STATE OF SOUTH CAROLINA **COUNTY OF RICHLAND**	**BEFORE THE CHIEF PROCUREMENT OFFICER FOR CONSTRUCTION**
IN THE MATTER OF: CONTROVERSY	**CASE NO. 2008-005**
SOUTH CAROLINA DEPARTMENT DISABILITIES AND SPECIAL NEEDS	**ORDER APPROVING SETTLEMENT**
vs.	**POSTING DATE:**
MOOSE CONSTRUCTION COMPANY, INC.	**August 27, 2008**
WHITTEN CENTER – 24 BED FACILITY **STATE PROJECT J16-9637**	

This matter is before the Chief Procurement Officer for Construction (CPOC) pursuant to a request from the South Carolina Department of Disabilities and Special Needs (DSN) under the provisions of §11-35-4230 of the South Carolina Consolidated Procurement Code ("the Code"), for an administrative review of a contract controversy with Moose Construction Company, Inc. regarding fire sprinkler installation on the Whitten Center – 24 Bed Facility Project ("the Project"). DSN alleged it incurred damages as a result of improper installation of the fire sprinkler system on the project. [The allegations of DSN are attached as Exhibit "A"] Pursuant to §11-35-4210(3) of the South Carolina Code, the CPOC evaluated the issues for potential resolution by mutual agreement, determined that mediation was appropriate, and appointed a mediator. The attempt to mediate was successful. The terms and conditions of the parties' settlement are set forth in a Mediation Agreement attached hereto as Exhibit "B". This agreement settles all matters in dispute raised in DSN's request for administrative review.

CPOC FINDINGS

Based on a review of facts and issues surrounding this controversy, the CPOC finds that the parties engaged in good faith, free, and full discussions leading to a mutually agreeable settlement. It is the finding of the CPOC that the agreement between the two parties is both a

complete settlement of the dispute and an acceptable resolution of the dispute. The CPOC further finds that the agreement is in the best interests of the State.

DECISION

Under the authority granted by §11-35-4230(3) of the Code, the CPOC hereby approves the settlement agreement as set forth in Exhibit B. Based on the parties' mutual good faith commitment to perform as set forth in the settlement agreement, the CPOC dismisses the request for administrative review filed by the South Carolina Department of Disabilities and Special Needs.

John St. C. White
Chief Procurement Officer
For Construction

27 Aug 08
Date

Columbia, South Carolina

EXH. #A

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Stanley J. Butkus, Ph.D.
State Director
Robert W. Barfield
Deputy State Director
Administration
David A. Goodell
Associate State Director
Operations
Kathi K. Lacy, Ph.D.
Associate State Director
Policy

SOUTH CAROLINA Department OF Disabilities AND Special Needs

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October 29, 2007

Mr. John St. C. White
Office of State Engineer
1201 Main Street; Suite 600
Columbia, South Carolina 29201

RE: Request for Resolution of Contract between SCDDSN and Moose Construction Company, Inc.

Dear Mr. St. C. White:

Pursuant to S.C. Code Ann. §11-35-4230 (Supp. 2006), SCDDSN is requesting a resolution of the contract controversy concerning the damages occurring due to the faulty installation of the fire sprinkler system at Whitten Center Dorm 205.

Moose Construction Company, Inc., served as general contractor for this installation under State Project #J16-9637. A latent defect was discovered by SCDDSN on January 26, 2005 and SCDDSN notified Moose Construction of such by letter dated February 10, 2005.

After unsuccessful attempts to get the contractor to make the necessary repairs, SCDDSN spent $149,698.14 to repair the defective installation. As such, SCDDSN is requesting that Moose Construction Company, Inc. be required to pay the cost incurred by the Agency when it had to replace the fire sprinkler system and repair the damage caused by the faulty installation.

Sincerely,

Tana Vanderbilt

Tana Vanderbilt
General Counsel

TV/cch

cc: Ms. Joan Cooper, Director of Design and Planning, SCDDSN
Mr. Thomas Moose, Moose Construction Company, Inc.

EXH. # B

STATE OF SOUTH CAROLINA)	BEFORE THE CHIEF PROCUREMENT OFFICER FOR CONSTRUCTION
)	
COUNTY OF RICHLAND)	
)	CASE NO.: 2008-005
IN THE MATTER OF: CONTROVERSY)	
)	
SOUTH CAROLINA DEPARTMENT OF)	
DISABILITIES AND SPECIAL NEEDS)	
)	
vs.)	MEDIATION AGREEMENT
)	
MOOSE CONSTRUCTION)	
COMPANY, INC.)	
)	
WHITTEN CENTER – 24 BED FACILITY)	
STATE PROJECT J16-9637)	
)	
)	

This matter is before the Chief Procurement Officer for Construction (CPOC) pursuant to a request from the South Carolina Department of Disabilities and Special Needs (SCDDSN), under the provisions of S.C. Code Ann. §11-35-4230 of the South Carolina Consolidated Procurement Code, for an administrative review of the contract controversy on the Whitten Center 24 bed facility (Project) between SCDDSN and Moose Construction Company, Inc.

The parties met to mediate this controversy on June 17, 2008 at 9:00 a.m. and as a result agree to the terms set forth:

1. SCDDSN and Moose Construction Company, Inc. mutually agree that Moose Construction Company, Inc. will pay to SCDDSN within thirty (30) days of the date of execution of this agreement, the sum of $48,707.00

2. SCDDSN and Moose Construction Company, Inc. agree that if payment is not received by SCDDSN within the thirty (30) days of the date of the execution of this agreement that interest will accrue at the judgment rate until such time as the payment in full is made.

3. This agreement is a compromise of a contested claim and the terms are not an admission liability by either party.

4. SCDDSN withdraws its appeal under S.C. Code Ann. §11-35-4230. Neither SCDDSN nor Moose Construction Company, Inc. will take further legal or administrative action regarding this contract controversy.

The laws of South Carolina govern this agreement.

SCDDSN and Moose Construction Company, Inc. have voluntarily entered into this agreement.

Respectfully submitted,

Tara Vanderhill
Attorney for SCDDSN

7/17/08
Date

Attorney for Moose Construction, Inc.

8/12/08