Act

Request is to establish 3 new positions at Budget and Control Board -Retirement Division as follow:

| No. Positions | Positions Title | Grade | Class Code | Annual Salary | Source of Funds (Percent) | | |
|------------------|------------------|-------|---------------|------------------|------------------------------|---------|-------|
| | | | | | State | Federal | Other |
| 2 | Microfilm Tech I | 12 | 3090 | \$8,346 | 100% | | |
| 1 | Clerk II | 12 | 0302 | 8,346 | 100% | | |

REQUEST JUSTIFICATION: These temporary positions are imperative to the automation of service credit and will continue for longer than the six-month maximum authorized and established by the State Personnel Division. The funds, authorized in the 1979-80 Appropriations Act, have a carry-forward proviso. NOTE: This is a part of the same project that has already been approved by the Board. Each employee has signed a statement that the State has no further obligation once the contract is completed.

REQUESTED BY: Phyllis W. Collins, Director DATE: June 16, 1980

BUDGET DEVELOPMENT:

☒ Recommend Approval☐ Recommend DisapprovalCharles Case
State Budget Analyst6-16-80
DateP. Control
Budget Development Director6-16-80
Date

GRANTS & REVIEW SECTION:

☐ Recommend Approval☐ Recommend Disapproval_____
Grants & Review Analyst_____
Date_____
Grants & Review Director_____
Date_____
State Auditor_____
Date

BUDGET AND CONTROL BOARD ACTION:

JUN 17 1980

DATE: June 16, 1980

CODE NO. F20

SUBJECT: Request for postions exceeding number authorized in 1979-80 Appropriation Act

| No. Positions | Positions Title | Grade | Class Code | Annual Salary | Source of Funds (Percent) | | |
|------------------|------------------|-------|---------------|------------------|------------------------------|---------|-------|
| | | | | | State | Federal | Other |
| 2 | Microfilm Tech I | 12 | 3090 | \$8,346 | 100% | | |
| 1 | Clerk II | 12 | 0302 | 8,346 | 100% | | |

REQUESTED BY: Thos. W. Collins, Director DATE: June 16, 1980

GRANTS & REVIEW SECTION:

17 Recommend Approval

☐ Recommend Disapproval

| | |
|-------------------------|------|
| Grants & Review Analyst | Date |
|-------------------------|------|

| | |
|--------------------------|------|
| Grants & Review Director | Date |
|--------------------------|------|

BUDGET AND CONTROL BOARD ACTION:



Office of Business Affairs

Francis Marion College

EXHIBIT FLORENCE, SOUTH CAROLINA 29501
(803) 669-4121

JUN 24 1980

NO. 25

STATE BUDGET & CONTROL BOARD

The Information Services Coordinator reports to the Director of Information Services. His/Her areas of responsibility and duties include:

1. Development -- works with the Director of Development to plan and implement effective communications programs for the Friends of Francis Marion College and the Patriots' Brigade and other development projects.

Supervises copy, layout, printing, and distribution of printed materials. Directs media relations for broadcast materials.
2. Alumni Affairs -- works with the Vice President for Institutional Research and Administration in planning and implementing continuing communications program for College alumni.

Supervises copy, layout, printing, and distribution of printed materials. Directs and coordinates media relations for alumni programs.
3. Sports -- works with Director of Athletics and the coaching staff to create and distribute sports information and to maintain media relations for intercollegiate sports.
4. Broadcast Media and College Media Center -- Supervises and coordinates College participation in area television and radio programs. Plans and directs various campus feature programs as well as spot news coverage for release to television and radio stations.
5. Print Media -- Researches and writes feature stories pertaining to all areas of College activities: academics, student life, campus development, etc.

Also writes general news stories as opportunities develop.
6. Speakers Bureau -- Provides speakers and visual aids to promote the College and its programs through professional, civic, religious, and other community organizations.
7. Office Services -- Supervises the planning and scheduling of brochures, booklets, and other materials printed on-campus to support efforts in above categories.
8. Performs other related duties.



Office of Business Affairs

Francis Marion College

FLORENCE, SOUTH CAROLINA 29501
(803) 669-4121

January 4, 1980

EXHIBIT

JUN 24 1980

NO. 25

STATE BUDGET & CONTROL BOARD

Mr. Edgar A. Vaughn, Jr.
State Auditor
P. O. Box 11555
Columbia, South Carolina 29211

Dear Ed:

I am enclosing for your review and possible action a job description relating to a new position which is currently needed by the College but not provided for in the Appropriations Bill. I believe Dr. Smith and perhaps others have discussed the matter in some detail with you.

We would request that the position be established at or near a Grade 35 -- I would recommend the job title - Public Information Director II - which is a Grade 35.

If necessary I can supply you with additional information or answer any specific questions which you might have.

Respectfully yours,

A handwritten signature in cursive script, appearing to read 'N. C. Frederick'.

N. C. Frederick
Vice President for
Business and Finance

NCF:mjt
Inclosure

EXHIBIT

STATE BUDGET AND CONTROL BOARD

JUN 24 1980

NO. 26

REGULAR SESSION AGENDA

MEETING OF June 24, 1980

ITEM NUMBER

Supplemental

STATE BUDGET & CONTROL BOARD

Agency: Parks, Recreation and Tourism

Subject: Release of Permanent Improvement Project

At its meeting on June 10, the Board authorized PRT to utilize \$7,000 to finance the design of a swimming pool to be located at Myrtle Beach State Park and approved the selection of James Paul Barnes Associates to provide the A&E services required.

Instead of the \$7,000 requested, the amount actually needed is \$46,000 (\$41,000 for architectural services and \$5,000 for additional services such as site and soil surveys, etc.) and PRT now requests the release of \$46,000 for the Myrtle Beach State Park swimming pool project prior to entering into a contractual agreement with the architect.

Board Action Requested:

Release.

Staff Comment:

Attachments:

B. Myrtle Beach Swimming Pool--State Funds \$46,000.00. Project will be self-sustaining. Having received Budget and Control Board approval at its June 10, 1980, meeting of the selection of James Paul Barnes Associates to provide architect and engineering services required, the South Carolina Department of Parks, Recreation and Tourism requests \$46,000.00; (\$41,000 for compensation for architectural services and \$5,000 for additional services: site and soil surveys, etc.), prior to entering a contractual agreement with the architect. Total state funds appropriated to the project--\$375,000.00. We made a typographical error in our previous request and asked for only \$7,000 to cover architectural fees. We actually need \$46,000.00.

The State of South Carolina

EXHIBIT

JUN 24 1980

NO. 27



STATE BUDGET & CONTROL BOARD

Office of the Attorney General

FRANK K. SLOAN
DEPUTY ATTORNEY GENERAL

WADE HAMPTON OFFICE BUILDING
POST OFFICE BOX 11549
COLUMBIA, S. C. 29211
TELEPHONE 803-758-3970

DANIEL R. McLEOD
ATTORNEY GENERAL

June 20, 1980

Mr. William T. Putnam
Executive Director
State Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

RE: Information Science, Inc.
Consultant's fees

Dear Mr. Putnam:

In regard to your letter of June 4, 1980, please be advised that the State's consultant, Marion Woodbury, is to submit his formal statement of account to us within the next week for hours expended and travel expense for an overnight accomodation. His approximate expenditure in hours is twenty (20) at the rate of fifty dollars (\$50.00) per hour.

Therefore, I believe it would be expedient to encumber \$1,050.00 of the Civil Contingent Fund monies allotted.

Please do not hesitate to contact me if I may be of further assistance.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Frank K. Sloan'.

Frank K. Sloan
Deputy Attorney General

FKS:ppw

RECEIVED

JUN 23 1980

BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR