

**RECEIVED**

**Aug 31 2026**

**SC Court of Appeals**

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Appellate Case No. 2026-000914  
Panel Case No. 2025-5

---

In Re: Haren Construction Co., Inc.

Project No. P24-6052-PG  
Beaufort-Waddell Mariculture  
Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

**RECORD ON APPEAL  
VOLUME TWO**

---

James M. Griffin, SC Bar No. 9995  
GRIFFIN HUMPHRIES LLC  
8906 Two Notch Road, Suite 200  
P.O. Box 999 (29202)  
Columbia, South Carolina 29223  
Telephone: (803) 744-0800  
jgriffin@griffinhumphries.com

**Attorney for Paragon Inc. of South Carolina, LLC**

Manton M. Grier, Jr., SC Bar No. 70525  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, South Carolina 29201  
Telephone: (803) 737-0600  
mgrier@ogc.sc.gov

**Attorney for Chief Procurement Officer,  
State Fiscal Accountability Authority**

Greg Placone  
Nick Nybo  
Hudson Lambert Parrott, LLC  
176 Croghan Spur  
Charleston, SC 29407  
gplacone@hlpwlaw.com  
nicknybo@hlpwlaw.com

***Attorneys for Haren Construction Co., Inc.***

Van Whitehead  
Susan O. Porter  
S.C. Department of Natural Resources  
260 D. Epting Lane  
West Columbia, SC 29172  
whiteheadv@dnr.sc.gov  
porters@dnr.sc.gov

***Attorneys for S.C. Department of Natural Resources***



## **RECORD ON APPEAL INDEX**

### **VOLUME ONE**

#### **ORDERS**

|                                                                                       |    |
|---------------------------------------------------------------------------------------|----|
| Decision of Chief Procurement Officer, dated November 19, 2025.....                   | 1  |
| Decision of Procurement Review Panel, dated March 13, 2026 .....                      | 62 |
| Order Denying Motions to Reconsider, dated April 6, 2026.....                         | 77 |
| Order Denying Motion to Stay, dated April 14, 2026 .....                              | 80 |
| Order Denying Motion to Dismiss and Granting Motion to Stay, filed May 20, 2026 ..... | 82 |

#### **MOTIONS, SUPPORTING MEMORANDA, and OTHER FILINGS**

|                                                                                                                                                                          |     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| Chief Procurement Officer's Response to Haren's Appeal, dated January 5, 2026<br>including Sheet GC-2 of Ex. B (no other exhibits or exhibit pages are designated) ..... | 85  |
| SCDNR's Brief to Panel, dated January 5, 2026 .....                                                                                                                      | 96  |
| Haren's Reply in Support of Request for Further Administrative Review,<br>filed January 15, 2026.....                                                                    | 110 |
| Paragon's Motion to Reconsider, dated March 23, 2026.....                                                                                                                | 120 |
| Chief Procurement Officer's Motion to Reconsider, dated March 23, 2026.....                                                                                              | 129 |
| SCDNR's Motion to Reconsider, dated March 23, 2026 .....                                                                                                                 | 137 |
| Haren's Response in Opposition to Paragon's and the Chief Procurement Officer's<br>Motions to Reconsider, filed April 1, 2026 .....                                      | 142 |
| SCDNR's Response in Opposition to Paragon's and CPOC's Motions to Reconsider,<br>dated April 1, 2026 .....                                                               | 154 |
| Paragon's Motion to Stay, dated April 9, 2026 .....                                                                                                                      | 162 |
| Haren's Response in Opposition to Paragon's Motion to Stay, filed April 14, 2026.....                                                                                    | 196 |
| SCDNR's Memorandum to Court, with exhibits 1, 5, 7, 10-12, dated May 14, 2026 .....                                                                                      | 204 |

### **VOLUME TWO**

|                                                                                                                                                                                                                                    |     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| Paragon’s Motion to Stay and Request for Expedited Briefing Schedule,<br>filed April 22, 2026.....                                                                                                                                 | 304 |
| SCDNR Response in Opposition to Paragon’s Motion to Stay and Consent to<br>Expedited Briefing, filed April 27, 2026 .....                                                                                                          | 507 |
| SCDNR Motion to Dismiss, filed April 27, 2026.....                                                                                                                                                                                 | 517 |
| Haren’s Return to Paragon’s Motion to Stay and Request for Expedited Briefing Schedule,<br>filed April 30, 2026.....                                                                                                               | 652 |
| Chief Procurement Officer’s Response to Paragon’s Motion to Stay and Request for<br>Expedited Briefing Schedule, filed May 1, 2026.....                                                                                            | 668 |
| Chief Procurement Officer’s Return to DNR’s Motion to Dismiss, filed May 5, 2026 .....                                                                                                                                             | 672 |
| Paragon Response in Support of Motion to Stay and Request for Expedited Briefing<br>Schedule, filed May 7, 2026 .....                                                                                                              | 683 |
| Haren’s Petition for Review of the Court’s Order dated May 20, 2026 Granting Appellant<br>Paragon, Inc. of South Carolina, LLC’s Motion to Stay, filed May 29, 2026.....                                                           | 737 |
| SCDNR’s Return in Support of Haren’s Petition for Review of Order Granting Stay,<br>filed June 1, 2026.....                                                                                                                        | 764 |
| Paragon’s Return to Respondent Haren Construction Co., Inc.’s Petition for Review of the<br>Court’s Order dated May 20, 2026 Granting Appellant Paragon, Inc. of<br>South Carolina, LLC’s Motion to Stay, filed June 8, 2026 ..... | 770 |
| Haren’s Reply in Support of its Petition for Review of the Court’s Order dated<br>May 20, 2026 Granting Appellant Paragon, Inc. of South Carolina, LLC’s<br>Motion to Stay, filed June 10, 2026.....                               | 780 |

## **OTHER**

|                                        |     |
|----------------------------------------|-----|
| Paragon Lump Sum Bid Form SE-330 ..... | 792 |
|----------------------------------------|-----|

## **VOLUME THREE**

|                                                                  |     |
|------------------------------------------------------------------|-----|
| Determination of Non-responsibility, dated October 17, 2025..... | 800 |
| Notice of Intent to Award, dated October 20, 2025.....           | 801 |
| Notice of Intent to Protest, dated October 27, 2025 .....        | 802 |
| Paragon’s Formal Protest, dated November 4, 2025 .....           | 809 |

|                                                                          |     |
|--------------------------------------------------------------------------|-----|
| Paragon’s Notice of Appeal, filed April 9, 2026 .....                    | 847 |
| Chief Procurement Officer’s Notice of Appeal, filed April 13, 2026 ..... | 871 |
| SCDNR Notice of Cross-Appeal, filed April 21, 2026 .....                 | 893 |
| DNR’s Executed Contract with Haren, May 22, 2026 .....                   | 916 |

#### **VOLUME FOUR**

|                                                  |     |
|--------------------------------------------------|-----|
| Panel’s Record of the Case (PRP000001-478) ..... | 983 |
|--------------------------------------------------|-----|



THE STATE OF SOUTH CAROLINA  
In The Court of Appeals

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

Appellate Case No. 2026-000914  
Case No. 2025-5

IN RE: Haren Construction Co., Inc.

South Carolina Department of Natural Resources  
Project No. P24-6052- PG  
Beaufort-Waddell Mariculture  
Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC .....Appellant

**PARAGON INC. OF SOUTH CAROLINA, LLC  
d/b/a PARAGON BUILDERS’ MOTION TO STAY  
AND REQUEST FOR EXPEDITED BRIEFING SCHEDULE**

**I. INTRODUCTION**

Paragon Inc. of South Carolina, LLC d/b/a Paragon Builders (“Paragon”), by and through its undersigned counsel, respectfully moves this Court pursuant to Rule 241(c), SCACR, for a stay of the South Carolina Procurement Review Panel’s Order dated March 13, 2026 (the “March Order”), and its Order Denying Motions to Reconsider dated April 6, 2026 (the “April Order”) (collectively, the “Orders”), pending resolution of this appeal. Paragon further requests an expedited briefing schedule so that this Court may act on the merits before the procurement below is consummated.

The Panel denied Paragon’s Motion to Stay on April 14, 2026, concluding that a stay was not necessary to preserve appellate jurisdiction or prevent mootness. Paragon respectfully submits that the Panel applied too narrow a frame to the mootness question. If DNR is permitted to award the contract to Haren Construction Co., Inc. (“Haren”) while this appeal is pending, Paragon’s ability to obtain effective relief will be substantially impaired or eliminated. Paragon therefore renews its request for a stay before this Court.

Notably, both Paragon and the Chief Procurement Officer for Construction (“CPO”) have filed Notices of Appeal challenging the Panel’s Orders. DNR has filed a cross-appeal. The CPO’s independent decision to appeal — and DNR’s decision to cross-appeal — are strong indicators that the legal questions presented are substantial and not frivolous, and that the Panel’s Orders are subject to genuine appellate dispute. Under these circumstances, the equities strongly favor maintaining the status quo pending a decision on the merits.

## **II. PROCEDURAL HISTORY**

This matter arises from a public construction procurement by the South Carolina Department of Natural Resources (“DNR”) for the Beaufort-Waddell Mariculture Maturation Ponds Maintenance project (Project No. P24-6052-PG).

DNR issued a solicitation for the Project on August 12, 2025. Bids were opened on September 23, 2025. Paragon Inc. of South Carolina, LLC d/b/a Paragon Builders submitted the apparent low responsive bid. On October 17, 2025, DNR issued a written determination finding Paragon non-responsible on the grounds that it lacked the contractor license subclassification DNR deemed necessary to perform the predominant portion of the Project’s work. **Ex. 1, *Determination of Non-responsibility (10/17/25)***. DNR posted a Notice of Intent to Award to Haren Construction Co., Inc., the second-lowest bidder, on October 20, 2025. **Ex. 2, *Notice of Intent to Award***.

On October 27, 2025, Paragon timely filed a Notice of Intent to Protest. **Exhibit 3**, *Notice of Intent to Protest*. On November 4, 2025, Paragon filed its Formal Protest with the Chief Procurement Officer for Construction (“CPO”), asserting that DNR had misapplied the applicable contractor licensing statutes and that Paragon’s Plumbing (PB) subclassification was sufficient to qualify it as the sole prime contractor for the Project. **Exhibit 4**, *Paragon’s Formal Protest*.

On November 19, 2025, the CPO sustained Paragon’s protest. **Exhibit 5**, *Decision of Chief Procurement Officer*. The CPO concluded that the Project’s scope of work fell within Paragon’s PB subclassification, that the name discrepancy between “Paragon Inc. of South Carolina, LLC” and “Paragon Builders” was a minor informality, and that DNR’s non-responsibility determination was not adequately supported. The CPO remanded the matter to DNR with instructions to proceed in accordance with the Procurement Code. *Id.*

Haren Construction Co., Inc. timely appealed the CPO’s decision to the South Carolina Procurement Review Panel. The appeal was resolved on the written record. On March 13, 2026, the Panel issued its Order reversing the CPO’s decision and reinstating DNR’s non-responsibility determination. **Exhibit 6**, *Decision of Procurement Review Panel*. The Panel concluded that, applying a deferential standard of review, DNR’s selection of the Water and Sewer Lines (WL) subclassification was not clearly erroneous, arbitrary, capricious, or contrary to law, and that the engineer’s cost estimate provided a rational evidentiary basis for DNR’s eighty-percent WL allocation.

On March 23, 2026, both Paragon and the CPO filed Motions to Reconsider. **Exhibit 7**, *Paragon’s Motion to Reconsider*; **Exhibit 8**, *CPO’s Motion to Reconsider*. DNR also filed a post-order motion raising procedural and scope-of-review arguments. The Motions to Reconsider raised three principal legal errors: (1) the Panel improperly deferred to DNR’s interpretation of a

contractor licensing statute that DNR does not administer; (2) the Panel failed to conduct a genuinely de novo review of the scope of the PB subclassification under § 40-11-410(5)(f); and (3) the Panel applied an incomplete standard of review by omitting the “contrary to law” prong of the applicable statutory standard. *Id.*

On April 6, 2026, the Panel issued its Order Denying Motions to Reconsider, leaving the March Order unchanged. **Exhibit 9**, *Order Denying Motions to Reconsider*. The Panel maintained that it had conducted de novo review and had independently determined that the governing statutes did not compel a single license subclassification as a matter of law, and that DNR’s selection among legally permissible subclassifications was not contrary to law. *Id.*

Paragon and the CPO have each filed Notices of Appeal with this Court challenging both the March Order and the April Order. **Exhibit 10**, *Paragon’s Notice of Appeal*; **Exhibit 11**, *Chief Procurement Officer’s Notice of Appeal*. DNR has filed a cross-appeal. **Exhibit 12**, *DNR Notice of Appeal*. Paragon thereafter moved before the Panel for a stay of the Orders pending appeal. **Exhibit 13**, *Paragon’s Motion to Stay*. On April 14, 2026, the Panel denied the stay, concluding that appellate jurisdiction would be preserved even if DNR proceeded with contract award. **Exhibit 14**, *Order Denying Motion to Stay*.

### III. STANDARD FOR A STAY

Rule 241(c), SCACR, authorizes this Court to grant a stay or supersedeas pending appeal. Under that Rule, the Court considers whether a stay is necessary to preserve the jurisdiction of the appeal or to prevent a contested issue from becoming moot. Courts and administrative tribunals in South Carolina also apply a four-factor standard when evaluating stay requests, considering: (1) the likelihood of success on the merits; (2) whether the movant will suffer irreparable harm absent

a stay; (3) whether the stay will substantially injure other parties; and (4) where the public interest lies. See S.C. Code Ann. § 1-23-380(B). Each factor weighs in favor of a stay here.

#### **IV. ARGUMENT**

##### **A. A Stay Is Necessary to Prevent the Appeal from Becoming Moot and to Avoid Irreparable Harm to Paragon.**

The Panel denied the stay on the ground that this Court retains authority to review the Orders even if DNR proceeds with contract award. That is technically correct but misses the practical point. If DNR awards the contract to Haren and performance begins — particularly on a construction project involving rehabilitation of specialized mariculture infrastructure — the likelihood that this Court could grant effective relief diminishes substantially. The equitable doctrine of mootness does not require that relief become literally impossible; it requires only that a judgment “will have no practical legal effect upon the existing controversy.” *Sloan v. Greenville Cnty.*, 380 S.C. 528, 535, 670 S.E.2d 663, 667 (Ct. App. 2009).

Once a public contract is awarded and performance commences, courts are frequently reluctant to unwind the procurement, impose injunctive relief, or order re-award. The loss of the opportunity to compete as the low bidder for a public construction contract — a right that cannot be compensated through money damages in this posture — constitutes irreparable harm. If this Court ultimately determines that Paragon was wrongly disqualified, the only meaningful remedy is an award of the contract or re-procurement. That remedy will be foreclosed or severely compromised if DNR is permitted to proceed before this Court acts.

The Panel’s narrow framing — that appellate jurisdiction is technically preserved — is not the appropriate inquiry under Rule 241(c). The Rule directs attention to whether a contested issue may become moot. The contest here is whether Paragon, as the apparent low bidder, was



improperly excluded from award. That issue becomes practically moot the moment the contract is executed and performance commences.

**B. Paragon Has Meritorious Grounds for Appeal, as Confirmed by the CPO's Independent Appeal and DNR's Cross-Appeal.**

The Panel's Orders present substantial questions of law warranting appellate review. The CPO — the state official charged with administering the South Carolina Consolidated Procurement Code — independently concluded that the Panel erred and has filed his own Notice of Appeal. The CPO's appeal is perhaps the clearest indicator that the Panel's resolution of the licensing question was not so settled as to be free from reasonable dispute. An appeal by the CPO is not a routine occurrence and reflects a professional judgment, by an officer of the State with direct responsibility over procurement law, that the Panel's decision was incorrect.

DNR's cross-appeal likewise confirms that the legal landscape below was contested. Even the agency whose determination the Panel credited did not find the Panel's analysis fully satisfactory. The cross-appeal signals that multiple parties believe the Panel's Orders contain legal error, even if they disagree about which errors were committed and what the correct result should be.

On the merits, Paragon's appeal raises three principal questions:

First, the Panel applied a deferential standard to what Paragon contends is a pure question of law: which contractor license subclassification governs the scope of work described in the solicitation. The interpretation of a statute is a question of law subject to de novo review. *Town of Summerville v. City of N. Charleston*, 378 S.C. 107, 110, 662 S.E.2d 40, 41 (2008). The Panel acknowledged conducting de novo review but simultaneously deferred to DNR's selection among

“legally permissible subclassifications.” This tension — which the CPO and Paragon both identified in their Motions to Reconsider — is a recurring error warranting correction.

Second, DNR is not the agency charged with administering Title 40’s contractor licensing provisions. That responsibility lies with the South Carolina Department of Labor, Licensing and Regulation (“LLR”). Indeed, the administrative record reflects that DNR itself sought guidance from LLR during its responsibility review, and LLR declined to provide a classification determination. See PRP000070-73. Extending deference to an agency’s interpretation of a statute it does not administer — and that the administering agency declined to apply — is improper.

Third, the sole evidentiary basis for DNR’s eighty-percent WL determination was a construction cost estimate prepared by the engineer of record — a design professional, not a licensing authority. That estimate was a cost allocation, not a statutory analysis. The Panel’s reliance on the absence of a counter-estimate to insulate DNR’s determination from scrutiny misallocates the burden of proof at the protest stage.

### **C. A Stay Will Not Substantially Injure Other Parties.**

The stay sought here is narrow: Paragon asks only that DNR be directed to refrain from making a final contract award pending resolution of this appeal. The Project involves maintenance and rehabilitation of existing DNR hatchery infrastructure. The administrative record does not reflect any emergency or immediate threat to public safety requiring award before this Court can act on an expedited basis.

Haren will not lose any vested right by reason of a brief stay. It holds the second-lowest bid on this re-bid procurement; its interest in award is contingent on the outcome of a process whose legal validity is actively disputed. DNR likewise is not prejudiced by the maintenance of a

status quo that preserves the integrity of the competitive procurement process it is obligated by statute to conduct.

**D. The Public Interest Favors a Stay.**

The South Carolina Consolidated Procurement Code reflects the legislature's judgment that competitive bidding serves the public interest by ensuring efficient expenditure of public funds and fair opportunity for qualified contractors. S.C. Code Ann. § 11-35-020. That interest is not served by awarding a contract to the second-lowest bidder — over the protest of the apparent low bidder and over the objection of the CPO himself — while the legal validity of the non-responsibility determination remains actively contested before this Court.

This case presents questions of first impression regarding the application of Title 40 contractor licensing subclassifications to specialized mariculture infrastructure — a matter that the Panel itself acknowledged was technically complex and that LLR declined to resolve administratively. The public interest in the correct application of those statutory provisions is best served by allowing this Court to resolve the questions presented before the procurement is consummated.

**V. REQUEST FOR EXPEDITED BRIEFING SCHEDULE**

In the event this Court grants a stay, or in lieu of or in addition to a stay, Paragon respectfully requests that the Court impose an expedited briefing schedule to minimize any delay to DNR's procurement. Paragon does not oppose an expedited schedule and will comply with whatever schedule this Court deems appropriate. The CPO, who has also appealed, consents to this request. Expedited resolution will serve the interests of all parties by providing prompt legal clarity and limiting the period of procurement uncertainty.

## VI. CONCLUSION

For the foregoing reasons, Paragon Inc. of South Carolina, LLC d/b/a Paragon Builders respectfully requests that this Court enter an Order:

1. Staying the South Carolina Procurement Review Panel's Order dated March 13, 2026, and Order Denying Motions to Reconsider dated April 6, 2026, pending final resolution of this appeal;
2. Directing DNR to refrain from making any contract award in connection with Project No. P24-6052-PG pending resolution of that appeal; and
3. Imposing an expedited briefing schedule to allow prompt disposition of the appeal on the merits.

Respectfully submitted,

GRIFFIN HUMPHRIES LLC

By: s/ James M. Griffin

James M. Griffin, SC Bar No. 9995  
8906 Two Notch Road, Suite 200  
P.O. Box 999 (29202)  
Columbia, South Carolina 29223  
Telephone: 803-744-0800  
jgriffin@griffinhumphries.com

*Attorney for Paragon Inc. of South Carolina, LLC*

Columbia, South Carolina  
April 22, 2026

# Exhibit 1

Determination of Non-responsibility (10/17/25)



Date 10/17/2025

Re: Beaufort - Waddell Mariculture Maturation Pond Maintenance  
P24-6052-PG

Determination of non-responsibility – Paragon Inc. of South Carolina LLC.

The South Carolina Department of Natural Resources opened bids for the Beaufort - Waddell Mariculture Maturation Pond Maintenance project on 9/23/2025. Paragon Inc. of South Carolina LLC appeared to have submitted the lowest bids for the project. After careful review of the submitted bid documents and correspondence with SC LLR and OSE the following was determined:

1. Paragon Inc. of South Carolina LLC. does not have a contractor's license under that name. There is no contractor license in the SCLLR database for Paragon Inc. of South Carolina LLC., however there is a license for Paragon Builders owned by the same owner. \*
2. Paragon Builders does not have the proper license classifications or subclassifications to act as a sole prime contractor per SCLLR for this project. Paragon Builders has the following licenses BD5, NR5, PB5 and EL5. Of these licenses only EL is applicable, which comprises 17% of the work requiring a SCLLR license. \*\*

Based on the engineer's opinion, estimated cost and scope of work it is determined that the majority of the work (80%) requires licensure under a (WL) Water and Sewer Line license classification.

According to South Carolina Code of Laws:

**\*SECTION 40-11-370.** License required to use term "licensed contractor"; engaging in construction under assumed name; enforcement of contract.

(B) It is unlawful to engage in construction under a name other than the exact name which appears on the license issued pursuant to this chapter. "Engaging in construction" includes marketing, advertising, using site signs, and submitting contracts. This requirement does not include advertising on vehicles, which may use an abbreviated version of the license name so long as the advertising is not misleading.

**\*\*SECTION 40-11-340.** Qualifications for acting as sole prime contractor.

An entity licensed under the classifications or subclassifications in Sections 40-11-410(1), (2), or (3) may act as a sole prime contractor on a project if forty percent or more of the work as measured by the total cost of construction falls under one or more of the licensee's license classifications or subclassifications. An entity licensed under the classifications or subclassifications in Section 40-11-410(4) and (5) may act as sole prime contractor if fifty-one percent or more of the work falls under one or more of the licensee's license classifications or subclassifications.

See Attachment A - Email corresponded from SC LLR regarding WL classification for this project.

# Exhibit 2

Notice of Intent to Award

SE-370

NOTICE OF INTENT TO AWARD - DESIGN-BID-BUILD CONTRACT

AGENCY: DNR - Department of Natural Resources

PROJECT NAME: Beaufort-Waddell Mariculture Maturation Ponds Maintenance

PROJECT NUMBER: P24-6052-CB

POSTING DATE: 10/20/2025

**TO ALL BIDDERS**

Unless stayed by protest or canceled, the Agency intends to enter into a contract as noted below. The successful bid will be accepted and the contract formed by execution of the contract documents. All bid bonds remain in effect for the bid acceptance period as provided in Section 4 of the Bid Form, except as otherwise provided in the Instructions to Bidders.

NAME OF BIDDER: Haren Construction Co. Inc

DATE BIDS WERE OPENED: 09/23/2025

**BID INFORMATION:**

BASE BID AMOUNT: \$5,682,000.00

|             |    |          |                                     |                     |
|-------------|----|----------|-------------------------------------|---------------------|
| ALTERNATES: | #1 | ACCEPTED | <input checked="" type="checkbox"/> | <u>\$525,000.00</u> |
|             | #2 | ACCEPTED | <input type="checkbox"/>            | <u>\$540,000.00</u> |
|             | #3 | ACCEPTED | <input type="checkbox"/>            | <u>\$600,000.00</u> |

TOTAL BID AMOUNT: \$6,207,000.00

TOTAL CONTRACT AWARD: \$6,207,000.00

*(If the Total Contract Award is different from the Total Bid Amount, explain any negotiations that resulted in the change.)*

N/A

REMARKS: *(If "No Contract to be Awarded" was entered above, indicate the reason.)*

N/A

Contractor should not incur any costs associated with the contract prior to receipt of a contract from the Agency for execution. Contractor should not perform any work before receipt of the Agency's written Notice to Proceed.

**RIGHT TO PROTEST (SC Code 11-35-4210)**

Any actual bidder, offeror, contractor, or subcontractor who is aggrieved in connection with the intended award or award of this contract may be entitled to protest. To protest an award, you must (i) submit notice of your intent to protest within seven (7) business days of the date the award notice is posted, and (ii) submit your actual protest within fifteen (15) days of the date the award notice is posted. Days are calculated as provided in Section 11-35-310(13). Both protests and notices of intent to protest must be in writing and must be received by the appropriate Chief Procurement Officer within the time provided.

PROTEST - CPO ADDRESS - OSE: Any protest must be addressed to the Chief Procurement Officer for Construction, Office of State Engineer, and submitted in writing (a) by email to: [protest-ose@mmo.sc.gov](mailto:protest-ose@mmo.sc.gov), or (b) by post or delivery to 1201 Main Street, Suite 600, Columbia, SC 29201. By submitting a protest to the foregoing email address, you (and any person acting on your behalf) consent to receive communications regarding your protest (and any related protests) at the email address from which you sent your protest.

Pursuant to Section 11-35-410, documents directly connected to a procurement activity may be available within five days after request. All document requests should be directed to the procuring agency project coordinator. If a protest is pending, the protestant's lawyer may access otherwise unavailable information by applying to the CPO for the issuance of a protective order. Additional information is available at [www.procurement.sc.gov/legal](http://www.procurement.sc.gov/legal).

BY: Jeff Boyer TITLE: Engineer III DATE: 10/17/2025

ACKNOWLEDGED BY OSE PROJECT MANAGER: Perry Derrick DATE: 10/20/2025





# Exhibit 3

Notice of Intent to Protest

October 27, 2025

**VIA ELECTRONIC MAIL ([protest-ose@mmo.sc.gov](mailto:protest-ose@mmo.sc.gov))**

Office of State Engineer

**Attn: Chief Procurement Officer for Construction**

South Carolina Department of Natural Resources

1201 Main Street, Suite 600

Columbia, SC 29201

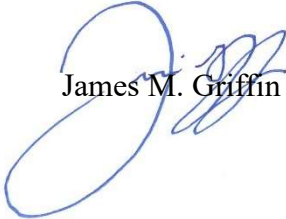
**Re: Notice of Intent to Protest by Paragon Inc. of South Carolina LLC**  
**Project Name: Beaufort-Wadell Mariculture**  
**Maturation Ponds Maintenance – Re- Bid**  
**Project Number: P24-6052-PG**

Dear Sir:

Please find attached a Notice of Intent to Protest the bid award in the above referenced project number that I am submitting on behalf of my client Paragon Inc. of South Carolina LLC.

If you require any additional information, please feel free to contact me at 803-744-0800.

Sincerely,

  
James M. Griffin

cc: Eric Byrd ([eric@paragonbuilderssc.com](mailto:eric@paragonbuilderssc.com))

## # NOTICE OF INTENT TO PROTEST

**\*\*Date:\*\*** October 27, 2025

TO: Chief Procurement Officer

Office of State Engineer

Construction Office

South Carolina Department of Natural Resources

Email: protest-ose@mmm.sc.gov

Physical Address: 1201 Main Street, Suite 600, Columbia, SC 29201

FROM: Paragon Inc. of South Carolina, LLC

2874 Columbia Road NE

Orangeburg, SC 29118-1902

Telephone: (803) 534-1900

Email: eric@paragonbuilderssc.com

Attention: Eric Byrd, Vice President

RE: Notice of Intent to Protest Award Decision

Project Name: Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid

Project Number: P24-6052-PG

Award Notice Posted: October 20, 2025

### I. NOTICE OF INTENT TO PROTEST

Pursuant to South Carolina Code Section 11-35-4210, Paragon Inc. of South Carolina, LLC ("Paragon" or "Protester") hereby submits this Notice of Intent to Protest the South Carolina Department of Natural Resources' ("SCDNR" or "Agency") decision to deem Paragon's bid non-responsive and its intent to award the above-referenced contract to Haren Construction Co. Inc.

This Notice of Intent to Protest is timely submitted within seven (7) business days of the October 20, 2025, award notice posting, as required by Section 11-35-4210.

### II. INTERESTED PARTY INFORMATION

Protester:

Paragon Inc. of South Carolina, LLC

SC Contractor's License Numbers: CLG.100190, CLM.111292

Classification(s) & Limits: Building BD5, Plumbing PB5, Electrical EL5

Contact Person:

Eric Byrd, Vice President  
2874 Columbia Road NE  
Orangeburg, SC 29118-1902  
Telephone: (803) 534-1900  
Email: eric@paragonbuilderssc.com

Legal Counsel:

James M. Griffin, Esquire  
Griffin Humphries LLC  
PO Box 999  
Columbia, SC 29202  
Telephone: 803-744-0800  
Email: jgriffin@griffinhumphries.com

### III. PROCUREMENT INFORMATION

Awarding Agency: South Carolina Department of Natural Resources  
Project: Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid  
Project Number: P24-6052-PG  
Bid Opening Date: September 23, 2025  
Award Notice Date: October 20, 2025  
Intended Awardee: Haren Construction Co. Inc.  
Award Amount: \$6,207,000.00

### IV. PARAGON'S BID INFORMATION

Base Bid Amount: \$5,323,800.00  
Alternate #1: \$533,600.00  
Alternate #2: \$568,200.00  
Alternate #3: \$573,350.00  
Status: Deemed "Non-Responsive" by Agency

### V. GROUNDS FOR PROTEST (SUMMARY)

Paragon protests the Agency's determination that its bid was non-responsive based on alleged violations of South Carolina Code Sections 40-11-270, 40-11-340, and 40-11-370. Specifically, Paragon contends:

## A. Paragon's Plumbing License Covers the Yard Piping Work (Section 40-11-340 Compliance)

Issue: The Agency apparently determined that Paragon's Plumbing License (PB5) does not cover the yard piping installation for non-potable water from the head tower to the fishponds, which constitutes 53% of the project scope.

### Paragon's Position:

1. Statutory Coverage: The definition of "Plumbing" under Section 40-11-410(5)(f) explicitly includes:

- "installation, alteration, and repair of all piping, fixtures, and appliances related to water supply"
- "installation of a system of pipes, fittings, fixtures, drains, and all necessary component parts \*\*upon the premises or in a building\*\* to supply water to buildings"
- Work performed "\*\*\*solely within property lines\*\* and not on public easements or rights-of-way"

2. Project Characteristics Support Plumbing Classification:

- All piping is \*\*within the Beaufort-Waddell property lines
- No work is on public easements or rights-of-way
- The work involves piping systems on the premises to supply water (albeit non-potable) to the fishponds
- The statute does not distinguish between potable and non-potable water for piping within private property
- The exclusion for "municipal or related water supply systems" does not apply to this private aquaculture facility

3. Section 40-11-340 Compliance:

Because Paragon's Plumbing license (PB5) covers 53% of the work, Paragon meets the 40% threshold required under Section 40-11-340 to act as sole prime contractor. Combined with Paragon's Electrical license (EL5) (19%) and Building license BD5) (13%), work not covered under a separate License classification (15%), Paragon is licensed to perform 100% of the total project work.

## B. Compliance with Section 40-11-270 (License Classification Requirements)

Paragon holds appropriate licenses in all required classifications:

- Building BD5 – for concrete structures and access work (13%)
- Plumbing PB5 – for yard piping from head tower to ponds (53%)

- Electrical EL5 – for electrical panel replacement and pond wiring (19%)

For the pond liner work (15%), which requires no specific license, Paragon will utilize its Building classification or engage appropriately licensed subcontractors as needed.

#### C. Compliance with Section 40-11-370 (Business Name)

Issue: The Agency cited Section 40-11-370(B) regarding engaging in construction under a name other than the exact name on the license.

Paragon's Position:

Paragon's bid was submitted under "Paragon Inc. of South Carolina, LLC," which matches its legal business name and contractor license. Any alleged discrepancy is a secondary issue that does not warrant bid rejection, particularly when:

- The entity is properly identified
- All license numbers are correctly provided
- The qualifying party is properly designated
- There is no indication of fraud, misrepresentation, or attempt to circumvent licensing requirements

#### VI. PREJUDICE TO PARAGON

Paragon will suffer substantial prejudice if the protest is not granted:

1. Financial Harm: Paragon submitted the lowest responsible bid. The difference between Paragon's total bid (\$5,857,400) and the intended award (\$6,207,000) is \$349,600 more than Paragon's total bid.
2. Loss of Business Opportunity: Paragon is a qualified, properly licensed contractor capable of performing this work in accordance with all applicable laws and regulations.
3. Improper Interpretation of Law: The Agency's restrictive interpretation of the Plumbing license definition would improperly exclude legitimate plumbing work from the statutory scope, contrary to legislative intent.
4. Competitive Disadvantage: If this interpretation stands, it would create uncertainty for contractors bidding on similar projects involving water piping systems on private property.

## VII. RELIEF REQUESTED

Paragon respectfully requests that the Chief Procurement Officer:

1. Reverse the determination that Paragon's bid is non-responsive.
2. Find that Paragon's Plumbing license (PB5) properly covers the yard piping installation work as defined in Section 40-11-410(5)(f);
3. Find that Paragon meets all requirements of Sections 40-11-270, 40-11-340, and 40-11-370;
4. Determine that Paragon submitted the lowest responsive and responsible bid; and
5. Award the contract to Paragon Inc. of South Carolina, LLC.

## VIII. REQUEST FOR DOCUMENTS

Pursuant to Section 11-35-410 and protest procedures, Paragon requests access to the following documents within five (5) days:

1. Complete bid tabulation showing all bids received
2. All documentation related to the responsiveness determination for Paragon's bid
3. All documentation related to the responsiveness determination for the two other bidders (Haren Construction and BRW Construction).
4. Any communications within SCDNR or between other South Carolina State Agencies, legal counsel or personnel regarding license classification interpretation for this project
5. Any legal opinions or guidance sought regarding the plumbing license scope
6. Haren Construction and BRW Construction's license documentation and classifications
7. Any protest or inquiry submitted by any other bidder
8. Complete bid documents submitted by the two other bidders including a copy of the sealed bid envelope.

## IX. FORMAL PROTEST TO FOLLOW

This Notice of Intent to Protest will be followed by a formal written protest within fifteen (15) days of the date the award notice was posted (October 20, 2025), as required by Section 11-35-4210.



#### X. CONSENT TO ELECTRONIC COMMUNICATIONS

By submitting this Notice of Intent to Protest to protest-ose@mmm.sc.gov, Paragon (and any person acting on Paragon's behalf) consents to receive communications regarding this protest (and any related protests) at the email address of Paragon's legal counsel, James M. Griffin at [jgriffin@griffinhumphries.com](mailto:jgriffin@griffinhumphries.com) with copies to [eric@paragonbuilderssc.com](mailto:eric@paragonbuilderssc.com).

#### XI. CERTIFICATION

The undersigned certifies that the statements contained in this Notice of Intent to Protest are true and accurate to the best of knowledge and belief.

Respectfully submitted this 27th day of October 2025.

PARAGON INC. OF SOUTH CAROLINA, LLC

By:  \_\_\_\_\_

Eric Byrd, Vice President

2874 Columbia Road NE  
Orangeburg, SC 29118-1902  
Telephone: (803) 534-1900  
Email: [eric@paragonbuilderssc.com](mailto:eric@paragonbuilderssc.com)

# Exhibit 4

Paragon's Formal Protest

# FORMAL PROTEST

**Date:** November 4, 2025

**TO:** Chief Procurement Officer Office of State Engineer Construction Office South Carolina  
Department of Natural Resources Email: protest-ose@mrnm.sc.gov Physical Address: 1201  
Main Street, Suite 600, Columbia, SC 29201

**FROM:** Paragon Inc. of South Carolina, LLC

2874 Columbia Road NE Orangeburg, SC 29118-1902 Telephone: (803) 534-1900 Email:  
eric@paragonbuilderssc.com Attention: Eric Byrd, Vice President

**RE:** Formal Protest of Award Decision

**Project Name:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid **Project**  
**Number:** P24-6052-PG **Award Notice Posted:** October 20, 2025

---

## I. NOTICE AND TIMELINESS

Pursuant to South Carolina Code Section 11-35-4210, Paragon Inc. of South Carolina, LLC ("Paragon" or "Protester") hereby submits this Formal Protest of the South Carolina Department of Natural Resources' ("SCDNR" or "Agency") decision to deem Paragon's bid non-responsive and to award the above-referenced contract to Haren Construction Co. Inc.

This Formal Protest is timely submitted within fifteen (15) business days of the October 20, 2025, award notice posting, as required by Section 11-35-4210. A Notice of Intent to Protest was timely filed on October 27, 2025.

## II. INTERESTED PARTY INFORMATION

**Protester:** Paragon Inc. of South Carolina, LLC (doing business as "Paragon Builders")

**SC Contractor's License Numbers:** CLG.100190, CLM.111292

**Classification(s) & Limits:** Building BD5, Plumbing PB5, Electrical EL5

**Contact Person:** Eric Byrd, Vice President 2874 Columbia Road NE Orangeburg, SC 29118-1902 Telephone: (803) 534-1900 Email: eric@paragonbuilderssc.com

**Legal Counsel:** James M. Griffin, Esquire Griffin Humphries LLC PO Box 999 Columbia, SC 29202 Telephone: 803-744-0800 Email: jgriffin@griffinhumphries.com

### III. PROCUREMENT INFORMATION

**Awarding Agency:** South Carolina Department of Natural Resources **Project:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid **Project Number:** P24-6052-PG  
**Bid Opening Date:** September 23, 2025 **Award Notice Date:** October 20, 2025 **Intended Awardee:** Haren Construction Co. Inc. **Award Amount:** \$6,207,000.00

### IV. PARAGON'S BID INFORMATION

**Legal Entity Name:** Paragon Inc. of South Carolina, LLC **Trade/DBA Name:** Paragon Builders  
**Business Address:** 2874 Columbia Road, Orangeburg, SC (Orangeburg County) **Federal Tax ID:** 58-2486021

#### **Bid Amounts:**

- Base Bid Amount: \$5,323,800.00
- Alternate #1: \$533,600.00
- Alternate #2: \$568,200.00
- Alternate #3: \$573,350.00

**Status:** Deemed "Non-Responsive" by Agency

### V. GROUNDS FOR PROTEST

Paragon protests the Agency's determination that its bid was non-responsive based on alleged violations of South Carolina Code Sections 40-11-270, 40-11-340, and 40-11-370. The Agency's determination is erroneous, arbitrary, and contrary to law. Specifically, Paragon contends:

#### **A. Compliance with Section 40-11-270 (License Requirements)**

**Issue:** The Agency allegedly found Paragon's bid non-responsive due to licensing deficiencies.

#### **Paragon's Position:**

Paragon holds all licenses necessary to perform the work as bid:

1. **General Contractor License CLG.100190** - authorizes Building-BD5 and Nonstructural Renovation-NR5 work with the following group limitations:
  - Group #5: Unlimited
  - Expiration: 10/31/2026
2. **Mechanical Contractor License CLM.111292** - authorizes Packaged Equipment-PK5, Plumbing-PB5, and Electrical-EL5 work with the following group limitations:
  - Group #5: Unlimited
  - Expiration: 10/31/2027

The work components of this project include:

- **Building work (BD5)** - covered by General Contractor License CLG.100190 at 13% of Total Project
- **Plumbing work (PB5)** - covered by Mechanical Contractor License CLM.111292 at 53% of total project
- **Electrical work (EL5)** - covered by Mechanical Contractor License CLM.111292 at 19% of total project
- **Pond liner work (15%)** - requires no specific license; Paragon will utilize its Building classification or engage appropriately licensed subcontractors as needed

Paragon's total bid of \$5,857,400 (including alternate #1) falls well within the unlimited group limitations of both licenses.

**Supporting Documentation:** See Exhibits A (General Contractor License CLG.100190) and B (Mechanical Contractor License CLM.111292).

## **B. Compliance with Section 40-11-340 (Subcontracting)**

**Issue:** The Agency may have concerns regarding Paragon's ability to properly subcontract portions of the work.

### **Paragon's Position:**

Paragon's licensing structure fully authorizes it to self-perform the major components of this work or to engage licensed subcontractors for specialized portions. Section 40-11-340 permits licensed general contractors to subcontract work to appropriately licensed specialty contractors. Paragon's approach is entirely consistent with this statutory framework and standard industry practice.

For the pond liner work, which represents 15% of the project and requires no specific contractor license under South Carolina law, Paragon may either:

- Perform the work under its Building-BD5 classification, or
- Engage appropriately licensed subcontractors as needed

This flexibility is expressly contemplated by South Carolina's contractor licensing statutes and regulations.

## **C. Compliance with Section 40-11-370 (Business Name)**

**Issue:** The Agency cited Section 40-11-370(B) regarding engaging in construction under a name other than the exact name on the license.

### **Paragon's Position:**

Paragon's bid was submitted under "Paragon Inc. of South Carolina, LLC," which is the exact legal name of the business entity and matches the Licensee/Legal Name on Paragon's contractor license application to the South Carolina Department of Labor, Licensing and Regulation (LLR).

**Critical Distinction:** While LLR issued the physical license documents under Paragon's trade name "Paragon Builders," the underlying legal entity holding both licenses is correctly identified as "Paragon Inc. of South Carolina, LLC." This is confirmed by:

1. **License Application (DOC 165)** - submitted in the name of "Paragon Inc. of South Carolina, LLC" with DBA "Paragon Builders" (See Exhibit C)
2. **License Records** - Both licenses (CLG.100190 and CLM.111292) are legally held by and issued to Paragon Inc. of South Carolina, LLC, even though the physical license certificates display the trade name
3. **Bid Submission** - Paragon's bid used the exact legal entity name that holds the licenses

Any alleged discrepancy between the legal entity name and the trade name displayed on the physical license certificates is a secondary, administrative matter that does not warrant bid rejection, particularly when:

- The entity is properly identified in the bid documents
- All license numbers are correctly provided
- The qualifying party is properly designated
- There is no indication of fraud, misrepresentation, or attempt to circumvent licensing requirements

Section 40-11-370(B) is intended to prevent unlicensed entities from fraudulently conducting business under someone else's license or misrepresenting their licensed status. That concern is wholly absent here. Paragon is the properly licensed entity, correctly identified itself, and submitted accurate license information.

The Agency's interpretation would improperly elevate form over substance and penalize a contractor for a ministerial variance between the legal entity name on its application and the trade name on its license certificate—a variance created by LLR's own administrative practices, not by any action or omission of Paragon.

#### **D. Statutory Construction and Legislative Intent**

South Carolina's contractor licensing statutes are designed to:

1. Protect the public by ensuring that construction work is performed by qualified, licensed contractors
2. Establish minimum standards for competency and financial responsibility
3. Prevent fraud and misrepresentation in the construction industry

Paragon fully satisfies each of these objectives. The Agency's restrictive interpretation would:

## XII. CERTIFICATE OF SERVICE

I hereby certify that a copy of this Notice of Intent to Protest has been served via email on this 27th day of October, 2025, to:

**\*\*Chief Procurement Officer\*\***

Office of State Engineer

Email: [protest-ose@mmm.sc.gov](mailto:protest-ose@mmm.sc.gov)

**\*\*South Carolina Department of Natural Resources\*\***

Attention: Jeff Boyer, Engineer III

Email: [boyerj@dnr.sc.gov](mailto:boyerj@dnr.sc.gov)

**\*\*Intended Awardee:\*\***

Haren Construction Co. Inc.

[Address and contact information to be obtained from public records]

**\*\*Legal Counsel for Protester: \*\***

James M. Griffin, Esquire

Griffin Humphries LLC

PO Box 999

Columbia, SC 29202

Email: [jgriffin@griffinhumphries.com](mailto:jgriffin@griffinhumphries.com)

---

By: 

Eric Byrd, Vice President

- **Improperly exclude legitimate plumbing work from the statutory scope** - contrary to the plain meaning of Section 40-11-410(5)(f) defining "plumbing" to include water distribution piping
- **Create uncertainty for contractors bidding on projects involving water piping systems on private property** - discouraging competition
- **Penalize contractors for administrative variances** between legal entity names and trade names on license certificates, even when the contractor is properly licensed and identified

## VI. PREJUDICE TO PARAGON

Paragon will suffer substantial and irreparable prejudice if this protest is not granted:

### 1. Financial Harm

Paragon submitted the lowest responsible bid at \$5,857,400 (base bid plus alternate #1). The difference between Paragon's total bid and the intended award amount of \$6,207,000 is **\$349,600 more** than Paragon's total bid. This represents a significant financial loss to both Paragon and the State of South Carolina.

### 2. Loss of Business Opportunity

Paragon is a qualified, properly licensed contractor capable of performing this work in accordance with all applicable laws and regulations. Denying Paragon this contract opportunity based on erroneous legal interpretations unjustly deprives Paragon of legitimate business.

### 3. Reputational Harm

A determination of "non-responsiveness" carries significant negative implications for Paragon's professional reputation and may affect future bidding opportunities, despite Paragon's full compliance with all licensing requirements.

### 4. Competitive Disadvantage

If the Agency's restrictive interpretation of the Plumbing license definition stands, it would create uncertainty for contractors bidding on similar projects involving water piping systems on private property, potentially discouraging competition and increasing costs to public agencies.

## VII. RELIEF REQUESTED

Paragon respectfully requests that the Chief Procurement Officer:

1. **Reverse** the determination that Paragon's bid is non-responsive;
2. **Find** that Paragon's Plumbing license (PB5) properly covers the yard piping installation work as defined in Section 40-11-410(5)(f);



3. **Find** that Paragon's bid was submitted in the proper legal name "Paragon Inc. of South Carolina, LLC," which is the legal entity that holds both contractor licenses CLG.100190 and CLM.111292;
4. **Find** that Paragon meets all requirements of Sections 40-11-270, 40-11-340, and 40-11-370;
5. **Determine** that Paragon submitted the lowest responsive and responsible bid; and
6. **Award** the contract to Paragon Inc. of South Carolina, LLC.

## VIII. REQUEST FOR DOCUMENTS

Pursuant to Section 11-35-4210 and established protest procedures, Paragon requests access to the following documents within five (5) business days:

1. Complete bid tabulation showing all bids received
2. All documentation related to the responsiveness determination for Paragon's bid, including:
  - o Internal memoranda
  - o Email communications
  - o Evaluation notes
  - o Legal analysis or opinions
3. All documentation related to the responsiveness determination for the two other bidders (Haren Construction and BRW Construction)
4. Any communications within SCDNR or between other South Carolina State Agencies, legal counsel, or personnel regarding license classification interpretation for this project
5. Any legal opinions or guidance sought regarding the plumbing license scope under Section 40-11-410(5)(f)
6. Haren Construction and BRW Construction's license documentation and classifications
7. Any protest or inquiry submitted by any other bidder
8. Complete bid documents submitted by the two other bidders, including copies of sealed bid envelopes
9. All communications between SCDNR and LLR regarding licensing requirements for this project
10. Any determinations, rulings, or guidance from LLR regarding whether plumbing licenses cover yard piping installation work

## IX. LEGAL ARGUMENT

### A. South Carolina's Competitive Bidding Statutes Favor Acceptance of Low Bids

South Carolina law strongly favors competitive bidding and acceptance of the lowest responsive and responsible bid. The South Carolina Consolidated Procurement Code requires that "[a]n award shall be made with reasonable promptness by written notice to that responsible bidder whose bid will be most advantageous to the State." S.C. Code Ann. § 11-35-1520(5).

A bid should be deemed "non-responsive" only when there is a material deviation from the solicitation requirements that gives the bidder an unfair competitive advantage or otherwise compromises the integrity of the competitive bidding process. Minor irregularities or technicalities that do not affect the substance of the bid should be waived.

## **B. Paragon's Licenses Authorize All Work Contemplated by the Project**

The plain language of Section 40-11-410(5)(f) defines "Plumbing" which includes the installation, replacement, alteration, and repair of all plumbing...when performed solely within property lines...and the installation, alteration, and repair of all piping, fixtures, and appliances, relating to water supply." This definition clearly encompasses the water distribution work in this project, which involves installation of piping systems for mariculture ponds.

The Agency's apparent interpretation—that plumbing licenses do not cover any piping work outside building walls on private property—is:

1. **Contrary to the statute's plain language**, which specifically addresses and includes water distribution piping
2. **Internally inconsistent**, as it would render the phrase "installation...of all piping, fixtures, and appliances relating to water supply" meaningless if all outside piping were categorically excluded
3. **Inconsistent with industry practice** and the reasonable expectations of licensed plumbing contractors
4. **Contrary to legislative intent** to establish clear scope boundaries for licensed trades

Moreover, Paragon's General Contractor license (Building-BD5) provides additional authority to perform this work or to engage appropriately licensed subcontractors.

## **C. The Business Name Issue Does Not Warrant Bid Rejection**

Section 40-11-370(B) states: "No person may engage in the business of contracting in a name other than that shown on the license unless the name is properly registered pursuant to applicable law."

Here, Paragon's bid was submitted in the name "Paragon Inc. of South Carolina, LLC"—the exact legal entity name that:

- Holds both contractor licenses
- Is shown on the license application submitted to LLR
- Is properly registered with the South Carolina Secretary of State

The fact that LLR's physical license certificates display Paragon's trade name "Paragon Builders" rather than the legal entity name is an administrative matter within LLR's control, not Paragon's. Paragon cannot be penalized for LLR's administrative practices.

Section 40-11-370(B) is intended to prevent fraud and misrepresentation—situations where an unlicensed entity attempts to operate under a licensed contractor's name, or where a contractor misrepresents its identity to circumvent licensing requirements. Neither situation exists here.

Courts consistently hold that procurement statutes should be construed to promote competition and achieve the best value for public agencies, not to exclude qualified bidders based on technical irregularities that do not affect the substance of the procurement.

#### **D. Applicable Legal Standards**

South Carolina courts have established that:

1. **Procurement regulations should be construed liberally to favor competition** and should not be used to exclude responsible bidders except where necessary to protect the integrity of the procurement process
2. **Substantial compliance is sufficient** where strict compliance would serve no meaningful purpose and the public interest is not compromised
3. **Minor irregularities or immaterial variances** in bids should be waived when they do not provide a competitive advantage or prejudice other bidders
4. **Administrative interpretations that contradict statutory language** or frustrate legislative intent are not entitled to deference

#### **E. Public Policy Considerations**

Awarding this contract to Paragon serves important public policy objectives:

1. **Fiscal Responsibility:** Paragon submitted the lowest qualified bid, saving South Carolina taxpayers \$349,600
2. **Competitive Procurement:** Rejecting Paragon's bid based on erroneous legal interpretations discourages competition and increases costs
3. **Fair Treatment of Qualified Contractors:** Paragon holds all necessary licenses and has demonstrated its qualifications; the Agency's interpretation imposes arbitrary barriers to participation
4. **Consistency and Predictability:** Contractors need clear, consistent rules regarding licensing requirements; the Agency's restrictive interpretation creates uncertainty

## **X. CONCLUSION**

Paragon Inc. of South Carolina, LLC is a fully qualified, properly licensed contractor that submitted the lowest responsible bid for this project. The Agency's determination of non-responsiveness is based on erroneous interpretations of South Carolina's contractor licensing statutes that contradict the plain language of those statutes and frustrate their intended purpose.

Paragon respectfully requests that this protest be granted, that Paragon's bid be deemed responsive and responsible, and that the contract be awarded to Paragon as the lowest qualified bidder.

---

## **XI. CONSENT TO ELECTRONIC COMMUNICATIONS**

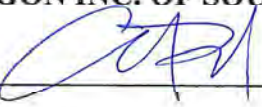
By submitting this Formal Protest to protest-ose@mrnm.sc.gov, Paragon (and any person acting on Paragon's behalf) consents to receive communications regarding this protest (and any related protests) at the email address of Paragon's legal counsel, James M. Griffin at jgriffin@griffinhumphries.com with copies to eric@paragonbuilderssc.com.

## **XII. CERTIFICATION**

The undersigned certifies that the statements contained in this Formal Protest are true and accurate to the best of knowledge and belief.

Respectfully submitted this 4th day of November, 2025.

**PARAGON INC. OF SOUTH CAROLINA, LLC**

By:  Eric Byrd, Vice President

2874 Columbia Road NE Orangeburg, SC 29118-1902 Telephone: (803) 534-1900 Email: eric@paragonbuilderssc.com

---

### **ATTORNEY FOR PROTESTER:**

James M. Griffin, Esquire Griffin Humphries LLC PO Box 999 Columbia, SC 29202 Telephone: 803-744-0800 Email: jgriffin@griffinhumphries.com

---

## **EXHIBITS**

**Exhibit A:** General Contractor License CLG.100190

**Exhibit B:** Mechanical Contractor License CLM.111292

**Exhibit C:** Contractor License Application (DOC 165) showing Paragon Inc. of South Carolina, LLC as Licensee/Legal Name with DBA Paragon Builders

**Exhibit D:** Notice of Intent to Protest (filed October 27, 2025)

# Exhibit 5

Decision of Chief Procurement Officer

HENRY MCMASTER, CHAIR  
GOVERNOR  
CURTIS M. LOFTIS, JR.  
STATE TREASURER  
BRIAN J. GAINES  
COMPTROLLER GENERAL



THE DIVISION OF PROCUREMENT SERVICES

DELBERT H. SINGLETON, JR.  
DIVISION DIRECTOR  
(803) 734-8018

JOHN ST. C. WHITE  
MATERIALS MANAGEMENT OFFICER  
(803) 737-0600  
FAX: (803) 737-0639

HARVEY S. PEELER, JR.  
CHAIRMAN, SENATE FINANCE COMMITTEE  
BRUCE W. BANNISTER  
CHAIRMAN, HOUSE WAYS AND MEANS COMMITTEE  
GRANT GILLESPIE  
EXECUTIVE DIRECTOR

## Protest Decision

**Matter of:** Paragon Inc. of South Carolina, LLC

**File No.:** 2026-004

**Posting Date:** November 19, 2025

**Contracting Entity:** South Carolina Department of Natural Resources

**Project No.:** P24-6052-PG

**Description:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid

### DIGEST

Protest of Intent to Award on the grounds that the South Carolina Department of Natural Resources (Department) erred by finding a contractor with a Mechanical Contractor's-Plumbing License could not legally perform the water supply and discharge line and water supply tank work of the project granted where licensing law provides otherwise.

### AUTHORITY

Per S.C. Code Ann. § 11-35-4210, the Chief Procurement Officer for Construction (CPOC) conducted an administrative review of a protest filed by Paragon Inc. of South Carolina, LLC (Paragon) protesting the Department's intention to award a contract to Haren Construction Co., Inc. (Haren) for rehabilitation of the head tower and rearing ponds M-1 through M-4, and replacement of the yard piping and electrical infrastructure at the Beaufort-Waddell Mariculture Center (the Project). Paragon's protest is attached as Exhibit A. This decision is based on materials in the procurement file and applicable law and precedents.

## **BACKGROUND**

On August 12, 2025, the Department published an advertisement for construction services for the Project. [Exhibit B] By the deadline for receipt of bids, the Department received two bids. [Exhibit C] The solicitation included three add alternates. Paragon was low on the base bid and on any combination of the base bid plus add alternates. [Id.]

On its bid, Paragon provided numbers for its contractor's licenses which are shown on the website of the Department of Labor, Licensing and Regulation as Paragon Builder's licenses. Paragon Builders has South Carolina contractor's license with the classifications of General Contractor-Building (BD License), General Contractor Specialty – Nonstructural Renovations (NR License), Mechanical Contractors – Plumbing (PB License), Electrical (EL License), and Packaged Equipment (PK License). [Exhibit D]

After reviewing the scope of work for the Project in the plans and specifications and the Project Architect-Engineer's (A/E) estimate of probable cost, the Department determined that Paragon lacks an appropriate contractor's license to bid the Project as a sole prime contractor.<sup>1</sup> [Exhibit E] The Department determined that Haren has an appropriate contractor's license to bid the project as a sole prime contractor.

On October 20, 2025, the Department posted a notice of its intent to award a contract to Haren for the base bid work of the Project plus the work of alternate one. [Exhibit F] On October 27, 2025, Paragon filed a notice of intent to protest setting forth the general basis of its protest. [Exhibit A] On October 30, 2025, the Department filed a response with the CPOC. [Exhibit G] On November 4, 2025, Paragon filed its formal protest of the Department's intent to award a contract asserting that it was properly licensed to bid the Project as a sole prime contractor.

---

<sup>1</sup> A contractor is limited to the scope of his license group and classification both in bidding and performing work. S.C. Code Ann. § 40-11-270; *see also* §§ 40-11-30 and 260(A).

## DISCUSSION

A determination of responsibility is required by S.C. Code Ann. §11-35-1810, which states “[r]esponsibility of the bidder or offeror shall be ascertained for each contract let by the State.” A responsibility determination is a determination that the bidder has the ability to perform. *See* S.C. Code Ann. Regs. 19-445.2125(A)(1). Possession of the proper contractor license is an issue of responsibility. *Protest of Brantley Construction Co., Inc.*, Panel Case No. 1999-3 (where the State is investigating the bidder’s ability to perform it is deciding an issue of responsibility); *Protest of Roofco, Inc.*, Panel Case No. 2000-14(I) (“[T]he lack of a proper license to do the work solicited in a state contract will always render a bidder nonresponsible.”); *see also* S.C. Code Ann. § 40-11-200(B) (“It is a violation of this chapter for an awarding authority ... to consider a bid ... unless the bidder has first obtained the licenses required by this chapter. Bids or contracts submitted by contractors may not be reconsidered or resubmitted to an awarding authority ... if the contractor was not properly licensed at the time the initial bid or contract was submitted.”).

A procurement officer’s determination of nonresponsibility is final and conclusive unless it is “clearly erroneous, arbitrary, capricious, or contrary to law.”<sup>2</sup> S.C. Code Ann. § 11-35-2410(A). To prevail, the protestant must prove the nonresponsibility determination is clearly erroneous, arbitrary, capricious, or contrary to law. *Protest of Brantley Construction Co., Inc.*, Panel Case No. 1999-3. Where the Department’s decision has a rational basis in law and fact, the CPOC will not, and indeed cannot, substitute his opinion for that of the Department’s.

The Department structured the solicitation and bid documents to seek bids for a sole prime contractor to construct the Project. A prime contractor “is an entity which contracts directly with an owner to perform general or mechanical construction.” S.C. Code Ann. § 40-11-20(20). A sole prime contractor is “the prime contractor for a project on which there is only one prime contractor.” S.C. Code Ann. § 40-11-20(24). A prime contractor may only bid and perform work within the scope of its license(s). S.C. Code Ann. § 40-11-270. However, a sole prime contractor

---

<sup>2</sup> The word “clearly” modifies the word “erroneous” but not the words “contrary to law.”



may offer to perform work outside the scope of its license provided a certain percentage of the work falls within the scope of its license.<sup>3</sup> In this regard, S.C. Code Ann. § 40-11-340 states:

An entity licensed under the classifications or subclassifications in Sections 40-11-410(1), (2), or (3) may act as a sole prime contractor on a project if forty percent or more of the work as measured by the total cost of construction falls under one or more of the licensee's license classifications or subclassifications. An entity licensed under the classifications or subclassifications in Section 40-11-410(4) and (5) may act as sole prime contractor if fifty-one percent or more of the work falls under one or more of the licensee's license classifications or subclassifications.

The Contractor's Licensing Laws define the total cost of construction as:

[T]he actual cost incurred by the owner, all contractors, subcontractors, and other parties for labor, material, equipment, profit, and incidental expenses for the entire project. This does not include the cost of design services unless those services are included in a construction contract.

S.C. Code Ann. § 40-11-20(23)

Paragon claims that using its bid, 13% of the work of the Project falls under its BD License, 19% falls under its EL License, and 53% falls under its PB License. While the CPOC does not believe that any of the work of the Project falls under Paragon's BD license since the Project does not involve the construction or renovation of a building, the CPOC need not decide that issue in this case. The controlling issue is whether the Department's determination that more than 51% of the work required a General Contractors-Public Utility license with a Water and Sewer Lines subclassification (WL License) to the exclusion of a PB license, was "clearly erroneous, arbitrary, capricious, or contrary to law."

This Project involves work on concrete water storage tanks, water distribution lines to distribute water to fish maturation ponds and drain lines from the ponds. All the work is on the Department's property and none of the work is to provide water and sewer service to the public.

Section 40-11-410(3)(c) addresses the scope of a WL License stating:

---

<sup>3</sup> A sole prime contractor must subcontract any work outside the scope of its license(s).

"Water and Sewer Lines" which includes construction work on water mains, water service lines, water storage tanks, sewer mains, sewer lines, lift stations, pumping stations and appurtenances to water storage tanks, lift stations, pumping stations, pavement patching, backfill, and erosion control as a part of construction, and which includes connection at the building of all lines to the appropriate lines contained in commercial structures, installation and repair of a project involving manholes, the laying of pipe for storm drains and sewer mains, all necessary connections, and excavation and backfilling, and concrete work incidental thereto.

Contractors in this license subclassification in license groups three, four, and five may install fire protection sprinkler system underground mains to a flanged outlet 1'-0" above the finished floor in compliance with National Fire Protection Association Standard 24. However, shop drawings must be submitted and approved by the State Fire Marshal with a copy of the approved drawings going to the licensed fire sprinkler contractor. Flushing and testing certificates must be delivered to the authority having jurisdiction and the performing licensed fire sprinkler contractor performing. General contractors in this license subclassification may not engage in water and sewer line work from the right-of-way to a residential structure unless the entity is a subcontractor to a licensee holding a plumbing subclassification.

The primary focus of this license is public utility water and sewer service lines within the utility right-of-way or easement. However, it does not preclude water line work on property that is not within the right-of-way unless it is a service line to a residential structure.<sup>4</sup> This Project does not involve a residential structure.

Section 40-11-410(5)(f) addresses the scope of a PB License stating:

"Plumbing" which includes the installation, replacement, alteration, and repair of all plumbing including solar water heating when performed solely within property lines and not on public easements or rights-of-way except to make connections to water meters or sewer taps as allowed by the utility owner; and the installation, alteration, and repair of all piping, fixtures, and appliances related to water supply, including pressure vessels and tanks, and excluding municipal or related water supply systems; venting and sanitary drainage systems for all fluid and semi-fluid and organic wastes; roof leaders; water-conditioning equipment; piping and equipment for swimming pools; and installation of a system of pipes, fittings, fixtures, drains, and all necessary component parts upon the premises or in a building to supply water to buildings and to convey sewage or other waste

---

<sup>4</sup> It seems odd that the statute singles out residential structures as opposed to other structures such as commercial structures.

products from buildings. If this equipment is gas-fired, the necessary gas lines may be installed under this subclassification used in connection with this subclassification. Plumbing contractors in license groups three, four, and five are not required to be licensed under Chapter 45, Title 23 to install standpipe systems, including water hose connections, water hose cabinets, and related branch lines if the water hoses do not supply water to automatic fire protection sprinklers.

The primary focus of this license is water and sewer service to commercial, residential, and other type facilities. A licensee with a PB license may not do water and sanitary piping within a utility right-of-way or easement but only “within property lines.” A licensee with a PB license may also work on water supply tanks within property lines.

Neither WL License nor the PB License appears to contemplate water and drainage line work of the type on this project.<sup>5</sup> Neither expressly excludes such work and both incorporate language that seems to include such work. Therefore, the CPO finds that the language of both allow the licensee to do the water supply tank and line work of this project as well as the drainage line work.

Paragon also protests the Department's determination that Paragon was nonresponsive because it bid in the name of Paragon Inc. of South Carolina, LLC rather than the exact name appearing on its license – Paragon Builders. The Department places its reliance on Section 40-11-370(B) which states:

It is unlawful to engage in construction under a name other than the exact name which appears on the license issued pursuant to this chapter.

However, unlike other provisions in the licensing law, a violation of this Section is not a bar to the contractor performing the work on which they bid. In years past, the Contractors Licensing Board staff have advised the CPOC that this is a minor infraction not affecting a contractor's ability to perform the work. Moreover, Paragon Inc. of South Carolina, LLC, does appear on

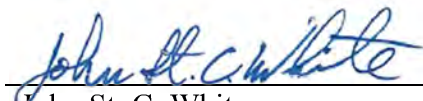
---

<sup>5</sup> While the scope of both licenses is clear when the work involves traditional utility services and water distribution and sanitary sewage collection for human occupied structures, the scope of each becomes murky where the work is not clearly either. The Department took reasonable steps to determine the applicable licenses when faced with the confusing language of the licensing law – it reached out to the Contractor's Licensing Board which gave an indefinite answer. The process of obtaining a definitive answer from the Board requires submitting the question to the Board at a quarterly meeting, a process that does not accommodate a project construction schedule.

Paragon's license application as its legal name and Paragon Builders as its trade name. Additionally, Paragon provided its license number with its bid clearly identifying it as Paragon Builders. At the most, Paragon's bidding in its legal name rather than its trade name as it appears on its license is a minor informality per Section 11-35-1520(13).

## **DECISION**

Based on the foregoing, the CPOC grants Paragon's protest and remands this matter back to the Department to proceed in accordance with the Procurement Code.



---

John St. C. White  
Chief Procurement Officer

Columbia, South Carolina

## STATEMENT OF RIGHT TO FURTHER ADMINISTRATIVE REVIEW

*Protest Appeal Notice (Revised July 2025)*

The South Carolina Procurement Code, in Section 11-35-4210, subsection 6, states:

(6) Finality of Decision. A decision pursuant to subsection (4) is final and conclusive, unless fraudulent or unless a person adversely affected by the decision requests a further administrative review by the Procurement Review Panel pursuant to Section 11-35-4410(1) within ten days of posting of the decision in accordance with subsection (5). The request for review must be directed to the appropriate chief procurement officer, who shall forward the request to the panel or to the Procurement Review Panel, and must be in writing, setting forth the reasons for disagreement with the decision of the appropriate chief procurement officer. The person also may request a hearing before the Procurement Review Panel. The appropriate chief procurement officer and an affected governmental body shall have the opportunity to participate fully in a later review or appeal, administrative or judicial.

-----  
Copies of the Panel's decisions and other additional information regarding the protest process is available on the internet at the following web site: <http://procurement.sc.gov>

FILING FEE: Pursuant to Proviso 111.1 of the 2025 General Appropriations Act, "[r]equests for administrative review before the South Carolina Procurement Review Panel shall be accompanied by a filing fee of two hundred and fifty dollars (\$250.00), payable to the SC Procurement Review Panel. The panel is authorized to charge the party requesting an administrative review under the South Carolina Code Sections 11-35-4210(6), 11-35-4220(5), 11-35-4230(6) and/or 11-35-4410...Withdrawal of an appeal will result in the filing fee being forfeited to the panel. If a party desiring to file an appeal is unable to pay the filing fee because of financial hardship, the party shall submit a completed Request for Filing Fee Waiver form at the same time the request for review is filed. [The Request for Filing Fee Waiver form is attached to this Decision.] If the filing fee is not waived, the party must pay the filing fee within fifteen days of the date of receipt of the order denying waiver of the filing fee. Requests for administrative review will not be accepted unless accompanied by the filing fee or a completed Request for Filing Fee Waiver form at the time of filing." PLEASE MAKE YOUR CHECK PAYABLE TO THE "SC PROCUREMENT REVIEW PANEL."

LEGAL REPRESENTATION: In order to prosecute an appeal before the Panel, business entities organized and registered as corporations, limited liability companies, and limited partnerships must be represented by a lawyer. Failure to obtain counsel will result in dismissal of your appeal. *Protest of Lighting Services*, Case No. 2002-10 (Proc. Rev. Panel Nov. 6, 2002) and *Protest of The Kardon Corporation*, Case No. 2002-13 (Proc. Rev. Panel Jan. 31, 2003); and *Protest of PC&C J&Hs, LLC*, Case No. 2012-1 (Proc. Rev. Panel April 2, 2012). However, individuals and those operating as an individual doing business under a trade name may proceed without counsel, if desired.

## FORMAL PROTEST

**Date:** November 4, 2025

**TO:** Chief Procurement Officer Office of State Engineer Construction Office South Carolina  
Department of Natural Resources Email: protest-osc@mrnm.sc.gov Physical Address: 1201  
Main Street, Suite 600, Columbia, SC 29201

**FROM:** Paragon Inc. of South Carolina, LLC

2874 Columbia Road NE Orangeburg, SC 29118-1902 Telephone: (803) 534-1900 Email:  
eric@paragonbuilderssc.com Attention: Eric Byrd, Vice President

**RE:** Formal Protest of Award Decision

**Project Name:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid **Project**  
**Number:** P24-6052-PG **Award Notice Posted:** October 20, 2025

---

## I. NOTICE AND TIMELINESS

Pursuant to South Carolina Code Section 11-35-4210, Paragon Inc. of South Carolina, LLC ("Paragon" or "Protester") hereby submits this Formal Protest of the South Carolina Department of Natural Resources' ("SCDNR" or "Agency") decision to deem Paragon's bid non-responsive and to award the above-referenced contract to Haren Construction Co. Inc.

This Formal Protest is timely submitted within fifteen (15) business days of the October 20, 2025, award notice posting, as required by Section 11-35-4210. A Notice of Intent to Protest was timely filed on October 27, 2025.

## II. INTERESTED PARTY INFORMATION

**Protester:** Paragon Inc. of South Carolina, LLC (doing business as "Paragon Builders")

**SC Contractor's License Numbers:** CLG.100190, CLM.111292

**Classification(s) & Limits:** Building BD5, Plumbing PB5, Electrical EL5

**Contact Person:** Eric Byrd, Vice President 2874 Columbia Road NE Orangeburg, SC 29118-1902 Telephone: (803) 534-1900 Email: eric@paragonbuilderssc.com

**Legal Counsel:** James M. Griffin, Esquire Griffin Humphries LLC PO Box 999 Columbia, SC 29202 Telephone: 803-744-0800 Email: jgriffin@griffinhumphries.com

### III. PROCUREMENT INFORMATION

**Awarding Agency:** South Carolina Department of Natural Resources **Project:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid **Project Number:** P24-6052-PG  
**Bid Opening Date:** September 23, 2025 **Award Notice Date:** October 20, 2025 **Intended Awardee:** Haren Construction Co. Inc. **Award Amount:** \$6,207,000.00

### IV. PARAGON'S BID INFORMATION

**Legal Entity Name:** Paragon Inc. of South Carolina, LLC **Trade/DBA Name:** Paragon Builders  
**Business Address:** 2874 Columbia Road, Orangeburg, SC (Orangeburg County) **Federal Tax ID:** 58-2486021

#### **Bid Amounts:**

- Base Bid Amount: \$5,323,800.00
- Alternate #1: \$533,600.00
- Alternate #2: \$568,200.00
- Alternate #3: \$573,350.00

**Status:** Deemed "Non-Responsive" by Agency

### V. GROUNDS FOR PROTEST

Paragon protests the Agency's determination that its bid was non-responsive based on alleged violations of South Carolina Code Sections 40-11-270, 40-11-340, and 40-11-370. The Agency's determination is erroneous, arbitrary, and contrary to law. Specifically, Paragon contends:

#### **A. Compliance with Section 40-11-270 (License Requirements)**

**Issue:** The Agency allegedly found Paragon's bid non-responsive due to licensing deficiencies.

#### **Paragon's Position:**

Paragon holds all licenses necessary to perform the work as bid:

1. **General Contractor License CLG.100190** - authorizes Building-BD5 and Nonstructural Renovation-NR5 work with the following group limitations:
  - Group #5: Unlimited
  - Expiration: 10/31/2026
2. **Mechanical Contractor License CLM.111292** - authorizes Packaged Equipment-PK5, Plumbing-PB5, and Electrical-EL5 work with the following group limitations:
  - Group #5: Unlimited
  - Expiration: 10/31/2027

The work components of this project include:

- **Building work (BD5)** - covered by General Contractor License CLG.100190 at 13% of Total Project
- **Plumbing work (PB5)** - covered by Mechanical Contractor License CLM.111292 at 53% of total project
- **Electrical work (EL5)** - covered by Mechanical Contractor License CLM.111292 at 19% of total project
- **Pond liner work (15%)** - requires no specific license; Paragon will utilize its Building classification or engage appropriately licensed subcontractors as needed

Paragon's total bid of \$5,857,400 (including alternate #1) falls well within the unlimited group limitations of both licenses.

**Supporting Documentation:** See Exhibits A (General Contractor License CLG.100190) and B (Mechanical Contractor License CLM.111292).

## **B. Compliance with Section 40-11-340 (Subcontracting)**

**Issue:** The Agency may have concerns regarding Paragon's ability to properly subcontract portions of the work.

### **Paragon's Position:**

Paragon's licensing structure fully authorizes it to self-perform the major components of this work or to engage licensed subcontractors for specialized portions. Section 40-11-340 permits licensed general contractors to subcontract work to appropriately licensed specialty contractors. Paragon's approach is entirely consistent with this statutory framework and standard industry practice.

For the pond liner work, which represents 15% of the project and requires no specific contractor license under South Carolina law, Paragon may either:

- Perform the work under its Building-BD5 classification, or
- Engage appropriately licensed subcontractors as needed

This flexibility is expressly contemplated by South Carolina's contractor licensing statutes and regulations.

## **C. Compliance with Section 40-11-370 (Business Name)**

**Issue:** The Agency cited Section 40-11-370(B) regarding engaging in construction under a name other than the exact name on the license.

### **Paragon's Position:**



Paragon's bid was submitted under "Paragon Inc. of South Carolina, LLC," which is the exact legal name of the business entity and matches the Licensee/Legal Name on Paragon's contractor license application to the South Carolina Department of Labor, Licensing and Regulation (LLR).

**Critical Distinction:** While LLR issued the physical license documents under Paragon's trade name "Paragon Builders," the underlying legal entity holding both licenses is correctly identified as "Paragon Inc. of South Carolina, LLC." This is confirmed by:

1. **License Application (DOC 165)** - submitted in the name of "Paragon Inc. of South Carolina, LLC" with DBA "Paragon Builders" (See Exhibit C)
2. **License Records** - Both licenses (CLG.100190 and CLM.111292) are legally held by and issued to Paragon Inc. of South Carolina, LLC, even though the physical license certificates display the trade name
3. **Bid Submission** - Paragon's bid used the exact legal entity name that holds the licenses

Any alleged discrepancy between the legal entity name and the trade name displayed on the physical license certificates is a secondary, administrative matter that does not warrant bid rejection, particularly when:

- The entity is properly identified in the bid documents
- All license numbers are correctly provided
- The qualifying party is properly designated
- There is no indication of fraud, misrepresentation, or attempt to circumvent licensing requirements

Section 40-11-370(B) is intended to prevent unlicensed entities from fraudulently conducting business under someone else's license or misrepresenting their licensed status. That concern is wholly absent here. Paragon is the properly licensed entity, correctly identified itself, and submitted accurate license information.

The Agency's interpretation would improperly elevate form over substance and penalize a contractor for a ministerial variance between the legal entity name on its application and the trade name on its license certificate—a variance created by LLR's own administrative practices, not by any action or omission of Paragon.

#### **D. Statutory Construction and Legislative Intent**

South Carolina's contractor licensing statutes are designed to:

1. Protect the public by ensuring that construction work is performed by qualified, licensed contractors
2. Establish minimum standards for competency and financial responsibility
3. Prevent fraud and misrepresentation in the construction industry

Paragon fully satisfies each of these objectives. The Agency's restrictive interpretation would:

- **Improperly exclude legitimate plumbing work from the statutory scope** - contrary to the plain meaning of Section 40-11-410(5)(f) defining "plumbing" to include water distribution piping
- **Create uncertainty for contractors bidding on projects involving water piping systems on private property** - discouraging competition
- **Penalize contractors for administrative variances** between legal entity names and trade names on license certificates, even when the contractor is properly licensed and identified

## VI. PREJUDICE TO PARAGON

Paragon will suffer substantial and irreparable prejudice if this protest is not granted:

### 1. Financial Harm

Paragon submitted the lowest responsible bid at \$5,857,400 (base bid plus alternate #1). The difference between Paragon's total bid and the intended award amount of \$6,207,000 is **\$349,600 more** than Paragon's total bid. This represents a significant financial loss to both Paragon and the State of South Carolina.

### 2. Loss of Business Opportunity

Paragon is a qualified, properly licensed contractor capable of performing this work in accordance with all applicable laws and regulations. Denying Paragon this contract opportunity based on erroneous legal interpretations unjustly deprives Paragon of legitimate business.

### 3. Reputational Harm

A determination of "non-responsiveness" carries significant negative implications for Paragon's professional reputation and may affect future bidding opportunities, despite Paragon's full compliance with all licensing requirements.

### 4. Competitive Disadvantage

If the Agency's restrictive interpretation of the Plumbing license definition stands, it would create uncertainty for contractors bidding on similar projects involving water piping systems on private property, potentially discouraging competition and increasing costs to public agencies.

## VII. RELIEF REQUESTED

Paragon respectfully requests that the Chief Procurement Officer:

1. **Reverse** the determination that Paragon's bid is non-responsive;
2. **Find** that Paragon's Plumbing license (PB5) properly covers the yard piping installation work as defined in Section 40-11-410(5)(f);

**South Carolina Procurement Review Panel  
Request for Filing Fee Waiver  
1205 Pendleton Street, Suite 366, Columbia, SC 29201**

---

\_\_\_\_\_  
Name of Requestor

\_\_\_\_\_  
Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

\_\_\_\_\_  
Business Phone

- 
1. What is your/your company's monthly income? \_\_\_\_\_
  2. What are your/your company's monthly expenses? \_\_\_\_\_
  3. List any other circumstances which you think affect your/your company's ability to pay the filing fee:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To the best of my knowledge, the information above is true and accurate. I have made no attempt to misrepresent my/my company's financial condition. I hereby request that the filing fee for requesting administrative review be waived.

Sworn to before me this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
Notary Public of South Carolina

\_\_\_\_\_  
Requestor/Appellant

My Commission expires: \_\_\_\_\_

---

For official use only: \_\_\_\_\_ Fee Waived \_\_\_\_\_ Waiver Denied

\_\_\_\_\_  
Chairman or Vice Chairman, SC Procurement Review Panel

This \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_  
Columbia, South Carolina

**NOTE: If your filing fee request is denied, you will be expected to pay the filing fee within fifteen (15) days of the date of receipt of the order denying the waiver.**

3. **Find** that Paragon's bid was submitted in the proper legal name "Paragon Inc. of South Carolina, LLC," which is the legal entity that holds both contractor licenses CLG.100190 and CLM.111292;
4. **Find** that Paragon meets all requirements of Sections 40-11-270, 40-11-340, and 40-11-370;
5. **Determine** that Paragon submitted the lowest responsive and responsible bid; and
6. **Award** the contract to Paragon Inc. of South Carolina, LLC.

## VIII. REQUEST FOR DOCUMENTS

Pursuant to Section 11-35-4210 and established protest procedures, Paragon requests access to the following documents within five (5) business days:

1. Complete bid tabulation showing all bids received
2. All documentation related to the responsiveness determination for Paragon's bid, including:
  - o Internal memoranda
  - o Email communications
  - o Evaluation notes
  - o Legal analysis or opinions
3. All documentation related to the responsiveness determination for the two other bidders (Haren Construction and BRW Construction)
4. Any communications within SCDNR or between other South Carolina State Agencies, legal counsel, or personnel regarding license classification interpretation for this project
5. Any legal opinions or guidance sought regarding the plumbing license scope under Section 40-11-410(5)(f)
6. Haren Construction and BRW Construction's license documentation and classifications
7. Any protest or inquiry submitted by any other bidder
8. Complete bid documents submitted by the two other bidders, including copies of sealed bid envelopes
9. All communications between SCDNR and LLR regarding licensing requirements for this project
10. Any determinations, rulings, or guidance from LLR regarding whether plumbing licenses cover yard piping installation work

## IX. LEGAL ARGUMENT

### A. South Carolina's Competitive Bidding Statutes Favor Acceptance of Low Bids

South Carolina law strongly favors competitive bidding and acceptance of the lowest responsive and responsible bid. The South Carolina Consolidated Procurement Code requires that "[a]n award shall be made with reasonable promptness by written notice to that responsible bidder whose bid will be most advantageous to the State." S.C. Code Ann. § 11-35-1520(5).

A bid should be deemed "non-responsive" only when there is a material deviation from the solicitation requirements that gives the bidder an unfair competitive advantage or otherwise compromises the integrity of the competitive bidding process. Minor irregularities or technicalities that do not affect the substance of the bid should be waived.

## **B. Paragon's Licenses Authorize All Work Contemplated by the Project**

The plain language of Section 40-11-410(5)(f) defines "Plumbing" which includes the installation, replacement, alteration, and repair of all plumbing...when performed solely within property lines...and the installation, alteration, and repair of all piping, fixtures, and appliances, relating to water supply." This definition clearly encompasses the water distribution work in this project, which involves installation of piping systems for mariculture ponds.

The Agency's apparent interpretation—that plumbing licenses do not cover any piping work outside building walls on private property—is:

1. **Contrary to the statute's plain language**, which specifically addresses and includes water distribution piping
2. **Internally inconsistent**, as it would render the phrase "installation...of all piping, fixtures, and appliances relating to water supply" meaningless if all outside piping were categorically excluded
3. **Inconsistent with industry practice** and the reasonable expectations of licensed plumbing contractors
4. **Contrary to legislative intent** to establish clear scope boundaries for licensed trades

Moreover, Paragon's General Contractor license (Building-BD5) provides additional authority to perform this work or to engage appropriately licensed subcontractors.

## **C. The Business Name Issue Does Not Warrant Bid Rejection**

Section 40-11-370(B) states: "No person may engage in the business of contracting in a name other than that shown on the license unless the name is properly registered pursuant to applicable law."

Here, Paragon's bid was submitted in the name "Paragon Inc. of South Carolina, LLC"—the exact legal entity name that:

- Holds both contractor licenses
- Is shown on the license application submitted to LLR
- Is properly registered with the South Carolina Secretary of State

The fact that LLR's physical license certificates display Paragon's trade name "Paragon Builders" rather than the legal entity name is an administrative matter within LLR's control, not Paragon's. Paragon cannot be penalized for LLR's administrative practices.

Section 40-11-370(B) is intended to prevent fraud and misrepresentation—situations where an unlicensed entity attempts to operate under a licensed contractor's name, or where a contractor misrepresents its identity to circumvent licensing requirements. Neither situation exists here.

Courts consistently hold that procurement statutes should be construed to promote competition and achieve the best value for public agencies, not to exclude qualified bidders based on technical irregularities that do not affect the substance of the procurement.

#### **D. Applicable Legal Standards**

South Carolina courts have established that:

1. **Procurement regulations should be construed liberally to favor competition** and should not be used to exclude responsible bidders except where necessary to protect the integrity of the procurement process
2. **Substantial compliance is sufficient** where strict compliance would serve no meaningful purpose and the public interest is not compromised
3. **Minor irregularities or immaterial variances** in bids should be waived when they do not provide a competitive advantage or prejudice other bidders
4. **Administrative interpretations that contradict statutory language** or frustrate legislative intent are not entitled to deference

#### **E. Public Policy Considerations**

Awarding this contract to Paragon serves important public policy objectives:

1. **Fiscal Responsibility:** Paragon submitted the lowest qualified bid, saving South Carolina taxpayers \$349,600
2. **Competitive Procurement:** Rejecting Paragon's bid based on erroneous legal interpretations discourages competition and increases costs
3. **Fair Treatment of Qualified Contractors:** Paragon holds all necessary licenses and has demonstrated its qualifications; the Agency's interpretation imposes arbitrary barriers to participation
4. **Consistency and Predictability:** Contractors need clear, consistent rules regarding licensing requirements; the Agency's restrictive interpretation creates uncertainty

## **X. CONCLUSION**

Paragon Inc. of South Carolina, LLC is a fully qualified, properly licensed contractor that submitted the lowest responsible bid for this project. The Agency's determination of non-responsiveness is based on erroneous interpretations of South Carolina's contractor licensing statutes that contradict the plain language of those statutes and frustrate their intended purpose.

Paragon respectfully requests that this protest be granted, that Paragon's bid be deemed responsive and responsible, and that the contract be awarded to Paragon as the lowest qualified bidder.



---

## **XI. CONSENT TO ELECTRONIC COMMUNICATIONS**

By submitting this Formal Protest to protest-ose@mrnm.sc.gov, Paragon (and any person acting on Paragon's behalf) consents to receive communications regarding this protest (and any related protests) at the email address of Paragon's legal counsel, James M. Griffin at jgriffin@griffinhumphries.com with copies to eric@paragonbuilderssc.com.

## **XII. CERTIFICATION**

The undersigned certifies that the statements contained in this Formal Protest are true and accurate to the best of knowledge and belief.

Respectfully submitted this 4th day of November, 2025.

**PARAGON INC. OF SOUTH CAROLINA, LLC**

By:  Eric Byrd, Vice President

2874 Columbia Road NE Orangeburg, SC 29118-1902 Telephone: (803) 534-1900 Email: eric@paragonbuilderssc.com

---

### **ATTORNEY FOR PROTESTER:**

James M. Griffin, Esquire Griffin Humphries LLC PO Box 999 Columbia, SC 29202 Telephone: 803-744-0800 Email: jgriffin@griffinhumphries.com

---

## **EXHIBITS**

**Exhibit A:** General Contractor License CLG.100190

**Exhibit B:** Mechanical Contractor License CLM.111292

**Exhibit C:** Contractor License Application (DOC 165) showing Paragon Inc. of South Carolina, LLC as Licensee/Legal Name with DBA Paragon Builders

**Exhibit D:** Notice of Intent to Protest (filed October 27, 2025)

# Ex. A

Paragon Builders General Contractor License  
Expiration Date 10-31-2026



\*\*\* THIS LICENSE EXPIRES ON 10/31/2026 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES. DO NOT TEAR CARD IN HALF.**

35

PARAGON BUILDERS  
PO BOX 2058  
ORANGEBURG SC 29116-2058

**LICENSE#: CLG.100190**

South Carolina Department of Labor, Licensing and Regulation  
**Contractor's Licensing Board**  
**GENERAL CONTRACTOR**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:

**Building-BD5, Nonstructural Renovation-NR5**

**INITIAL ISSUE DATE: 01/07/1999**

**LICENSE EXPIRATION DATE: 10/31/2026**

(If above license has "Limited Building-LB", work is limited to 3 stories in height)

**GENERAL CONTRACTOR**

**LICENSE#: CLG.100190**

**EXPIRATION DATE: 10/31/2026**

**PARAGON BUILDERS**

Qualifier(s): **DEQUINCEY S EDWARDS, STEPHON EDWARDS**

Licensee's Group# Limitation Per Job/Project (i.e., BD2 = Group 2):

Group #1 - \$100,000    Group #2 - \$400,000    Group #3 - \$1,000,000  
Group #4 - \$3,000,000    Group #5 - \$Unlimited

*W. Edwards W. Edwards*  
Board Executive

WARNING - THIS DOCUMENT CONTAINS SECURITY FEATURES LISTED ON REVERSE SIDE

**SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION**  
**CONTRACTOR'S LICENSING BOARD**

**LICENSE#: CLG.100190**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**GENERAL CONTRACTOR**

for each Classification and Group Limitation listed below:

(If this license has a "Limited Building-LB" classification, work is limited to 3 stories in height)

**Building-BD5, Nonstructural Renovation-NR5**

**LICENSE NUMBER: CLG.100190**

**Initial License Date: 01/07/1999**

**EXPIRATION DATE: 10/31/2026**

Qualifying Party(s): **DEQUINCEY S EDWARDS, STEPHON EDWARDS**

Group Limitation Per Job (i.e., BD2 = Group 2):

Group #1 - \$100,000    Group #4 - \$3,000,000  
Group #2 - \$400,000    Group #5 - \$Unlimited  
Group #3 - \$1,000,000

*W. Edwards W. Edwards*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business on their behalf. \*\*\*

# Ex. B

Paragon Builders Mechanical Contractor License  
Expiration Date 10-31-2025



\*\*\* THIS LICENSE EXPIRES ON 10/31/2025 \*\*\*

BY the QUALIFYING PARTY ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) in **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**THIS IS A 2-PART POCKETCARD - FOLD CARD IN HALF - DO NOT CUT OR TEAR CARD IN HALF**  
BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES

**LICENSE#: CLM.111292**

CCG 1055888

South Carolina Department of Labor, Licensing and Regulation  
Contractor's Licensing Board

**MECHANICAL CONTRACTOR**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:

PK5, PB5, EL5, STEPHON EDWARDS, ERIC BYRD, 121268, -74603

**LICENSE EXPIRATION DATE: 10/31/2025**

(If this license has a "Limited Building-LB", work is limited to 3 stories in height)

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf.\*\*\*

**MECHANICAL CONTRACTOR 1055888**

**LICENSE#: CLM.111292 - EXPIRES: 10/31/2025**

**PARAGON BUILDERS**

Initial Issue Date: 04/28/2010 - Expiration Date: 10/31/2025  
Qualifier(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS  
HAMPTON

**Group Limitations Per Job/Project (i.e. AC2 = Group 2):**

|                        |                      |
|------------------------|----------------------|
| Group #1 - \$35,000    | Group #2 - \$100,000 |
| Group #3 - \$200,000   | Group #4 - \$400,000 |
| Group #5 - \$Unlimited |                      |

*Meronica W. Fulton*  
Board Executive

**DO NOT PEEL CARD FROM A CORNER**

**To remove card from backing**

- Bend form back from the outside edge
- Pull card off backing

SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION  
**CONTRACTOR'S LICENSING BOARD**

CCG 1055888

**LICENSE#: CLM.111292**

**LICENSE#: CLM.111292**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**MECHANICAL CONTRACTOR**

for each Classification and Group Limitation listed below:

**PK5, PB5, EL5, STEPHON EDWARDS, ERIC BYRD, 121268, -74603**

**LICENSE NUMBER: .....CLM.111292**

**Initial License Date:.....04/28/2010**

**EXPIRATION DATE:.....10/31/2025**

**Group Limitations Per Job (i.e. AC2 = Group 2):**

|                        |                      |
|------------------------|----------------------|
| Group #1 - \$35,000    | Group #3 - \$200,000 |
| Group #2 - \$100,000   | Group #4 - \$400,000 |
| Group #5 - \$Unlimited |                      |

Qualifying Party(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON

*Meronica W. Fulton*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf.\*\*\*

Paragon Builders Mechanical Contractor License  
Expiration Date 10-31-2027



\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf.\*\*\*

\*\*\* THIS LICENSE EXPIRES ON 10/31/2027 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES. DO NOT TEAR CARD IN HALF.**

35  
PARAGON BUILDERS  
PO BOX 2058  
ORANGEBURG SC 29116-2058

**LICENSE#: CLM.111292**

South Carolina Department of Labor, Licensing and Regulation  
**Contractor's Licensing Board**  
**MECHANICAL CONTRACTOR**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:  
Packaged Equipment-PK5, Plumbing-PB5, Electrical-EL5

**INITIAL ISSUE DATE: 04/28/2010**  
**LICENSE EXPIRATION DATE: 10/31/2027**

**MECHANICAL CONTRACTOR**

**LICENSE#: CLM.111292**

**EXPIRATION DATE: 10/31/2027**

**PARAGON BUILDERS**

**Qualifier(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON**

**Licensee's Group# Limitation Per Job/Project (i.e., EL2 = Group 2):**

Group #1 - \$35,000 Group #2 - \$100,000 Group #3 - \$200,000  
Group #4 - \$400,000 Group #5 - \$Unlimited

*N. Kelly F. Davis*  
Professional Director

**WARNING - THIS DOCUMENT CONTAINS SECURITY FEATURES LISTED ON REVERSE SIDE**

**SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION**

**CONTRACTOR'S LICENSING BOARD**

**LICENSE#: CLM.111292**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**MECHANICAL CONTRACTOR**

for each Classification and Group Limitation listed below:

**Packaged Equipment-PK5, Plumbing-PB5, Electrical-EL5**

**LICENSE NUMBER: CLM.111292**

**Initial License Date: 04/28/2010**

**EXPIRATION DATE: 10/31/2027**

**Qualifying Party(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON**

**Group Limitation Per Job (i.e., EL2 = Group 2):**

Group #1 - \$35,000 Group #2 - \$100,000  
Group #3 - \$200,000 Group #4 - \$400,000  
Group #5 - \$Unlimited

*N. Kelly F. Davis*  
Professional Director

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business on their behalf. \*\*\*

# Ex. C

## Mechanical Contractor's Application



is application form is used for:

- New license, including a business with a new name and Federal ID number, or a new type of business (Corporation, LLC, LLP, etc.).
- Reinstate a lapsed license.

not use this application if you need to revise a license, such as increasing the license group limitation, or name change with the same Federal ID number and type of business you need to complete the General and Mechanical Contractor Revision Application (Doc 180).

omit the following with your application:

- The license fee is \$350. Fees are non-refundable. License fee in the form of a check or money order made payable to SCCLB. A returned check fee of up to \$30, or an amount specified by law, may be assessed on all returned funds. NO CASH IS ACCEPTED.
- Verification to conduct business in SC from the SC Secretary of State (not required for a sole proprietorship).
- Financial Statement or Surety Bond supporting the requested group limitation.
- Completed PQP /QP Initial Application(s) (Doc 168) for individuals who are not currently certified by the Board or have a certification that has been inactive for more than four years or completed PQP/QP Revision Application (Doc 181) to add an active PQP/QP certification or a certification that has been inactive for less than four years.

Completed applications may be submitted to the Board at PO Box 11329, Columbia, SC 29211, by email to [act.clb@lr.sc.gov](mailto:act.clb@lr.sc.gov), or delivered in person at 110 Centerview Dr., Columbia, SC 29210.

#### APPLICANT INFORMATION

Individual or company listed in this section will be designated as the "License Holder." You must sign contracts, for permits, conduct business, and advertise in this name only. (See SC Code of Laws Section 40-11-20, 130, 240 and 370(B))

Licensee/Legal Name: Paragon Inc. of South Carolina, LLC

Doing Business As (DBA) Name: Paragon Builders

Business Phone: 803-534-1900 Email (required): eric@paragonbuilderssc.com

Business Address: 2874 Columbia Rd Orangeburg SC County: Orangeburg  
Physical street address, City, State and Zip Code

Home Address (if different from above): Same

Personal Tax ID or SSN: 58-2466071 Website: www.paragonbuilderssc.com

Is the licensee/entity listed above a current or previous SC Contractor? ☐ YES ☐ NO

If yes, license number: \_\_\_\_\_

Is this a reinstatement application? ☐ YES ☐ NO

Is this a name change or form of business change? ☐ YES ☐ NO

## Mechanical Contractor's Revision Application





South Carolina Department of Labor, Licensing and Regulation  
**South Carolina Contractor's Licensing Board**  
110 Centerview Dr. • Columbia • SC • 29210  
P.O. Box 11329 • Columbia • SC • 29211  
Phone: 803-896-4686 • Contact.CLB@llr.sc.gov • Fax: 803-896-4814  
llr.sc.gov/clb

**GENERAL AND MECHANICAL CONTRACTOR  
REVISION APPLICATION (DOC. 180)**

**NOTE:** Find your specific instructions on the previous page (i.e. "Change of Licensing Group", "Change of Business Name or Address", etc.). The instructions will let you know which sections of the application you need to complete. You may disregard all other sections of the application not mentioned in your instructions. **All applicants must complete sections A, E and F.**

Completed applications may be submitted to the Board at PO Box 11329, Columbia, SC 29211, by email to [contact.clb@llr.sc.gov](mailto:contact.clb@llr.sc.gov), or delivered in person at 110 Centerview Dr., Columbia, SC 29210.

**REQUESTED ACTION**

Indicate the reason for your application below. All applicants must complete the applicable sections and attestation at the end of this application.

☐ Name Change    ☐ Address Change    ☐ Owner/Officer Change    ☒ License Group Change

**SECTION A**

**LICENSEE INFORMATION (as it currently appears on your license card)**

**ALL** applicants must complete this section.

Licensee/Legal Name: Paragon Inc. of South Carolina, LLC

Doing Business As (DBA) Name: Paragon Builders License # M.111292

Business Phone: 803-534-1900 Email (required): stephon@paragonbuilderssc.com

Business Address: 2874 Columbia Road, Orangeburg, SC 29118 County: Orangeburg  
Physical street address, City, State and Zip Code

Mailing Address (if different from above): POB 2058, Orangeburg, SC 29116

Federal Tax ID or SSN: 58-2466031 Website: www.paragonbuilderssc.com

**SECTION B**

**CHANGE OF BUSINESS NAME OR ADDRESS (physical or mailing)**

**ONLY** complete this section if you need to change your business name, corporate structure, address, or other contact information. Attach amended charter or the Secretary of State Articles of Amendment if this is a corporate name change. If your name, Federal ID No. or corporate structure has changed more than 15 business days ago, **do not** complete this form; you must submit a new [General and Mechanical Contractor Initial Application \(Doc 165\)](#).

New Business Name: \_\_\_\_\_

Doing Business As (DBA) Name: \_\_\_\_\_

Business Phone: \_\_\_\_\_ Email (required): \_\_\_\_\_

Business Address: \_\_\_\_\_ County: \_\_\_\_\_  
Physical street address, City, State and Zip Code

Mailing Address (if different from above): \_\_\_\_\_

Website: \_\_\_\_\_

**Type of Business:**

Corporations, LLCs, LLPs, or LPs must submit a Federal Tax ID number and a SC Secretary of State Certificate of Existence.

☐ Sole Proprietorship ☐ Domestic/Foreign Corporation ☐ Partnership  
☐ Limited Liability Partnership ☒ Limited Liability Company

State of incorporation or organization: SC

**SECTION C**

**CHANGE OF OWNERS OR OFFICERS**

**ONLY** complete this section if there has been a change in the Licensee's ownership or corporate leadership. Provide the name, title, and date of birth and percent of business ownership of each owner, officer, partner, and/or member of the Licensee. Attach a separate sheet if necessary.

**Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

% Ownership: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

**Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

% Ownership: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

**Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

% Ownership: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

**Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

% Ownership: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

**Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

% Ownership: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

## SECTION D

### CHANGE OF LICENSING GROUP

**ONLY** complete this section if you wish to change your licensing group limit. Select the group for increase and attach the appropriate financial documentation or surety bond. Please indicate the method for which you are qualifying for the new licensing group limit. Additional information about financial group limits can be found on the Board's website.

**Groups 1 and 2 – (submit one)**

- Owner Prepared financial statement with an affidavit of accuracy, [Document #172](#); or
- [Surety Bond Form for General Contractors](#) / [Surety Bond Form for Mechanical Contractors](#)

**Groups 3 and 4 – (submit one)**

- Financial statement compiled by a licensed CPA in accordance with GAAP, including all disclosures required by GAAP or
- [Surety Bond Form for General Contractors](#) / [Surety Bond Form for Mechanical Contractors](#)

**Group 5 – (submit one)**

- An audited balance sheet prepared by a licensed CPA in accordance with GAAP, including all disclosures required by GAAP; or
- [Surety Bond Form for General Contractors](#) / [Surety Bond Form for Mechanical Contractors](#)

**Requested Group Limit:**

☐ Group 1   ☐ Group 2   ☐ Group 3   ☐ Group 4   ☒ Group 5

**Qualifying for Requested Group Limit by:**

☐ Net Worth   ☐ Working Capital   ☒ Surety Bond

**What type of financial documentation are you submitting with your application?**

☐ Audited Balance Sheet   ☐ Reviewed Financial Statement   ☐ Compiled Financial Statement  
☐ [Owner Prepared Financial Statement \(Doc 172\)](#)   ☐ Surety Bond

## SECTION E

### BACKGROUND QUESTIONS

**ALL** applicants must complete this section. Answer all questions below. If you answer "Yes" to any of the questions, you are required to complete and submit the [Explanatory Statement of Yes Answers - Doc. 142](#).

1. Since your last renewal or application with the Board, has this entity or any owner, officer, partner, or member been convicted, pled guilty or nolo contendere in the US or foreign country of a felony or the offense of forgery, embezzlement, obtain money under false pretenses, theft, extortion, or conspiracy to defraud or other like offense?

☐ YES   ☒ NO

If yes, in addition to [Doc 142](#), a criminal background check must be provided from the state in which the conviction occurred along with the court disposition and any other pertinent documentation. For South Carolina criminal background reports contact SLED at [www.sled.sc.gov](http://www.sled.sc.gov). Out-of-state applicants may submit a state-issued report, or any report generated by an accredited agency on PBSA's website found here: [thepbsa.org/](http://thepbsa.org/). All criminal background reports must not be older than thirty (30) days from the date of application.



2. Since your last renewal or application with the Board, has this entity or any owner, officer, partner, or member had a professional license or certificate denied, suspended, revoked or otherwise been disciplined in any state or jurisdiction, including South Carolina?

☐ YES ☒ NO

If yes, in addition to [Doc 142](#), official documentation related to the relevant disciplinary action must be provided.

3. Since your last renewal or application with the Board, does this entity or any owner, officer, partner, or member have any unresolved complaints or charges pending before any professional licensing board in South Carolina or any other state or jurisdiction?

☐ YES ☒ NO

If yes, in addition to [Doc 142](#), official documentation related to the relevant disciplinary action must be provided.

4. Since your last renewal or application with the Board, does this entity or any owner, officer, partner, or member have any outstanding monetary judgments related to construction, or have any bankruptcies?

☐ YES ☒ NO

If yes, in addition to [Doc 142](#), official documentation related to the monetary judgments, including the order of judgment or final disposition, and bankruptcies, as well as any payment plans that have been established to satisfy construction related monetary judgments, must be provided.

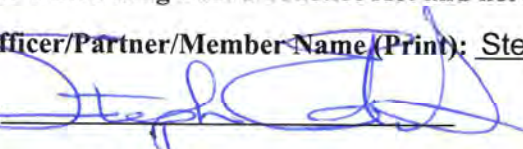
## SECTION F

### ATTESTATION

**ALL** applicants must complete this section.

**I certify that the information and statements contained herein are true, accurate, and complete. I understand that the provision of false or inaccurate information may result in the cancellation or denial of a license issued pursuant to this application and may be subject to civil and criminal proceedings. I agree that all information in this application may be verified and investigated. I have read and am familiar with the South Carolina Contractor's Licensing Board Practice Act and hereby agree to abide by such laws.**

Owner/Officer/Partner/Member Name (Print): Stephon Edwards

Signature: 

Title Owner

Date 8/28/2024

### PRIVACY DISCLOSURE

South Carolina Law requires that every individual who applies for an occupational or professional license provide a social security number for use in the establishment, enforcement and collection of child support obligations and for reporting to certain databanks established by law. Failure to provide your social security number for these mandatory purposes will result in the denial of your licensure application. Social security numbers may also be disclosed to other governmental regulatory agencies and for identification purposes to testing providers and organizations involved in professional regulation. Your social security number will not be released for any other purpose not provided for by law.

Other personal information collected by the Department for the licensing boards it administers is limited to such personal information as is necessary to fulfill a legitimate public purpose. The South Carolina Freedom of Information Act ensures that the public has a right to access appropriate records and information possessed by a government agency. Therefore, some personal information on the application may be subject to public scrutiny or release. The Department collects and disseminates personal information in compliance with The South Carolina Freedom of Information Act, the South Carolina Family Privacy Protection Act, and other applicable privacy laws and regulations. Additionally, the Department shares certain information on the application with other governmental agencies for various governmental purposes, including research and statistical services.



South Carolina Department of Labor, Licensing and Regulation  
**South Carolina Contractor's Licensing Board**  
110 Centerview Dr. • Columbia • SC • 29210  
P.O. Box 11329 • Columbia • SC • 29211  
Phone: 803-896-4686 • Contact: CLB@llr.sc.gov • Fax: 803-896-4814  
llr.sc.gov/clb

## SURETY BOND FOR MECHANICAL CONTRACTORS

BOND NUMBER: L272743-2227

**KNOW ALL MEN BY THESE PRESENTS** that we

Paragon Builders

, as Principal and

Lexington National Insurance Corporation

, a Surety Company

authorized to do business in the State of South Carolina, as Surety, its successors, assigns, and legal representatives are held and firmly bound unto the South Carolina Contractor's Licensing Board, State of South Carolina and any person or business sustaining damage within the terms of this bond for payment, as Obligor in the sum of Three Hundred Thousand Dollars (\$300,000.00) lawful money of the United States of America per License Term. We bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents. This bond is in lieu of providing a financial statement showing a minimum net worth or working capital as required in S.C. Code Ann. §40-11-260.

**WHEREAS**, the above bonded Principal has applied to the South Carolina Contractor's Licensing Board pursuant to Section 40-11-10 *et seq.* of the 1976 Code of Laws of South Carolina, as amended (the Act), to be granted an authorization to engage in the following construction groups with the following bond amounts:

- ☐ Group 1 Mechanical Contractor (\$7,000)
- ☐ Group 2 Mechanical Contractor (\$15,000)
- ☐ Group 3 Mechanical Contractor (\$30,000)
- ☐ Group 4 Mechanical Contractor (\$60,000)
- ☒ Group 5 Mechanical Contractor (\$300,000)

**WHEREAS**, the above bonded Principal is required in Section 40-11-262 of the Act to furnish the Board with a good and sufficient surety as one method of complying with one of the conditions upon which the authorization is granted.

**NOW, THEREFORE**, if the Principal, in compliance with 40-11-262, does not engage in an act or omission constituting a breach of construction contract or a contract for the furnishing of labor, materials, or professional services for construction undertaken by the Principal, or does not commit any unlawful act or omission in performing construction, then this obligation shall be void; otherwise it is to remain in full force and effect.

This bond is in full force and effect as to the above statutory, regulatory and procedural obligations of the Principal from 8/22/2024 through 10/31/2025 unless renewed by continuation certificate; however, the Surety or the Principal shall have the right to cancel this bond at any time by filing written notice with the South Carolina Contractor's Licensing Board and the applicable party of its intention to so cancel, giving at least thirty (30) days' notice prior to the effective date of the cancellation. This provision, however, shall not operate to relieve, release or discharge the Surety from any liability already accrued or which shall accrue before the expiration of the thirty (30) day period.

Regardless of the number of years this bond may remain in force or the number of claims against this bond, the aggregate liability of the Surety for any and all claims, suits or actions under this bond shall not exceed the sum of Three Hundred Thousand Dollars (\$ 300 ,000.00) for any License Term. Each License Term is a twenty-four month period beginning on November 1 and ending on October 31.

The Surety shall provide the board with written notice of any payment made in good faith under the Bond within thirty (30) days of such payment. No right of action shall accrue upon or by reason of this bond to or for the use or benefit of anyone whatsoever other than the Board or any person sustaining loss or damage within the terms of this bond for payment.

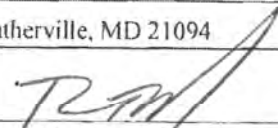
Witness our hands and seal this 22nd day of August, 20 24.

Name and Address of Surety Company (Print)

Lexington National Insurance Corporation

PO Box 6098

Lutherville, MD 21094

By: 

Signature of Surety (Attorney-in-Fact)

Tyler Turnbull

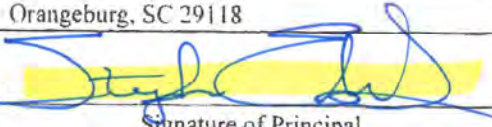
Power of Attorney (attach document)

Name and Address of Principal (Print)

Paragon Builders

2874 Columbia Road

Orangeburg, SC 29118

By: 

Signature of Principal

To report a claim with regard to this bond, submit a claim on the form approved by the Board to the claim address below:

(Print) Lexington National Insurance Corporation

PO Box 6098

Lutherville, MD 21094

## POWER OF ATTORNEY

### Lexington National Insurance Corporation

Lexington National Insurance Corporation, a corporation duly organized under the laws of the State of Florida and having its principal administrative office in Baltimore County, Maryland, does hereby make, constitute and appoint:

Tyler Turnbull, Beverly Ivey, Della Case, Brett Branton,  
Brendan Coale, Matthew Rose, Scott Pelin

as its true and lawful attorney-in-fact, each in their separate capacity, with full power and authority to execute, acknowledge, seal and deliver on its behalf as surety any bond or undertaking of \$6,000,000 or less. This Power of Attorney is void if used for any bond over that amount.

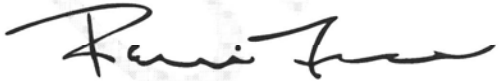
This Power of Attorney is granted under and by authority of the following resolutions adopted by the Board of Directors of the Company on February 15, 2018:

Be it Resolved, that the CEO, President or any Vice-President shall be and is hereby vested with full power and authority to appoint suitable persons as Attorney-in-Fact to represent and act for and on behalf of the Company subject to the following provisions.

Attorney-in-Fact may be given full power and authority for and in the name of and on the behalf of the Company, to execute, acknowledge and deliver any and all bonds, contracts, or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any all notices and documents cancelling or terminating the Company's liability thereunder and any such instruments so executed by any Attorney-in Fact shall be binding upon the Company as if signed by the CEO, President and sealed by the Corporate Secretary.

RESOLVED further, that the signature of the CEO, President or any Vice-President of LEXINGTON NATIONAL INSURANCE CORPORATION may be affixed by facsimile to any power of attorney, and the signature of the Secretary or any Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of such power, or any such power or certificate bearing such facsimile signature or seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed with respect to any bond to which it is attached continue to be valid and binding upon the Company.

IN WITNESS WHEREOF, the Company have caused this instrument to be signed and their corporate seal to be hereto affixed.



Ronald A. Frank, CEO



State of Maryland  
County of Harford County, SS:

Before me, a notary public, personally appeared, Ronald A. Frank, CEO of Lexington National Insurance Corporation, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under the PENALTY of PERJURY under the laws of the State of Maryland that the foregoing paragraph is true and correct.

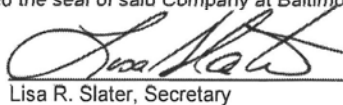
WITNESS my hand and official seal.

Commission Expires: 05/23/24

  
Notary

I, Lisa R. Slater, Secretary of Lexington National Insurance Corporation, do hereby certify that the above and foregoing is true and correct copy of a Power of Attorney, executed by said company, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said Company at Baltimore, Maryland this 17th day of January, 2024.

  
Lisa R. Slater, Secretary

Attached to bond signed this 22nd day of August, 2024



# *The State of South Carolina*



*Office of Secretary of State Mark Hammond*

## **Certificate of Existence**

**I, Mark Hammond, Secretary of State of South Carolina Hereby certify that:**

**PARAGON, INC. OF SOUTH CAROLINA, LLC, A Limited Liability Company duly organized under the laws of the State of South Carolina on April 30th, 1999, with a duration that is at will, has as of this date filed all reports due this office, paid all fees, taxes and penalties owed to the Secretary of State, that the Secretary of State has not mailed notice to the company that it is subject to being dissolved by administrative action pursuant to section 33-44-809 of the South Carolina Code, and that the company has not filed articles of termination as of the date hereof.**

**Given under my Hand and the Great  
Seal of the State of South Carolina this  
27th day of December, 2007.**

A handwritten signature in cursive script that reads "Mark Hammond".

**Mark Hammond, Secretary of State**



\*\*\* THIS LICENSE EXPIRES ON 10/31/2025 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**THIS IS A 2-PART POCKETCARD - FOLD CARD IN HALF - DO NOT CUT OR TEAR CARD IN HALF**  
**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES**

CCG 1053518

CCG 1053518

**LICENSE#: CLM.111816**

South Carolina Department of Labor, Licensing and Regulation  
**Contractor's Licensing Board**  
**MECHANICAL CONTRACTOR**

**PAUL R GILLETTE**  
**DBA: GILLETTE PLUMBING**  
**2874 COLUMBIA ROAD**  
**ORANGEBURG SC 29118**

licensed to practice in the 2-letter Classification(s) and Group# listed below:  
**Plumbing-PB2**

**LICENSE EXPIRATION DATE: 10/31/2025**

(If this license has a "Limited Building-LB", work is limited to 3 stories in height)

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf. \*\*\*

**MECHANICAL CONTRACTOR**  
**LICENSE#: CLM.111816 - EXPIRES: 10/31/2025**  
**PAUL R GILLETTE**  
**DBA: GILLETTE PLUMBING**  
Initial Issue Date: 09/02/2011 - Expiration Date: 10/31/2025  
Qualifier(s): **PAUL R GILLETTE**

**Group Limitations Per Job/Project (i.e. AC2 = Group 2):**

|                        |                      |
|------------------------|----------------------|
| Group #1 - \$35,000    | Group #2 - \$100,000 |
| Group #3 - \$200,000   | Group #4 - \$400,000 |
| Group #5 - \$Unlimited |                      |

*M. Monica W. Fulton*  
Board Executive

**DO NOT PEEL CARD FROM A CORNER**

**To remove card from backing**

- **Bend** form back from the **outside edge**
- **Pull** card off backing

*Paul R Gillette*  
*Owner Qualifier*

CCG 1053518

**SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION**  
**CONTRACTOR'S LICENSING BOARD**

**LICENSE#: CLM.111816**

**LICENSE#: CLM.111816**

**PAUL R GILLETTE**  
**DBA: GILLETTE PLUMBING**  
**2874 COLUMBIA ROAD**  
**ORANGEBURG SC 29118**

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**MECHANICAL CONTRACTOR**

for each Classification and Group Limitation listed below:

**Plumbing-PB2**

**LICENSE NUMBER: .....CLM.111816**  
**Initial License Date: .....09/02/2011**  
**EXPIRATION DATE: .....10/31/2025**

**Group Limitations Per Job (i.e. AC2 = Group 2):**

|                        |                      |
|------------------------|----------------------|
| Group #1 - \$35,000    | Group #3 - \$200,000 |
| Group #2 - \$100,000   | Group #4 - \$400,000 |
| Group #5 - \$Unlimited |                      |

**Qualifying Party(s): PAUL R GILLETTE**

*M. Monica W. Fulton*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf. \*\*\*



\*\*\* THIS LICENSE EXPIRES ON 10/31/2025 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**THIS IS A 2-PART POCKETCARD - FOLD CARD IN HALF - DO NOT CUT OR TEAR CARD IN HALF**  
**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES**

**LICENSE#: CLM.111292**

CCG 1055888

South Carolina Department of Labor, Licensing and Regulation  
Contractor's Licensing Board

**MECHANICAL CONTRACTOR**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:

PK5, PB5, EL5, STEPHON EDWARDS, ERIC BYRD, 121268, -74603

**LICENSE EXPIRATION DATE: 10/31/2025**

(If this license has a "Limited Building-LB", work is limited to 3 stories in height)

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf.\*\*\*

**MECHANICAL CONTRACTOR** CCG 1055888  
**LICENSE#: CLM.111292 - EXPIRES: 10/31/2025**  
**PARAGON BUILDERS**

Initial Issue Date: 04/28/2010 - Expiration Date: 10/31/2025  
Qualifier(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON

**Group Limitations Per Job/Project (i.e. AC2 = Group 2):**

|                        |                      |
|------------------------|----------------------|
| Group #1 - \$35,000    | Group #2 - \$100,000 |
| Group #3 - \$200,000   | Group #4 - \$400,000 |
| Group #5 - \$Unlimited |                      |

*Monica W. Fulton*  
Board Executive

**DO NOT PEEL CARD FROM A CORNER**

**To remove card from backing**

- **Bend form back from the outside edge**
- **Pull card off backing**

SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION CCG 1055888  
**CONTRACTOR'S LICENSING BOARD**

**LICENSE#: CLM.111292**

**LICENSE#: CLM.111292**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**MECHANICAL CONTRACTOR**

for each Classification and Group Limitation listed below:

PK5, PB5, EL5, STEPHON EDWARDS, ERIC BYRD, 121268, -74603

**LICENSE NUMBER: .....CLM.111292**

**Initial License Date: .....04/28/2010**

**EXPIRATION DATE: .....10/31/2025**

**Group Limitations Per Job (i.e. AC2 = Group 2):**

|                        |                      |
|------------------------|----------------------|
| Group #1 - \$35,000    | Group #3 - \$200,000 |
| Group #2 - \$100,000   | Group #4 - \$400,000 |
| Group #5 - \$Unlimited |                      |

Qualifying Party(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON

*Monica W. Fulton*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf.\*\*\*



\*\*\* THIS LICENSE EXPIRES ON 10/31/2026 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES. DO NOT TEAR CARD IN HALF.**

35

PARAGON BUILDERS  
PO BOX 2058  
ORANGEBURG SC 29116-2058

**LICENSE#: CLG.100190**

South Carolina Department of Labor, Licensing and Regulation  
**Contractor's Licensing Board**  
**GENERAL CONTRACTOR**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:

**Building-BD5, Nonstructural Renovation-NR5**

**INITIAL ISSUE DATE: 01/07/1999**

**LICENSE EXPIRATION DATE: 10/31/2026**

(If above license has "Limited Building-LB", work is limited to 3 stories in height)

**GENERAL CONTRACTOR**

**LICENSE#: CLG.100190**

**EXPIRATION DATE: 10/31/2026**

**PARAGON BUILDERS**

**Qualifier(s): DEQUINCEY S EDWARDS, STEPHON EDWARDS**

**Licensee's Group# Limitation Per Job/Project (i.e., BD2 = Group 2):**

Group #1 - \$100,000 Group #2 - \$400,000 Group #3 - \$1,000,000

Group #4 - \$3,000,000 Group #5 - \$Unlimited

*M. Edwards*  
Board Executive

WARNING - THIS DOCUMENT CONTAINS SECURITY FEATURES LISTED ON REVERSE SIDE

**SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION**  
**CONTRACTOR'S LICENSING BOARD**

**LICENSE#: CLG.100190**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**GENERAL CONTRACTOR**

for each Classification and Group Limitation listed below:

(If this license has a "Limited Building-LB" classification, work is limited to 3 stories in height)

**Building-BD5, Nonstructural Renovation-NR5**

**LICENSE NUMBER: CLG.100190**

**Initial License Date: 01/07/1999**

**EXPIRATION DATE: 10/31/2026**

**Qualifying Party(s): DEQUINCEY S EDWARDS, STEPHON EDWARDS**

**Group Limitation Per Job (i.e., BD2 = Group 2):**

Group #1 - \$100,000 Group #4 - \$3,000,000

Group #2 - \$400,000 Group #5 - \$Unlimited

Group #3 - \$1,000,000

*M. Edwards*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business on their behalf. \*\*\*

# Ex. D

Notice of Intent to Protest  
(filed October 27, 2025)

October 27, 2025

**VIA ELECTRONIC MAIL ([protest-ose@mmo.sc.gov](mailto:protest-ose@mmo.sc.gov))**

Office of State Engineer

**Attn: Chief Procurement Officer for Construction**

South Carolina Department of Natural Resources

1201 Main Street, Suite 600

Columbia, SC 29201

**Re: Notice of Intent to Protest by Paragon Inc. of South Carolina LLC**  
**Project Name: Beaufort-Wadell Mariculture**  
**Maturation Ponds Maintenance – Re- Bid**  
**Project Number: P24-6052-PG**

Dear Sir:

Please find attached a Notice of Intent to Protest the bid award in the above referenced project number that I am submitting on behalf of my client Paragon Inc. of South Carolina LLC.

If you require any additional information, please feel free to contact me at 803-744-0800.

Sincerely,

  
James M. Griffin

cc: Eric Byrd ([eric@paragonbuilderssc.com](mailto:eric@paragonbuilderssc.com))

## # NOTICE OF INTENT TO PROTEST

**\*\*Date:\*\*** October 27, 2025

TO: Chief Procurement Officer

Office of State Engineer

Construction Office

South Carolina Department of Natural Resources

Email: protest-ose@mmm.sc.gov

Physical Address: 1201 Main Street, Suite 600, Columbia, SC 29201

FROM: Paragon Inc. of South Carolina, LLC

2874 Columbia Road NE

Orangeburg, SC 29118-1902

Telephone: (803) 534-1900

Email: eric@paragonbuilderssc.com

Attention: Eric Byrd, Vice President

RE: Notice of Intent to Protest Award Decision

Project Name: Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid

Project Number: P24-6052-PG

Award Notice Posted: October 20, 2025

### I. NOTICE OF INTENT TO PROTEST

Pursuant to South Carolina Code Section 11-35-4210, Paragon Inc. of South Carolina, LLC ("Paragon" or "Protester") hereby submits this Notice of Intent to Protest the South Carolina Department of Natural Resources' ("SCDNR" or "Agency") decision to deem Paragon's bid non-responsive and its intent to award the above-referenced contract to Haren Construction Co. Inc.

This Notice of Intent to Protest is timely submitted within seven (7) business days of the October 20, 2025, award notice posting, as required by Section 11-35-4210.

### II. INTERESTED PARTY INFORMATION

Protester:

Paragon Inc. of South Carolina, LLC

SC Contractor's License Numbers: CLG.100190, CLM.111292

Classification(s) & Limits: Building BD5, Plumbing PB5, Electrical EL5

Contact Person:

Eric Byrd, Vice President  
2874 Columbia Road NE  
Orangeburg, SC 29118-1902  
Telephone: (803) 534-1900  
Email: eric@paragonbuilderssc.com

Legal Counsel:

James M. Griffin, Esquire  
Griffin Humphries LLC  
PO Box 999  
Columbia, SC 29202  
Telephone: 803-744-0800  
Email: jgriffin@griffinhumphries.com

### III. PROCUREMENT INFORMATION

Awarding Agency: South Carolina Department of Natural Resources  
Project: Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid  
Project Number: P24-6052-PG  
Bid Opening Date: September 23, 2025  
Award Notice Date: October 20, 2025  
Intended Awardee: Haren Construction Co. Inc.  
Award Amount: \$6,207,000.00

### IV. PARAGON'S BID INFORMATION

Base Bid Amount: \$5,323,800.00  
Alternate #1: \$533,600.00  
Alternate #2: \$568,200.00  
Alternate #3: \$573,350.00  
Status: Deemed "Non-Responsive" by Agency

### V. GROUNDS FOR PROTEST (SUMMARY)

Paragon protests the Agency's determination that its bid was non-responsive based on alleged violations of South Carolina Code Sections 40-11-270, 40-11-340, and 40-11-370. Specifically, Paragon contends:



## A. Paragon's Plumbing License Covers the Yard Piping Work (Section 40-11-340 Compliance)

Issue: The Agency apparently determined that Paragon's Plumbing License (PB5) does not cover the yard piping installation for non-potable water from the head tower to the fishponds, which constitutes 53% of the project scope.

Paragon's Position:

1. Statutory Coverage: The definition of "Plumbing" under Section 40-11-410(5)(f) explicitly includes:

- "installation, alteration, and repair of all piping, fixtures, and appliances related to water supply"
- "installation of a system of pipes, fittings, fixtures, drains, and all necessary component parts \*\*upon the premises or in a building\*\* to supply water to buildings"
- Work performed "\*\*\*solely within property lines\*\* and not on public easements or rights-of-way"

2. Project Characteristics Support Plumbing Classification:

- All piping is \*\*within the Beaufort-Waddell property lines
- No work is on public easements or rights-of-way
- The work involves piping systems on the premises to supply water (albeit non-potable) to the fishponds
- The statute does not distinguish between potable and non-potable water for piping within private property
- The exclusion for "municipal or related water supply systems" does not apply to this private aquaculture facility

3. Section 40-11-340 Compliance:

Because Paragon's Plumbing license (PB5) covers 53% of the work, Paragon meets the 40% threshold required under Section 40-11-340 to act as sole prime contractor. Combined with Paragon's Electrical license (EL5) (19%) and Building license BD5) (13%), work not covered under a separate License classification (15%), Paragon is licensed to perform 100% of the total project work.

## B. Compliance with Section 40-11-270 (License Classification Requirements)

Paragon holds appropriate licenses in all required classifications:

- Building BD5 – for concrete structures and access work (13%)
- Plumbing PB5 – for yard piping from head tower to ponds (53%)

- Electrical EL5 – for electrical panel replacement and pond wiring (19%)

For the pond liner work (15%), which requires no specific license, Paragon will utilize its Building classification or engage appropriately licensed subcontractors as needed.

#### C. Compliance with Section 40-11-370 (Business Name)

Issue: The Agency cited Section 40-11-370(B) regarding engaging in construction under a name other than the exact name on the license.

Paragon's Position:

Paragon's bid was submitted under "Paragon Inc. of South Carolina, LLC," which matches its legal business name and contractor license. Any alleged discrepancy is a secondary issue that does not warrant bid rejection, particularly when:

- The entity is properly identified
- All license numbers are correctly provided
- The qualifying party is properly designated
- There is no indication of fraud, misrepresentation, or attempt to circumvent licensing requirements

#### VI. PREJUDICE TO PARAGON

Paragon will suffer substantial prejudice if the protest is not granted:

1. Financial Harm: Paragon submitted the lowest responsible bid. The difference between Paragon's total bid (\$5,857,400) and the intended award (\$6,207,000) is \$349,600 more than Paragon's total bid.
2. Loss of Business Opportunity: Paragon is a qualified, properly licensed contractor capable of performing this work in accordance with all applicable laws and regulations.
3. Improper Interpretation of Law: The Agency's restrictive interpretation of the Plumbing license definition would improperly exclude legitimate plumbing work from the statutory scope, contrary to legislative intent.
4. Competitive Disadvantage: If this interpretation stands, it would create uncertainty for contractors bidding on similar projects involving water piping systems on private property.

## VII. RELIEF REQUESTED

Paragon respectfully requests that the Chief Procurement Officer:

1. Reverse the determination that Paragon's bid is non-responsive.
2. Find that Paragon's Plumbing license (PB5) properly covers the yard piping installation work as defined in Section 40-11-410(5)(f);
3. Find that Paragon meets all requirements of Sections 40-11-270, 40-11-340, and 40-11-370;
4. Determine that Paragon submitted the lowest responsive and responsible bid; and
5. Award the contract to Paragon Inc. of South Carolina, LLC.

## VIII. REQUEST FOR DOCUMENTS

Pursuant to Section 11-35-410 and protest procedures, Paragon requests access to the following documents within five (5) days:

1. Complete bid tabulation showing all bids received
2. All documentation related to the responsiveness determination for Paragon's bid
3. All documentation related to the responsiveness determination for the two other bidders (Haren Construction and BRW Construction).
4. Any communications within SCDNR or between other South Carolina State Agencies, legal counsel or personnel regarding license classification interpretation for this project
5. Any legal opinions or guidance sought regarding the plumbing license scope
6. Haren Construction and BRW Construction's license documentation and classifications
7. Any protest or inquiry submitted by any other bidder
8. Complete bid documents submitted by the two other bidders including a copy of the sealed bid envelope.

## IX. FORMAL PROTEST TO FOLLOW

This Notice of Intent to Protest will be followed by a formal written protest within fifteen (15) days of the date the award notice was posted (October 20, 2025), as required by Section 11-35-4210.

#### X. CONSENT TO ELECTRONIC COMMUNICATIONS

By submitting this Notice of Intent to Protest to protest-ose@mmm.sc.gov, Paragon (and any person acting on Paragon's behalf) consents to receive communications regarding this protest (and any related protests) at the email address of Paragon's legal counsel, James M. Griffin at [jgriffin@griffinhumphries.com](mailto:jgriffin@griffinhumphries.com) with copies to [eric@paragonbuilderssc.com](mailto:eric@paragonbuilderssc.com).

#### XI. CERTIFICATION

The undersigned certifies that the statements contained in this Notice of Intent to Protest are true and accurate to the best of knowledge and belief.

Respectfully submitted this 27th day of October 2025.

PARAGON INC. OF SOUTH CAROLINA, LLC

By:  \_\_\_\_\_

Eric Byrd, Vice President

2874 Columbia Road NE  
Orangeburg, SC 29118-1902  
Telephone: (803) 534-1900  
Email: [eric@paragonbuilderssc.com](mailto:eric@paragonbuilderssc.com)

## XII. CERTIFICATE OF SERVICE

I hereby certify that a copy of this Notice of Intent to Protest has been served via email on this 27th day of October, 2025, to:

**\*\*Chief Procurement Officer\*\***

Office of State Engineer

Email: [protest-ose@mmm.sc.gov](mailto:protest-ose@mmm.sc.gov)

**\*\*South Carolina Department of Natural Resources\*\***

Attention: Jeff Boyer, Engineer III

Email: [boyerj@dnr.sc.gov](mailto:boyerj@dnr.sc.gov)

**\*\*Intended Awardee:\*\***

Haren Construction Co. Inc.

[Address and contact information to be obtained from public records]

**\*\*Legal Counsel for Protester: \*\***

James M. Griffin, Esquire

Griffin Humphries LLC

PO Box 999

Columbia, SC 29202

Email: [jgriffin@griffinhumphries.com](mailto:jgriffin@griffinhumphries.com)

---

By: 

Eric Byrd, Vice President

# South Carolina Business Opportunities

---

Published by Division of Procurement Services - Delbert H. Singleton, Jr., Division Director

**Ad Category:** Construction

**Ad Start Date:** August 12, 2025

**Agency/Owner:** Department of Natural Resources

**Project Name:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance \*RE-BID\*

**Project Number:** P24-6052-PG

**Construction Cost Range:** \$4,500,000 to \$7,000,000

**Project Location:** Waddell Mariculture Center

**Description of Project/Services:**

REBID \* Revised Scope \* - Rehabilitation of rearing ponds, replacement of yard piping and electrical

**Bid/Submittal Due Date & Time:** September 18, 2025 - 2:00pm

**Number of Bid/Submittal Copies:** 1

**Project Delivery Method:** Design-Bid-Build

**Agency Project Coordinator:** Jeff Boyer

**Email:** [Boyerj@dnr.sc.gov](mailto:Boyerj@dnr.sc.gov)

**Telephone:** (803) 360-0042

**Documents May Be Obtained From:** Karen Jones via email: [Jonesk@dnr.sc.gov](mailto:Jonesk@dnr.sc.gov) or phone 803-360-0042

**Project Details:** [https://scbo.sc.gov/files/scbo/SE-310\\_2nd\\_Rebid\\_P24-6052-PG.pdf](https://scbo.sc.gov/files/scbo/SE-310_2nd_Rebid_P24-6052-PG.pdf)

---

South Carolina Business Opportunities • SCBO Team • 1333 Main Street, Suite 700 • Columbia, SC 29201  
803-737-0600 • [scbo@mmo.sc.gov](mailto:scbo@mmo.sc.gov) • <https://scbo.sc.gov> • <https://procurement.sc.gov>



# Exhibit C

[illegible]

\* South Carolina Code of Laws SECTION 40-11-200, 270, 340, & 370. 40% or more of the work as measured by the total cost of construction does not fall under one or more of the licensee's license classifications or subclassifications.

The above information is certified to be true and correct to the best of my knowledge: Aaren Jones Date: 10/15/23



[Print this page](#)
**Board: Commercial Contractors****PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG, SC 29118-1902  
(803) 534-1900

**License number:** 100190

**License type:** GENERAL CONTRACTOR

**Status:** ACTIVE

**Expiration:** 10/31/2026

**First Issuance Date:** 01/07/1999

**Classification:**

Building-BD5

Nonstructural Renovation-NR5

**Qualified By:** Surety Bond

**President / Owner:** STEPHON EDWARDS

[Click here for Classification definitions and licensee's contract dollar limit](#)

**Supervised By**

[EDWARDS DEQUINCEY \(CQG\)](#)

[EDWARDS STEPHON \(CQG\)](#)

[File a Complaint against this licensee](#)

**Board Public Action History:**
[View Orders](#)
[View Other License for this Person](#)

|             | Order Date | Name             | License Type | License Number |
|-------------|------------|------------------|--------------|----------------|
| <b>View</b> | 8/5/2025   | PARAGON BUILDERS | CLG          | 100190         |
|             |            |                  |              |                |

[Print this page](#)**Board: Commercial Contractors****PARAGON BUILDERS**

2874 COLUMBIA ROAD

ORANGEBURG, SC 29118-1902

(803) 534-1900

**License number:** 111292**License type:** MECHANICAL CONTRACTOR**Status:** ACTIVE**Expiration:** 10/31/2027**First Issuance Date:** 04/28/2010**Classification:**

Packaged Equipment-PK5

Plumbing-PB5

Electrical-EL5

**Qualified By:** Surety Bond**President / Owner:** STEPHON EDWARDS**Vice President:** ERIC BYRD[Click here for Classification definitions and licensee's contract dollar limit](#)**Supervised By**[GILLETTE PAUL \(COM\)](#)[HAMPTON RODGERS \(COM\)](#)[FERGUSON JONATHAN \(COM\)](#)[File a Complaint against this licensee](#)**Board Public Action History:**[View Orders](#)[View Other License for this Person](#)

No Orders Found



Date 10/17/2025

Re: Beaufort - Waddell Mariculture Maturation Pond Maintenance  
P24-6052-PG

Determination of non-responsibility – Paragon Inc. of South Carolina LLC.

The South Carolina Department of Natural Resources opened bids for the Beaufort - Waddell Mariculture Maturation Pond Maintenance project on 9/23/2025. Paragon Inc. of South Carolina LLC appeared to have submitted the lowest bids for the project. After careful review of the submitted bid documents and correspondence with SC LLR and OSE the following was determined:

1. Paragon Inc. of South Carolina LLC. does not have a contractor's license under that name. There is no contractor license in the SCLLR database for Paragon Inc. of South Carolina LLC., however there is a license for Paragon Builders owned by the same owner. \*
2. Paragon Builders does not have the proper license classifications or subclassifications to act as a sole prime contractor per SCLLR for this project. Paragon Builders has the following licenses BD5, NR5, PB5 and EL5. Of these licenses only EL is applicable, which comprises 17% of the work requiring a SCLLR license. \*\*

Based on the engineer's opinion, estimated cost and scope of work it is determined that the majority of the work (80%) requires licensure under a (WL) Water and Sewer Line license classification.

According to South Carolina Code of Laws:

**\*SECTION 40-11-370.** License required to use term "licensed contractor"; engaging in construction under assumed name; enforcement of contract.

(B) It is unlawful to engage in construction under a name other than the exact name which appears on the license issued pursuant to this chapter. "Engaging in construction" includes marketing, advertising, using site signs, and submitting contracts. This requirement does not include advertising on vehicles, which may use an abbreviated version of the license name so long as the advertising is not misleading.

**\*\*SECTION 40-11-340.** Qualifications for acting as sole prime contractor.

An entity licensed under the classifications or subclassifications in Sections 40-11-410(1), (2), or (3) may act as a sole prime contractor on a project if forty percent or more of the work as measured by the total cost of construction falls under one or more of the licensee's license classifications or subclassifications. An entity licensed under the classifications or subclassifications in Section 40-11-410(4) and (5) may act as sole prime contractor if fifty-one percent or more of the work falls under one or more of the licensee's license classifications or subclassifications.

See Attachment A - Email corresponded from SC LLR regarding WL classification for this project.

## NOTICE OF INTENT TO AWARD - DESIGN-BID-BUILD CONTRACT

AGENCY: DNR - Department of Natural ResourcesPROJECT NAME: Beaufort-Waddell Mariculture Maturation Ponds MaintenancePROJECT NUMBER: P24-6052-CBPOSTING DATE: 10/20/2025**TO ALL BIDDERS**

Unless stayed by protest or canceled, the Agency intends to enter into a contract as noted below. The successful bid will be accepted and the contract formed by execution of the contract documents. All bid bonds remain in effect for the bid acceptance period as provided in Section 4 of the Bid Form, except as otherwise provided in the Instructions to Bidders.

NAME OF BIDDER: Haren Construction Co. IncDATE BIDS WERE OPENED: 09/23/2025**BID INFORMATION:**BASE BID AMOUNT: \$5,682,000.00

|             |    |          |                                     |                     |
|-------------|----|----------|-------------------------------------|---------------------|
| ALTERNATES: | #1 | ACCEPTED | <input checked="" type="checkbox"/> | <u>\$525,000.00</u> |
|             | #2 | ACCEPTED | <input type="checkbox"/>            | <u>\$540,000.00</u> |
|             | #3 | ACCEPTED | <input type="checkbox"/>            | <u>\$600,000.00</u> |

TOTAL BID AMOUNT: \$6,207,000.00TOTAL CONTRACT AWARD: \$6,207,000.00*(If the Total Contract Award is different from the Total Bid Amount, explain any negotiations that resulted in the change.)*N/AREMARKS: *(If "No Contract to be Awarded" was entered above, indicate the reason.)*N/A

Contractor should not incur any costs associated with the contract prior to receipt of a contract from the Agency for execution. Contractor should not perform any work before receipt of the Agency's written Notice to Proceed.

**RIGHT TO PROTEST (SC Code 11-35-4210)**

Any actual bidder, offeror, contractor, or subcontractor who is aggrieved in connection with the intended award or award of this contract may be entitled to protest. To protest an award, you must (i) submit notice of your intent to protest within seven (7) business days of the date the award notice is posted, and (ii) submit your actual protest within fifteen (15) days of the date the award notice is posted. Days are calculated as provided in Section 11-35-310(13). Both protests and notices of intent to protest must be in writing and must be received by the appropriate Chief Procurement Officer within the time provided.

PROTEST - CPO ADDRESS - OSE: Any protest must be addressed to the Chief Procurement Officer for Construction, Office of State Engineer, and submitted in writing (a) by email to: [protest-ose@mmo.sc.gov](mailto:protest-ose@mmo.sc.gov), or (b) by post or delivery to 1201 Main Street, Suite 600, Columbia, SC 29201. By submitting a protest to the foregoing email address, you (and any person acting on your behalf) consent to receive communications regarding your protest (and any related protests) at the email address from which you sent your protest.

Pursuant to Section 11-35-410, documents directly connected to a procurement activity may be available within five days after request. All document requests should be directed to the procuring agency project coordinator. If a protest is pending, the protestant's lawyer may access otherwise unavailable information by applying to the CPO for the issuance of a protective order. Additional information is available at [www.procurement.sc.gov/legal](http://www.procurement.sc.gov/legal).

BY: Jeff Boyer TITLE: Engineer III DATE: 10/17/2025ACKNOWLEDGED BY OSE PROJECT MANAGER: Perry Derrick DATE: 10/20/2025





Date 10/30/2025

Re: Beaufort - Waddell Mariculture Maturation Pond Maintenance  
P24-6052-PG

Determination of non-responsibility – Paragon Inc. of South Carolina LLC.

Dear Mr. White,

In response to Paragon Inc. of South Carolina LLC. (herein after referred to as Paragon Inc.) notice of intent to protest the bid award for the Beaufort – Waddell Mariculture Maturation Pond Maintenance – Re-Bid I offer SCDNR’s reasoning for our decision to deem Paragon Inc. Non- Responsible.

Just to clarify, SCDNR deemed Paragon Inc. “Non- Responsible” and not Non-Responsive as noted in their notice of intent to protest. A copy of the bid tabulation sent to all bidders is attached.

#### Background.

The Beaufort – Waddell Mariculture Maturation Pond Maintenance – Re-Bid project involves the renovation of SCDNR’s marine fish hatchery in Bluffton, SC. This facility basically works by pumping seawater into an elevated concrete tower where is then released, by a series of valves, to flow by gravity to several in ground ponds via a network of underground pipes and valves ranging from 8” to 12”. The seawater is held in the ponds for a period needed for fish production and then drained into a concrete outlet structure where the fish are harvested. The drained seawater is discharged into a drainage ditch and returned to the saltmarsh. Each pond also has electrical components needed to service the ponds.

#### Scope of Work

Renovation of the hatchery involves the replacement of the main line piping network from the elevated holding tower to the ponds, electrical network, rehabbing the concrete water tower (cleaning, coating and replacement of all piping), replacement of concrete outlet structures in the ponds, replacement of pond liners and associated minor grading. No buildings are being constructed or renovated in this project.

#### SCDNR determination of non-responsible

SCDNR determined that Paragon Inc. was Non Responsible based on correspondence with South Carolina Department of Labor, Licensing and Regulation (SCLLR) the S.C. Code of Laws Section 40-11-340 and 370 and OSE project manager Clint Burdett.

In accordance with OSE manual policies and guidance for establishment and maintenance of permanent improvement projects, section 6.11 Determination of Bidders Responsibility, SCDNR carefully reviewed the documentation provided by each of the 3 bidders on this project. Investigation of Paragon Inc. licensure with SCLLR found no SCLLR license under the name of Paragon Inc. of South Carolina, LLC. A search on the SC Contractors License Numbers provided in the SE-330 Bid Form, CLG 100190 and CML 111292 did find active General and Mechanical Contractors license for Paragon Builders with classifications of BD5, NR5, EL5, PK5 and PB5. Also noted on the General Contractors license page was a SCLLR Citation and Notification of Penalty for General and /or Mechanical Contracting for engaging in contracting work or submitting a bid when not properly licensed issued 8/4/2025.

Since the name on the bid documents did not have a license according to the SCLLR website, we contacted SCLLR for further clarification. SCLLR responded, citing:

S.C. Code of Laws Title 40 Chapter 11:

SECTION 40-11-370. License required to use term "licensed contractor"; engaging in construction under assumed name; enforcement of contract.

(B) It is unlawful to engage in construction under a name other than the exact name which appears on the license issued pursuant to this chapter. "Engaging in construction" includes marketing, advertising, using site signs, and submitting contracts. This requirement does not include advertising on vehicles, which may use an abbreviated version of the license name so long as the advertising is not misleading.

SECTION 40-11-420. Requirements for obtaining building permit; list of licensed contractors performing work on project.

(A) Building permits, when required by law, must be obtained by the sole prime contractor in the name appearing on that entity's contractor's license.

Subsequent correspondence with SCLLR regarding the proper license required for the major portion of work confirmed that a Water and Sewer Line (WL) classification was appropriate. Based on the EOR opinion of cost, over 40% of the work requires a SCLLR General Contractors license WL classification, see Bold sections below. Paragon Builders does not have a WL license.

SECTION 40-11-410. License classifications and subclassifications.

(c) "Water and Sewer Lines" which includes construction work on water mains, water service lines, water storage tanks, sewer mains, sewer lines, lift stations, pumping stations and appurtenances to water storage tanks, lift stations, pumping stations, pavement patching, backfill, and erosion control as a part of construction, and which includes connection at the building of all lines to the appropriate lines contained in commercial structures, installation and repair of a project involving manholes, the laying of pipe for storm drains and sewer mains, all necessary connections, and excavation and backfilling, and concrete work incidental thereto.

Paragon Inc. stance that a Plumbing License (PB) is appropriate for 53% of the work in our determination is not valid. SCDNR's interpretation of the work that can be performed under a PB license is limited to "Supply water to buildings and convey sewage or other waste products from buildings". Please note that in Paragons Inc.'s Notice of Intent page 3 of 7, excerpt below, further supports our determination.

- "installation of a system of pipes, fittings, fixtures, drains, and all necessary component parts \*\*upon the premises or in a building\*\* **to supply water to buildings**".

There are no buildings being built or renovated in this project, therefore the PB classification is not appropriate for the work.

The bids were submitted on September 23, 2025, and are good for 60 days (November 22, 2025) If at all possible, we would like to have a determination prior to this date so we can proceed with the project. This is our 3rd advertisement, so we very much need to make an award.

Please let me know if you have any questions or need any information.

Jeff Boyer  
Engineer III

Attachments. Attachment A - SCDNR & SCLLR email correspondence  
EOR opinion of cost with License %

CC Andy Wicker PE SCDNR  
Clint Burdett, OSE



## Attachement A

**From:** [Rhonda Jackson](#)  
**To:** [Jeff Boyer](#)  
**Subject:** RE: Contractor licensing questions  
**Date:** Wednesday, October 15, 2025 10:48:18 AM  
**Attachments:** [image004.png](#)  
[image006.png](#)  
[image001.png](#)  
[image002.png](#)

---

If the work is over \$10,000, the Water & Sewer Line classification is more than likely what is required. You will need to speak directly with the Building Official at your local city or county Building Department or Permit Office where the work will be performed to assist you with reviewing the plans/contract to determine if a license is required, and if so, the license type and/or license classification(s).

Thank you.

*Rhonda T. Jackson*

Program Coordinator

S.C. Contractor's Licensing Board

Ph: (803) 896-4627 - Fax (803) 896-4814

[Contractors Website](#) / [Licensing](#) / [Licensee Lookup](#) / [Online Services](#)

Please click the link below or [here](#) to complete a quick survey about the service you received from me today 😊



LABOR  
LICENSING  
REGULATION



*Making South Carolina a Safe Place to Work and Live*

Twitter: [@SCDLLR](#), Facebook: [@SCLLR](#), Website: [www.llr.sc.gov/clb](http://www.llr.sc.gov/clb)

110 Centerview Drive, Columbia, SC 29210 (overnight mail)

P.O. Box 11329, Columbia, SC 29211 (regular mail)

---

**From:** Jeff Boyer <BoyerJ@dnr.sc.gov>  
**Sent:** Tuesday, October 14, 2025 10:00 AM  
**To:** Rhonda Jackson <rhonda.jackson@llr.sc.gov>  
**Subject:** RE: Contractor licensing questions

### ---- SCDLLR NOTICE (M365) ----

- This email is from an external email address. Please use caution when deciding whether to open any attachments or when clicking links.
- Personally Identifiable Information (PII) should not be included in e-mail text or attachments. Do not save or transmit PII unencrypted.

Ms. Jackson,

Can you provide some guidance on the licensing requirements.

If we are requesting the installation a main waterline from a water tower to a pond and no occupied building is involved, what license does SCLLR required the contractor to hold?

Thank you for your assistance

**Jeff Boyer**

*S.C. Dept. of Natural Resources*

*Phone No. (803) 360-0042*

[boyerj@dnr.sc.gov](mailto:boyerj@dnr.sc.gov)

---

**From:** Rhonda Jackson <[rhonda.jackson@llr.sc.gov](mailto:rhonda.jackson@llr.sc.gov)>

**Sent:** Tuesday, September 30, 2025 2:11 PM

**To:** Jeff Boyer <[BoyerJ@dnr.sc.gov](mailto:BoyerJ@dnr.sc.gov)>

**Subject:** RE: Contractor licensing questions

You don't often get email from [rhonda.jackson@llr.sc.gov](mailto:rhonda.jackson@llr.sc.gov). [Learn why this is important](#)

We/staff is not qualified to review plans to determine the appropriate licensing needed. The local building official can assist with that. The statute does state:

<https://www.scstatehouse.gov/code/t40c011.php>

**SECTION 40-11-370.**License required to use term "licensed contractor"; engaging in construction under assumed name; enforcement of contract.

(B) It is unlawful to engage in construction under a name other than the exact name which appears on the license issued pursuant to this chapter. "Engaging in construction" includes marketing, advertising, using site signs, and submitting contracts. This requirement does not include advertising on vehicles, which may use an abbreviated version of the license name so long as the advertising is not misleading.

**SECTION 40-11-420.**Requirements for obtaining building permit; list of licensed contractors performing work on project.

(A) Building permits, when required by law, must be obtained by the sole prime contractor in the name appearing on that entity's contractor's license.

If they are awarded the job, you can submit a protest to the building official.

Thank you.

*Rhonda T. Jackson*

Program Coordinator

S.C. Contractor's Licensing Board



Ph: (803) 896-4627 - Fax (803) 896-4814

[Contractors Website](#) / [Licensing](#) / [Licensee Lookup](#) / [Online Services](#)

Please click the link below or [here](#) to complete a quick survey about the service you received from me today ☺



*Making South Carolina a Safe Place to Work and Live*

Twitter: [@SCDLLR](#), Facebook: [@SCLLR](#), Website: [www.llr.sc.gov/clb](http://www.llr.sc.gov/clb)

110 Centerview Drive, Columbia, SC 29210 (overnight mail)

P.O. Box 11329, Columbia, SC 29211 (regular mail)

**From:** Jeff Boyer <[BoyerJ@dnr.sc.gov](mailto:BoyerJ@dnr.sc.gov)>

**Sent:** Wednesday, September 24, 2025 10:57 AM

**To:** Contact.CLB <[Contact.CLB@llr.sc.gov](mailto:Contact.CLB@llr.sc.gov)>

**Subject:** Contractor licensing questions

---- SCDLLR NOTICE (M365) ----

- This email is from an external email address. Please use caution when deciding whether to open any attachments or when clicking links.
- Personally Identifiable Information (PII) should not be included in e-mail text or attachments. Do not save or transmit PII unencrypted.

I have a couple of questions regarding a recent solicitation by SCDNR. Below is the information regarding my questions.

SCDNR has a saltwater fish hatchery in Beaufort South Carolina. This facility basically works by pumping seawater into a concrete tower where is then released, by a series of valves, to flow by gravity to several in ground ponds via a network of underground pipes and valves ranging from 8" to 12". The seawater flows into the ponds and is discharged through a concrete outlet structure. Each pond also has electrical components needed to service the ponds.

SCDNR recently solicited bids to rehab this hatchery which included replacement of the piping network, electrical network, rehabbing the concrete water tower (cleaning, coating and replacement of all piping), replacement of concrete outlet structures, replacement of pond liners and associated minor grading. All work takes place withing the boundary of SCDNR property. A copy of the bid drawings is attached.

On 9/23/2025 SCDNR received bids from 3 contractors. Paragon Inc. of South Carolina, LLC is the apparent low bid. Below is Paragons information that was provided in the bid documents.

A copy of the last page of the bid form that shows the information submitted from Paragon is attached along with copies of Paragon Builders Licenses obtained from

the SCLLR website.

Paragon Inc. of South Carolina, LLC

SC Contractors License: CLG 100190 & CML111292

License Classification: BD5, PB5, EL5

When I go to the License Look up on the SCLLR website I am unable to find a SC Contractors License for "Paragon Inc. of South Carolina LLC". When I look up the contractor's License numbers provided, it shows a "Paragon Builders".

Questions

1. Is the bid valid since Paragon Builders bid the job under a business name other than the exact name which appears on the license issued?
2. Is a PB (Plumbing) License appropriate for the scope of work?

Please let me know if you have any questions or need additional information.

Thanks

---

**Jeff Boyer**

*S.C. Dept. of Natural Resources*

*Phone No. (803) 360-0042*

[boyerj@dnr.sc.gov](mailto:boyerj@dnr.sc.gov)

EXTERNAL EMAIL: Do not click any links or open any attachments unless you trust the sender and know the content is safe.

EXTERNAL EMAIL: Do not click any links or open any attachments unless you trust the sender and know the content is safe.

**Waddell Mariculture Center**  
100% Design Cost Estimate (Design Reduction)  
Rev. 2

| Construction Item                                  |                             |                                                              | Quantity          | Unit | Cost       | Extension  | totals                                   |              |            |           |              |    |    |
|----------------------------------------------------|-----------------------------|--------------------------------------------------------------|-------------------|------|------------|------------|------------------------------------------|--------------|------------|-----------|--------------|----|----|
| 1                                                  | Mobilization/Demobilization |                                                              | 1                 | LS   | \$ 125,000 | \$ 125,000 | \$                                       | 125,000      |            |           |              |    |    |
| 2                                                  | General Conditions          |                                                              |                   |      |            |            |                                          |              |            |           |              |    |    |
| Supervision (Assuming 8 month Duration)            |                             |                                                              |                   |      |            |            |                                          |              |            |           |              |    |    |
|                                                    |                             | Superintendent (\$90/hr)                                     | 8                 | mo   | \$ 15,500  | \$ 124,000 |                                          | no license   |            |           |              |    |    |
|                                                    |                             | Field Engineer (\$60/hr)                                     | 8                 | mo   | \$ 10,300  | \$ 82,400  |                                          | no license   |            |           |              |    |    |
|                                                    |                             | Home Office Support (\$80/hr; 3/4 time for project duration) | 6                 | mo   | \$ 13,700  | \$ 82,200  |                                          | no license   |            |           |              |    |    |
|                                                    |                             | Subsistence (\$500/wk/person for 6 person crew)              | 32                | wk   | \$ 3,000   | \$ 96,000  |                                          | no license   |            |           |              |    |    |
|                                                    |                             | Communications & Field Office Expense                        | 8                 | mo   | \$ 300     | \$ 2,400   |                                          | no license   |            |           |              |    |    |
|                                                    |                             | Trailer (1 Trailer)                                          | 8                 | mo   | \$ 300     | \$ 2,400   |                                          | no license   |            |           |              |    |    |
|                                                    |                             | Pickup Rental & Fuel (Two Pickups)                           | 16                | mo   | \$ 1,800   | \$ 28,800  |                                          | no license   |            |           |              |    |    |
|                                                    |                             | Excavator                                                    | 8                 | mo   | \$ 6,600   | \$ 52,800  |                                          | no license   |            |           |              |    |    |
|                                                    |                             | Dump Truck                                                   | 8                 | mo   | \$ 1,500   | \$ 12,000  |                                          | no license   |            |           |              |    |    |
|                                                    |                             |                                                              |                   |      | Subtotal   | \$         | 483,000                                  | no license   |            |           |              |    |    |
| 3                                                  | Site                        |                                                              |                   |      |            |            |                                          |              |            |           |              |    |    |
| Demolition                                         |                             |                                                              |                   |      |            |            |                                          |              |            |           |              |    |    |
|                                                    |                             | Buried Piping (Labor for Operator & Labor)                   | 80                | HR   | \$ 75      | \$ 6,000   |                                          | no license   |            |           |              |    |    |
|                                                    |                             | Disposal (Tipping Fee)                                       | 3,000             | CY   | \$ 6       | \$ 18,000  |                                          | no license   |            |           |              |    |    |
|                                                    |                             | Hauling (Buried Pipe)                                        | 4,000             | CY   | \$ 15      | \$ 60,000  |                                          | no license   |            |           |              |    |    |
| Yard Piping                                        |                             |                                                              |                   |      |            |            |                                          |              |            |           |              |    |    |
|                                                    |                             | 10" DR17 HDPE                                                | 6,000             | LF   | \$ 108     | \$ 648,000 |                                          |              |            |           |              |    |    |
|                                                    |                             | 8" DR17 HDPE                                                 | 256               | LF   | \$ 90      | \$ 23,040  |                                          |              |            |           |              |    |    |
|                                                    |                             | 6" DR17 HDPE                                                 | 512               | LF   | \$ 72      | \$ 36,864  |                                          |              |            |           |              |    |    |
|                                                    |                             | 10" Butterfly Valve                                          | 12                | EA   | \$ 7,500   | \$ 90,000  | \$ 797,904                               | WL           |            |           |              |    |    |
| Electrical and Controls                            |                             |                                                              |                   |      |            |            |                                          |              |            |           |              |    |    |
|                                                    |                             | Material                                                     | 1                 | LS   | \$ 204,000 | \$ 204,000 |                                          |              |            |           |              |    |    |
|                                                    |                             | Labor                                                        | 1                 | LS   | \$ 289,500 | \$ 289,500 |                                          |              |            |           |              |    |    |
|                                                    |                             | Tools & Equipment                                            | 1                 | LS   | \$ 40,000  | \$ 40,000  | \$ 533,500                               | EL           |            |           |              |    |    |
|                                                    |                             |                                                              |                   |      | Subtotal   | \$         | 1,415,404                                |              |            |           |              |    |    |
| 4                                                  | Medium Pond                 |                                                              | Number of Ponds = | 4    |            |            |                                          |              |            |           |              |    |    |
| Demolition                                         |                             |                                                              |                   |      |            |            |                                          |              |            |           |              |    |    |
|                                                    |                             | Labor for Operator & Labor                                   | 40                | HR   | \$ 75      | \$ 3,000   |                                          | no license   |            |           |              |    |    |
|                                                    |                             | Disposal (Tipping Fee)                                       | 100               | CY   | \$ 6       | \$ 600     |                                          | no license   |            |           |              |    |    |
|                                                    |                             | Hauling                                                      | 100               | CY   | \$ 15      | \$ 1,500   |                                          | no license   |            |           |              |    |    |
| Liner & Outlet                                     |                             |                                                              |                   |      |            |            |                                          |              |            |           |              |    |    |
|                                                    |                             | Subgrade Preparation & Excavation                            | 72                | CY   | \$ 25      | \$ 1,800   |                                          |              |            |           |              |    |    |
|                                                    |                             | Concrete (Stairs)                                            | 10                | CY   | \$ 1,800   | \$ 18,000  |                                          |              |            |           |              |    |    |
|                                                    |                             | Concrete (Kettle)                                            | 20                | CY   | \$ 1,800   | \$ 36,000  |                                          |              |            |           |              |    |    |
|                                                    |                             | Concrete (Monk)                                              | 7                 | CY   | \$ 1,800   | \$ 12,600  | \$ 68,400                                | CC           |            |           |              |    |    |
|                                                    |                             | HDPE Liner (34,000sf surface area + 10% for side slopes)     | 38,000            | SF   | \$ 4       | \$ 152,000 |                                          |              |            |           |              |    |    |
|                                                    |                             | Handrail                                                     | 75                | LF   | \$ 40      | \$ 3,000   |                                          |              |            |           |              |    |    |
|                                                    |                             | Grating                                                      | 100               | SF   | \$ 60      | \$ 6,000   |                                          |              |            |           |              |    |    |
|                                                    |                             | L 4x4x3/8                                                    | 27                | LF   | \$ 50      | \$ 1,350   |                                          |              |            |           |              |    |    |
|                                                    |                             | HSS 2x2x1/4                                                  | 18                | LF   | \$ 50      | \$ 900     |                                          |              |            |           |              |    |    |
|                                                    |                             | HSS 1.5x1.5x1/4                                              | 18                | LF   | \$ 50      | \$ 900     |                                          |              |            |           |              |    |    |
|                                                    |                             | S 3x5.7                                                      | 69                | LF   | \$ 55      | \$ 3,795   | \$ 15,945                                | MM           |            |           |              |    |    |
|                                                    |                             | 2x4 Treated Pine Board                                       | 318               | LF   | \$ 10      | \$ 3,180   |                                          |              |            |           |              |    |    |
| Piping and Valves                                  |                             |                                                              |                   |      |            |            |                                          |              |            |           |              |    |    |
|                                                    |                             | 8" PVC Pipe                                                  | 125               | LF   | \$ 80      | \$ 10,000  |                                          |              |            |           |              |    |    |
|                                                    |                             | 4" PVC Pipe                                                  | 50                | LF   | \$ 40      | \$ 2,000   |                                          |              |            |           |              |    |    |
|                                                    |                             | 8" HDPE 45 Elbow                                             | 2                 | EA   | \$ 200     | \$ 400     |                                          |              |            |           |              |    |    |
|                                                    |                             | 8" Tee                                                       | 2                 | EA   | \$ 800     | \$ 1,600   |                                          |              |            |           |              |    |    |
|                                                    |                             | 8" 90 elbow                                                  | 2                 | EA   | \$ 550     | \$ 1,100   |                                          |              |            |           |              |    |    |
|                                                    |                             | 8" 45 elbow                                                  | 2                 | EA   | \$ 550     | \$ 1,100   |                                          |              |            |           |              |    |    |
|                                                    |                             | 8" butterfly valve                                           | 3                 | EA   | \$ 5,000   | \$ 15,000  |                                          |              |            |           |              |    |    |
|                                                    |                             | 8" Pinch Valve                                               | 1                 | EA   | \$ 5,000   | \$ 5,000   |                                          |              |            |           |              |    |    |
|                                                    |                             | 8" to 4" reducer                                             | 1                 | EA   | \$ 500     | \$ 500     |                                          |              |            |           |              |    |    |
|                                                    |                             | 4" 90 elbow                                                  | 6                 | EA   | \$ 100     | \$ 600     |                                          |              |            |           |              |    |    |
|                                                    |                             | 4" Tee                                                       | 1                 | EA   | \$ 140     | \$ 140     |                                          |              |            |           |              |    |    |
|                                                    |                             | 4" Pinch Valve                                               | 2                 | EA   | \$ 1,500   | \$ 3,000   |                                          |              |            |           |              |    |    |
|                                                    |                             | 10" Dia Knife Gate                                           | 2                 | EA   | \$ 15,000  | \$ 30,000  |                                          |              |            |           |              |    |    |
|                                                    |                             |                                                              |                   |      | Subtotal   | \$         | 1,260,260                                | WL           |            |           |              |    |    |
| 5                                                  | Head Tower Rehab            |                                                              |                   |      |            |            |                                          |              |            |           |              |    |    |
|                                                    |                             | Recoat Tower Interior                                        | 2,000             | SF   | \$ 50      | \$ 100,000 |                                          |              |            |           |              |    |    |
|                                                    |                             | Recoat Tower Exterior                                        | 2,000             | SF   | \$ 20      | \$ 40,000  |                                          |              |            |           |              |    |    |
|                                                    |                             | Replace/Enlarge Overflows (24" Dia)                          | 100               | LF   | \$ 240     | \$ 24,000  |                                          |              |            |           |              |    |    |
|                                                    |                             | Misc. Pipe Supports and Link Seals                           | 1                 | LS   | \$ 25,000  | \$ 25,000  |                                          |              |            |           |              |    |    |
|                                                    |                             | Modify Drain - New Piping (8" dia), and cleanout             | 75                | LF   | \$ 80      | \$ 6,000   |                                          |              |            |           |              |    |    |
|                                                    |                             | 8" DIA BFV                                                   | 4                 | EA   | \$ 5,000   | \$ 20,000  |                                          |              |            |           |              |    |    |
|                                                    |                             | Reroute inflow piping to allow backflushing (6" dia PVC)     | 75                | LF   | \$ 60      | \$ 4,500   |                                          |              |            |           |              |    |    |
|                                                    |                             | 6" dia BFV                                                   | 6                 | EA   | \$ 4,000   | \$ 24,000  |                                          |              |            |           |              |    |    |
|                                                    |                             | Misc. Concrete Coring and Repair                             | 1                 | LS   | \$ 40,000  | \$ 40,000  |                                          |              |            |           |              |    |    |
|                                                    |                             | 10" GW Piping                                                | 50                | LF   | \$ 200     | \$ 10,000  |                                          |              |            |           |              |    |    |
|                                                    |                             | 8" GW Piping                                                 | 50                | LF   | \$ 160     | \$ 8,000   |                                          |              |            |           |              |    |    |
|                                                    |                             | 12" SW Piping                                                | 75                | LF   | \$ 240     | \$ 18,000  |                                          |              |            |           |              |    |    |
|                                                    |                             | 10" DIA Valve                                                | 5                 | EA   | \$ 7,500   | \$ 37,500  |                                          |              |            |           |              |    |    |
|                                                    |                             |                                                              |                   |      | Subtotal   | \$         | 405,000                                  | WL           |            |           |              |    |    |
|                                                    |                             | 12" DIA Valve                                                | 4                 | EA   | \$ 12,000  | \$ 48,000  |                                          |              |            |           |              |    |    |
|                                                    |                             |                                                              |                   |      | Subtotal   | \$         | 405,000                                  | WL           |            |           |              |    |    |
|                                                    |                             |                                                              |                   |      |            |            | Percentage of each license based on cost |              |            |           |              |    |    |
|                                                    |                             |                                                              |                   |      |            |            | total cost of work requiring license     | WL           | EL         | CC        | MM           |    |    |
|                                                    |                             |                                                              |                   |      |            |            | \$ 3,081,009                             | \$ 2,463,164 | \$ 533,500 | \$ 68,400 | \$ 15,945    |    |    |
|                                                    |                             |                                                              |                   |      |            |            |                                          | 80%          | 17%        | 2%        | 1%           |    |    |
| Subtotal                                           |                             |                                                              |                   |      |            |            |                                          |              | \$         | 5,104,413 | no license   |    |    |
| Contractors Overhead & Profit (25%)                |                             |                                                              |                   |      |            |            |                                          |              | \$         | 1,276,103 | no license   |    |    |
| Insurance & Bonds (3%)                             |                             |                                                              |                   |      |            |            |                                          |              | \$         | 191,415   | no license   |    |    |
| Unlisted Items (8%)                                |                             |                                                              |                   |      |            |            |                                          |              | \$         | 408,353   | no license   |    |    |
| Engineering During Construction                    |                             |                                                              |                   |      |            |            |                                          |              | \$         | 143,520   | no license   |    |    |
| 3rd Party Inspections (1%)                         |                             |                                                              |                   |      |            |            |                                          |              | \$         | 51,044    | no license   |    |    |
| Subtotal                                           |                             |                                                              |                   |      |            |            |                                          |              | \$         | 7,174,849 | no license   |    |    |
| Expected Range of Cost (-10% to +15%)              |                             |                                                              |                   |      |            |            |                                          |              | 6,457,364  | to        | \$ 8,251,076 |    |    |
| Items Not Included in Estimate: Sales Tax, Permits |                             |                                                              |                   |      |            |            |                                          |              |            |           |              |    |    |
|                                                    |                             |                                                              |                   |      |            |            |                                          |              |            | 34%       | 7%           | 1% | 0% |

# Exhibit 6

Decision of Procurement Review Panel

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )  
 )  
In Re: Haren Construction Co., Inc. )  
 )  
Project No. P24-6052-PG )  
Beaufort-Waddell Mariculture )  
Maturation Ponds Maintenance – Re-Bid )  
\_\_\_\_\_ )

BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL

ORDER

Case No. 2025-5

## I. INTRODUCTION

This matter comes before the South Carolina Procurement Review Panel (Panel) on the appeal by Haren Construction Co., Inc. (Haren) from the November 19, 2025, decision of the Chief Procurement Officer for Construction (CPO). The CPO sustained the protest filed by Paragon Inc. of South Carolina, LLC (Paragon) in connection with Project No. P24-6052-PG, the Beaufort-Waddell Mariculture Maturation Ponds Maintenance (Project), and remanded the procurement to the South Carolina Department of Natural Resources (DNR). PRP000015.

Although the parties raise several issues concerning licensing classifications, statutory exclusions, protest sufficiency, and scope of review, the dispositive question is whether DNR’s non-responsibility determination was clearly erroneous, arbitrary, capricious, or contrary to law under S.C. Code Ann. § 11-35-2410(A).

Upon de novo review of the administrative record, the parties’ briefs, and the applicable law, the Panel concludes that DNR’s determination was not clearly erroneous, arbitrary, capricious, or contrary to law. The CPO’s decision is therefore reversed.

Haren was represented by D. Gregory Placone, Esquire, and P. Nicholas Nybo, Esquire, of Hudson Lambert Parrott, LLC; the CPO by Manton M. Grier, Jr., Esquire, Assistant General Counsel for the State Fiscal Accountability Authority (SFAA); Paragon by



James M. Griffin, Esquire, of Griffin Humphries LLC; and DNR by Susan O. Porter, Esquire, General Counsel for DNR.

## **II. BACKGROUND**

On August 12, 2025, DNR issued an advertisement and solicitation documents for the Project, including bidder instructions, specifications, and drawings defining the scope of work. PRP000062; PRP000084; PRP000192; PRP000470.

The solicitation describes renovation of hatchery infrastructure on DNR property, including rehabilitation of rearing ponds, replacement of piping networks, modifications to an existing head tower, site electrical systems, and related improvements. PRP000062; PRP000084; PRP000192.

The solicitation did not designate a specific contractor license classification for the prime contractor. However, the bid form required bidders to identify the entity performing electrical work under the Electrical (EL) license designation pursuant to the subcontractor listing requirements. PRP000105-106.

Paragon, which holds a Mechanical Contractor license with a Plumbing (PB) subclassification, submitted the apparent low responsive bid. PRP000063. During its responsibility review, DNR contacted personnel associated with the Contractor's Licensing Board within the South Carolina Department of Labor, Licensing and Regulation (LLR), who declined to provide a classification determination and advised that licensing questions should be directed to the local building official responsible for reviewing the Project's plans. PRP000070-73. DNR also reviewed contractor licensure information associated with Paragon's bid and noted that the bid was submitted under the name Paragon Inc. of South Carolina, LLC, while the contractor license in the LLR database was issued to Paragon

Builders. PRP000066. DNR relied on the engineer of record's opinion of cost and allocation of project costs by license classification contained in the administrative record. The estimate separated licensed construction work from non-licensed project costs, including contractor overhead and profit, insurance and bonds, engineering during construction, and third-party inspections. PRP000074. Based on that review, DNR issued a written determination dated October 17, 2025, concluding that Paragon was non-responsible – and therefore ineligible for award – because it did not satisfy the contractor licensing requirements of Title 40 of the South Carolina Code. PRP000066.

Paragon protested the determination, asserting that most of the Project fell within its PB subclassification, that the Project was not a municipal water supply system, that DNR had not properly quantified work outside its classification, and that the discrepancy between its legal and trade names was a mere ministerial variance. PRP000024. The CPO reviewed the protest.

On November 19, 2025, the CPO sustained the protest, concluding that the licensing issue presented a legal question, that the PB subclassification encompassed the work described in the solicitation, and that DNR had not sufficiently supported its sole prime determination. PRP000015.

Haren, which holds a General Contractors-Public Utility license with a Water and Sewer Lines (WL) subclassification, timely appealed. PRP000001. The parties initially agreed that the appeal could be resolved on the written record. After DNR raised jurisdictional and procedural issues in its response brief and limited reply briefing was permitted, no party requested a hearing, and the Panel proceeded on the written record.

On February 25, 2026, the Panel deliberated and reached its decision in this matter. Due to the unique technical nature of mariculture infrastructure and the difficulty of applying specialized Title 40 contractor subclassifications to the Project's scope, the Panel designated this matter as complex pursuant to S.C. Code Ann. § 11-35-4410(5), which requires the Panel to record its determination within thirty days.

### **III. FINDINGS OF FACT**

After consideration of the entire record, the Panel finds the following facts:

1. DNR issued the solicitation for the Project. PRP000062; PRP000079.
2. Paragon submitted the apparent low responsive bid. PRP000063.
3. DNR's written determination stated that Paragon Inc. of South Carolina, LLC did not hold a contractor license under that name in the LLR database and that a contractor license was issued to Paragon Builders, identified by DNR as being "owned by the same owner." PRP000066. The administrative record also includes applications submitted to LLR that identify Paragon Inc. of South Carolina, LLC, doing business as Paragon Builders. PRP000040; PRP000042.
4. DNR's written determination relied upon the engineer's opinion of cost and allocation of project costs by license classification in concluding that eighty percent of the Project required WL licensure. PRP000066. The administrative record also includes the engineer's allocation supporting that conclusion. PRP000074.
5. Although Paragon asserted a different percentage allocation in its protest, the administrative record contains no competing engineering estimate or line-item cost analysis demonstrating that DNR's allocation was factually unsupported or artificially structured. PRP000026; PRP000074.

## **IV. APPLICABLE LAW**

### **A. Standard of Review**

Responsibility determinations under the Procurement Code are “final and conclusive, unless clearly erroneous, arbitrary, capricious, or contrary to law.” S.C. Code Ann. § 11-35-2410(A). Although appeals to the Panel are conducted de novo – allowing the Panel to make its own findings of fact and conclusions of law – its review of such determinations remains subject to this statutory limitation. *See* S.C. Code Ann. § 11-35-4410(1). The Panel has recently applied this standard when reviewing procurement determinations. *See In re U.S. Facilities, Inc.*, Case No. 2025-1, at 5 (S.C. Procurement Rev. Panel May 19, 2025); *In re Schindler Elevator Corp.*, Case No. 2024-5, at 9 (S.C. Procurement Rev. Panel Sept. 19, 2024).

An administrative decision is arbitrary and capricious if it lacks a rational basis or is made without adequate determining principles. As the Court of Appeals has explained, a decision is arbitrary if it is “without a rational basis, is based alone on one’s will and not upon any course of reasoning and exercise of judgment, is made at pleasure, without adequate determining principles, or is governed by no fixed rules or standards.” *Blackmon v. S.C. Dep’t of Health & Envtl. Control*, 441 S.C. 342, 353, 893 S.E.2d 578, 584 (Ct. App. 2022). Courts reviewing administrative decisions do not substitute their discretion for that of the agency in matters committed to agency expertise. The South Carolina Supreme Court has cautioned that otherwise “[j]udicial discretion in a non-judicial field would be substituted for that of the appropriate administrative agency. This we cannot do.” *Guerard v. Whitner*, 276 S.C. 521, 523, 280 S.E.2d 539, 540 (1981).

In accordance with this principle of deference, judicial review of factual determinations made in the administrative process is limited. “As to factual issues, judicial review of administrative agency orders is limited to a determination of whether the order is supported by substantial evidence.” *Murphy v. S.C. Dep’t of Health & Envtl. Control*, 396 S.C. 633, 639, 723 S.E.2d 191, 194 (2012). “Substantial evidence is not a mere scintilla of evidence nor the evidence viewed blindly from one side of the case, but is evidence which, considering the record as a whole, would allow reasonable minds to reach the conclusion that the administrative agency reached or must have reached to justify its action.” *Lark v. Bi-Lo, Inc.*, 276 S.C. 130, 135, 276 S.E.2d 304, 306 (1981). Moreover, “[t]he mere possibility of drawing two inconsistent conclusions from the evidence does not prevent a finding from being supported by substantial evidence.” *Rhame v. Charleston Cnty. Sch. Dist.*, 415 S.C. 162, 167, 781 S.E.2d 151, 154 (Ct. App. 2015).

Under the substantial evidence standard, the reviewing body does not reweigh technical evidence or resolve competing expert judgments but determines only whether the agency’s decision has a rational evidentiary basis in the record. Courts reviewing administrative decisions “need only find, looking at the entire record on appeal, evidence from which reasonable minds could reach the same conclusion.” *Schwiers v. S.C. Dep’t of Health & Envtl. Control*, 429 S.C. 43, 49, 837 S.E.2d 730, 733 (Ct. App. 2019).

Panel precedent likewise recognizes that responsibility determinations are made by the procuring agency. The Panel has explained that “[t]he responsibility inquiry is delegated to the procuring agency and the Panel takes the position that review of this issue is limited to whether the procuring officer’s determination was clearly erroneous, arbitrary, capricious, or contrary to law.” *In re Value Options*, Case No. 2001-7, at 7 (S.C. Procurement Rev. Panel

Aug. 3, 2001). The Panel has further recognized that the party challenging such determinations bears the burden of proof. *Id.* at 7; *see also U.S. Facilities, Inc.*, at 5; *Schindler Elevator Corp.*, at 9.

## **B. Statutory Interpretation**

When interpreting a statute, “[courts] must give the words in a statute their plain and ordinary meaning, without resort to subtle or forced construction to limit or expand the statute’s operation, and when the words are unambiguous, [courts] must apply their literal meaning.” *Davis v. S.C. Dep’t of Corr.*, 444 S.C. 138, 150, 906 S.E.2d 569, 575 (2024). If the language is clear, courts apply the statute according to its plain meaning.

Where statutory language does not resolve the issue presented, courts may defer to an agency’s interpretation when the statute is ambiguous. As the South Carolina Supreme Court explained, “[i]f the statute or regulation is silent or ambiguous with respect to the specific issue, the court then must give deference to the agency’s interpretation of the statute or regulation, assuming the interpretation is worthy of deference.” *Kiawah Dev. Partners II v. S.C. Dep’t of Health & Envtl. Control*, 411 S.C. 16, 33, 766 S.E.2d 707, 717 (2014).

This deference reflects the institutional role of administrative agencies. Courts defer to agencies “because they have been entrusted with administering their statutes and regulations and because they have unique skill and expertise in administering those statutes and regulations.” *Kiawah Dev. Partners II*, 411 S.C. at 34. At the same time, agency deference does not permit an interpretation that conflicts with the statute itself. The Supreme Court has explained that courts will reject an agency’s interpretation “where the plain language of a statute is contrary to the agency’s interpretation.” *Davis*, 444 S.C. at 150.

### **C. Responsibility Determinations**

Under the South Carolina Consolidated Procurement Code, the State must determine the responsibility of bidders and offerors before awarding a contract. Section 11-35-1810(1) provides that “[r]esponsibility of the bidder or offeror shall be ascertained for each contract let by the State based upon full disclosure to the procurement officer concerning capacity to meet the terms of the contracts and based upon past record of performance for similar contracts.” Section 11-35-1410(8) defines a “responsible bidder or offeror” as “a person who has the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance.”

When a protest challenges a bidder’s ability to perform work required by the solicitation, the issue concerns responsibility rather than responsiveness. As the Panel explained, when the State examines “the bidder’s ability to perform, the state is no longer determining responsiveness of the bid, but deciding the responsibility of the bidder.” *In re Brantley Constr. Co.*, Case No. 1999-3, at 3 (S.C. Procurement Rev. Panel June 25, 1999). Because the ability to lawfully perform the work required by the solicitation is part of a bidder’s legal capacity to perform the contract, questions concerning applicable contractor licensing requirements may properly arise during a procuring agency’s responsibility determination.

When a responsibility determination requires application of a statute administered by another state agency, the procuring agency must apply that statute in evaluating bidder responsibility. In a procurement protest, however, the relevant inquiry is not whether the reviewing body would independently interpret that statute, but whether the procuring agency’s



application of the statute lacked a rational basis or was contrary to law under § 11-35-2410(A).

#### **D. Sole Prime Contractor Requirements**

South Carolina law establishes specific licensing requirements for entities acting as sole prime contractors on construction projects. Section 40-11-340 provides:

An entity licensed under the classifications or subclassifications in Sections 40-11-410(1), (2), or (3) may act as a sole prime contractor on a project if forty percent or more of the work as measured by the total cost of construction falls under one or more of the licensee's license classifications or subclassifications. An entity licensed under the classifications or subclassifications in Section 40-11-410(4) and (5) may act as sole prime contractor if fifty-one percent or more of the work falls under one or more of the licensee's license classifications or subclassifications.  
S.C. Code Ann. § 40-11-340.

Because sole prime eligibility under § 40-11-340 depends on the portion of a project's total construction cost falling within a contractor's license classifications, the categorization of project work for licensing purposes bears directly on a bidder's legal capacity to perform the contract. Under the Procurement Code, responsibility determinations must be based on a bidder's capacity to meet the terms of the contract. S.C. Code Ann. § 11-35-1810.

Accordingly, determining whether the work required by a solicitation falls within a particular contractor license classification is part of the procuring agency's responsibility determination. Such determinations are "final and conclusive, unless clearly erroneous, arbitrary, capricious, or contrary to law." S.C. Code Ann. § 11-35-2410(A).

#### **E. Relevant License Subclassifications**

Section 40-11-410 identifies numerous classifications and subclassifications of construction work. Two subclassifications are relevant here. Section 40-11-410(3)(c) describes the WL subclassification as:

“Water and Sewer Lines” which includes construction work on water mains, water service lines, water storage tanks, sewer mains, sewer lines, lift stations, pumping stations and appurtenances to water storage tanks, lift stations, pumping stations, pavement patching, backfill, and erosion control as a part of construction, and which includes connection at the building of all lines to the appropriate lines contained in commercial structures, installation and repair of a project involving manholes, the laying of pipe for storm drains and sewer mains, all necessary connections, and excavation and backfilling, and concrete work incidental thereto.

Contractors in this license subclassification in license groups three, four, and five may install fire protection sprinkler system underground mains to a flanged outlet 1’-0” above the finished floor in compliance with National Fire Protection Association Standard 24. However, shop drawings must be submitted and approved by the State Fire Marshal with a copy of the approved drawings going to the licensed fire sprinkler contractor. Flushing and testing certificates must be delivered to the authority having jurisdiction and the performing licensed fire sprinkler contractor performing. General contractors in this license subclassification may not engage in water and sewer line work from the right-of-way to a residential structure unless the entity is a subcontractor to a licensee holding a plumbing subclassification. S.C. Code Ann. § 40-11-410(3)(c).

Section 40-11-410(5)(f) describes the PB subclassification as:

“Plumbing” which includes the installation, replacement, alteration, and repair of all plumbing including solar water heating when performed solely within property lines and not on public easements or rights-of-way except to make connections to water meters or sewer taps as allowed by the utility owner; and the installation, alteration, and repair of all piping, fixtures, and appliances related to water supply, including pressure vessels and tanks, and excluding municipal or related water supply systems; venting and sanitary drainage systems for all fluid and semi-fluid and organic wastes; roof leaders; water-conditioning equipment; piping and equipment for swimming pools; and installation of a system of pipes, fittings, fixtures, drains, and all necessary component parts upon the premises or in a building to supply water to buildings and to convey sewage or other waste products from buildings. If this equipment is gas-fired, the necessary gas lines may be installed under this subclassification used in connection with this subclassification. Plumbing contractors in license groups three, four, and five are not required to be licensed under Chapter 45, Title 23 to install standpipe systems, including water hose connections, water hose cabinets, and related branch lines if the water hoses do not supply water to automatic fire protection sprinklers. S.C. Code Ann. § 40-11-410(5)(f).

## **V. DISCUSSION AND CONCLUSIONS OF LAW**

Before addressing the parties' arguments, the Panel begins by noting the scope of its review. Although appeals to the Panel are conducted de novo, responsibility determinations remain subject to the standard of review set forth in § 11-35-2410(A). The Panel therefore does not decide which contractor license classification it would independently select, but whether DNR's determination lacked a rational basis or was contrary to law. With that framework in mind, the Panel addresses the issues presented.

### **A. Licensing**

DNR determined that Paragon was non-responsible under the contractor licensing requirements applicable to the Project. DNR's determination referenced a discrepancy between the name appearing on Paragon's bid and the contractor license listed in the LLR database. PRP000066. The administrative record includes applications submitted to LLR that identify Paragon Inc. of South Carolina, LLC, doing business as Paragon Builders. The Panel therefore does not treat the name variation as affecting bidder responsibility. PRP000040; PRP000042.

The central dispute, however, concerns whether the Project could be performed under the PB subclassification or the WL subclassification. The contractor license subclassifications identified in § 40-11-410 describe broad categories of construction work and do not, as applied to this mariculture infrastructure, compel a single classification as a matter of law. The administrative record reflects that applying these subclassifications to specialized facilities is not always straightforward.

The Project involves an integrated seawater distribution system serving the hatchery facility, including a head tower, underground distribution piping, and outlet structures

connecting multiple ponds. PRP000062; PRP000068; PRP000192. Although some components resemble work typically performed under a PB subclassification, DNR determined that the Project concerns the installation and rehabilitation of a broader water distribution system supporting the facility's operations. Notably, S.C. Code Ann. § 40-11-410(3)(c) provides that the WL subclassification includes construction work involving water and sewer lines, pumping stations, pipe laying, manholes, necessary connections, and incidental concrete work. The Project plans reflect a complex piping network and integrated pumping components, along with manholes and utility vault structures connecting the maturation ponds' distribution system. PRP000068; PRP000301; PRP000413; PRP000470; PRP000476. DNR reasonably concluded that these functional infrastructure elements correspond to the pumping stations, water lines, and manholes contemplated by the WL subclassification. Because the Project's core utility involves the distribution of seawater through these components, DNR's selection of the WL classification is supported by the statute's plain language.

The CPO concluded that § 40-11-410 permits the Project to be performed under a PB subclassification, but the statute does not require that classification. Courts interpret statutes according to their plain language, and where the language does not definitively resolve the issue, agencies may apply the statute to the facts before them. *See Davis*, 444 S.C. at 145; *Kiawah Dev. Partners II*, 411 S.C. at 33.

Deference is warranted where the dispute concerns the technical application of licensing categories to specialized mariculture infrastructure. Under *Kiawah*, the Panel recognizes that DNR possesses the expertise necessary to evaluate the technical nature of the Project's intake and distribution systems. The mere possibility that the PB subclassification

could have been selected does not render DNR's actual determination clearly erroneous under § 11-35-2410(A). The relevant inquiry is not whether the Panel would have selected the same classification, but whether DNR's determination had a rational basis. Because DNR's determination that eighty percent of the Project required WL licensure aligns with the components described in § 40-11-410(3)(c) and reflects the agency's technical expertise, it had a rational basis and was not clearly erroneous, arbitrary, capricious, or contrary to law.

#### **B. Sole Prime Contractor Determination**

DNR further determined that Paragon could not serve as the sole prime contractor because the predominant portion of the Project required WL licensure for sole prime eligibility. Section 40-11-340 establishes the percentage thresholds governing sole prime eligibility. A contractor may serve as sole prime only if the applicable percentage threshold is satisfied – forty percent of the project's total construction cost for WL work and fifty-one percent for PB work. The statute ensures that the prime contractor holds licensure covering the predominant portion of the project's construction work. Because Paragon holds a PB license and not a WL license, its eligibility turns on whether DNR reasonably classified the Project as predominantly WL.

Responsibility determinations fall within the discretion of the procuring agency, and state agencies possess broad authority to make such procurement judgments. *Value Options*, at 6. The party challenging such a determination bears the burden of proving it was clearly erroneous, arbitrary, capricious, or contrary to law. *Id.* at 7; *see also U.S. Facilities, Inc.*, at 7; *Schindler Elevator Corp.*, at 9.

In evaluating Paragon's eligibility to serve as sole prime contractor, DNR relied on the engineer's design estimate and itemized cost allocation indicating that eighty percent of the

Project required WL licensure. PRP000066; PRP000074. This allocation significantly exceeds both the forty percent threshold applicable to WL work and the fifty-one percent threshold applicable to PB work. The administrative record contains no competing engineering estimate or technical analysis demonstrating that DNR's allocation lacked a rational basis or was artificially structured. Although Paragon asserted a different percentage allocation in its protest, it did not submit independent engineering analysis contradicting the agency's estimate. PRP000026. The engineer's estimate therefore provides a rational evidentiary basis for DNR's determination.

Under the substantial evidence standard governing administrative review, a reviewing body does not reweigh technical evidence or substitute its judgment for competing expert evaluations. *See Murphy*, 396 S.C. at 639; *Lark*, 276 S.C. at 135; *Rhame*, 415 S.C. at 167. The inquiry is whether the agency's determination is supported by evidence from which reasonable minds could reach the same conclusion. Because DNR relied on a professional engineering estimate contained in the administrative record, its determination that Paragon did not satisfy the statutory requirements for sole prime eligibility is supported by substantial evidence.

### **C. Substitution of Judgment by the CPO**

By selecting a different licensing classification, the CPO substituted his judgment for that of the procuring agency. The Procurement Code does not permit such substitution. Because DNR's determination was supported by substantial evidence and reflected a reasoned application of the governing statutes, the CPO exceeded his scope of review.

#### **D. Scope of Holding**

Because the Panel resolves the appeal based on the merits of DNR's determination that the portion of the Project requiring WL licensure exceeded the statutory thresholds for sole prime eligibility, it need not address additional arguments raised by the parties. The Panel emphasizes the limited nature of its holding. This Order does not determine that WL licensure was the only possible classification for the Project. Rather, the Panel holds only that DNR's determination was not clearly erroneous, arbitrary, capricious, or contrary to law.

#### **VI. ORDER**

For the foregoing reasons:

1. The CPO's November 19, 2025, protest decision is **REVERSED**.
2. DNR's determination that Paragon is non-responsible is **REINSTATED**.
3. This matter is **REMANDED** to DNR for further action consistent with this

Order and the South Carolina Consolidated Procurement Code.

**IT IS SO ORDERED.**

**SOUTH CAROLINA PROCUREMENT REVIEW PANEL**

BY: \_\_\_\_\_



Willie D. Franks, Chairman

March 13, 2026  
Columbia, South Carolina



# Exhibit 7

Paragon's Motion to Reconsider

**STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND**

IN RE: Appeal by Haren Construction, Inc.

South Carolina Dept. of Natural Resources  
Project No. P24-6052-PG  
Ponds Maintenance

**BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL**

CASE NO. 2025-5

**PARAGON INC. OF SOUTH CAROLINA,  
LLC'S MOTION TO RECONSIDER**

Paragon Inc. of South Carolina, LLC ("Paragon"), by and through undersigned counsel, respectfully moves this Panel to reconsider its Order dated March 13, 2026, affirming the South Carolina Department of Natural Resources' ("DNR") determination that Paragon's bid was non-responsive. The Panel's Order contains three fundamental errors of law that, individually and collectively, warrant reconsideration and reversal.

First, the Panel improperly deferred to DNR's interpretation of a contractor licensing statute that DNR does not administer. Second, the Panel failed to conduct a *de novo* review of the scope of the PB license sub-classification under § 40-11-410(5)(f) and determine whether DNR's decision was contrary to law. Third, the Panel applied an incomplete standard of review, asking only whether DNR's determination had a rational basis rather than whether it was contrary to law.

Essentially, the Panel allowed DNR to disqualify a bidder for lack of a proper license without reviewing whether this decision was contrary to law. Paragon submits that the Panel's Order represents a fundamental shift in the deference given to agencies regarding contractor

licensing — a shift that is not only contrary to law, but also contrary to the Panel's own precedent. Paragon respectfully requests that the full Panel decide this motion.

## **ARGUMENT**

### **I. The Panel Improperly Deferred to DNR's Interpretation of a Statute That DNR Is Not Charged with Administering.**

The Panel improperly deferred to DNR's interpretation of a statute that it does not administer. Under the deference doctrine, a court may defer to an agency's interpretation of an ambiguous statute, but only if the agency is charged with administering the statute. As the South Carolina Supreme Court has held, "our deference doctrine provides that courts defer to an administrative agency's interpretations *with respect to the statutes entrusted to its administration or its own regulations* 'unless there is a compelling reason to differ.'" *Kiawah Dev. Partners, II v. S.C. Dep't of Health & Env't'l Ctrl.*, 411 S.C. 16, 34, 766 S.E.2d 707, 718 (2014); *Barton v. S.C. Dep't of Prob. Parole & Pardon Servs.*, 404 S.C. 395, 415, 745 S.E.2d 110, 121 (2013) ("The construction of a statute by the agency *charged with its administration* will be accorded the most respectful consideration").

The rationale for the deference doctrine rests on agency expertise. An administering agency's officers are "masters of the subject." *Kiawah Dev. Partners*, 411 S.C. at 34, 766 S.E.2d at 718. "Not unfrequently they are the draftsmen of the laws they are . . . called upon to interpret." *Id.* Such agencies are often "considered the expert designated by the legislature to make policy determinations" regarding the statute. *See S.C. Energy Users Comm. v. S.C. Pub. Serv. Comm'n*, 388 S.C. 486, 697 S.E.2d 587 (2010).

Here, while DNR is an expert on natural resources, it is neither a "master of the subject" of contractor licensing, nor did it help draft the contractor licensing laws. The General Assembly charged the Contractors' Licensing Board — not DNR — with "the administration and

enforcement of this chapter[.]” S.C. Code Ann. § 40-11-10. The Board is “the state authority responsible for enforcing the provisions set forth in the Contractor’s Licensing Act,” and the Panel has historically given it deference when it has spoken on an issue. *Protest of Roofco*, Case Nos. 2000-14 and -14(II). The Board has not, however, issued any interpretation regarding the scope of the PB classification as applied to the work at issue here. It is worth noting that the Board meets only quarterly, and given the time-sensitive nature of most state construction projects, waiting for the Board to convene to receive guidance is often impractical.

Because the Contractor’s Licensing Board has not issued an interpretation, there was no interpretation entitled to deference in this case. After Paragon filed its protest, it became the CPO’s responsibility to interpret the scope of the PB classification. Once Haren appealed to this Panel, it became the Panel’s responsibility to conduct a *de novo* review and interpret the scope of the PB classification — without deferring to DNR. The Panel erred by abdicating that responsibility.

## **II. The Panel Failed to Conduct *De Novo* Review of the Scope of the PB License Sub-Classification Under § 40-11-410(5)(f) and Determine Whether DNR’s Decision Was Contrary to Law.**

The interpretation of the scope of § 40-11-410(5)(f) is a question of law. “Statutory interpretation is a question of law subject to *de novo* review.” *Barton v. S.C. Dep’t of Prob. Parole & Pardon Servs.*, 404 S.C. 395, 414, 745 S.E.2d 110, 120 (2013); *see also Contractors’ State License Bd. v. Superior Ct.*, 23 Cal. App. 5th 125 (Cal. Ct. App. 2018) (“interpretation of Contractors’ State License Law is a matter of law subject to independent review”). The General Assembly “charged [the Panel] with the responsibility to review and determine [appeals] *de novo*.” S.C. Code Ann. § 11-35-4410(1).

DNR’s non-responsibility determination rested entirely on the premise that Paragon’s PB sub-classification was insufficient. (PRP000066). Thus, the interpretation of § 40-11-410(5)(f) was

the paramount issue on appeal. If DNR's interpretation was correct, its non-responsibility determination was proper and consistent with the law. But if DNR's interpretation was wrong, its determination was based on a faulty premise and contrary to law.

The Panel, however, did not even attempt to interpret the statute. The Order reflects no analysis of the statutory text, no examination of its plain language, no consideration of its structure, purpose, or history, and no engagement with Paragon's arguments that the plumbing definition expressly covers piping systems installed on premises to supply water, located solely within property lines. *See* Order, p. 15 ("This Order does not determine that WL licensure was the only possible classification for the Project."); pp. 12–13 ("The mere possibility that the PB subclassification could have been selected does not render DNR's determination clearly erroneous under § 11-35-2410(A)."). In short, the Panel abdicated its obligation, and relied on DNR's determination of an issue of law that the Panel was required to address *de novo*. (PRP000066).

This was error on multiple levels. Even if DNR's interpretation were entitled to deference (which it is not), the Panel was still required, at a minimum, to interpret the plain meaning of the statute. *Kiawah Dev. Partners*, 411 S.C. at 32, 766 S.E.2d at 717 (explaining that the deference doctrine involves a two-step process requiring the court to first interpret the statute). Where "the plain language of the statute is contrary to the agency's interpretation, the Court will reject the agency's interpretation." *Media General Commc'ns, Inc. v. S.C. Dep't of Rev.*, 388 S.C. 138, 150, 694 S.E.2d 525, 531 (2010) (holding the ALC was not required to defer to an administering agency's interpretation contrary to the plain meaning of the statute).

The Panel should reconsider and conduct the statutory analysis this appeal requires. Paragon submits that a proper plain-meaning interpretation of § 40-11-410(5)(f) — which expressly encompasses installation of piping systems on premises to supply water, located solely

within property lines — would compel the conclusion that Paragon's PB5 license covers the yard piping work at the Beaufort-Waddell facility. But regardless of the ultimate outcome of that analysis, the Panel must perform it.

### **III. The Panel Applied an Incomplete Standard of Review.**

Under § 11-35-2410(A), responsibility determinations are final and conclusive unless they are clearly erroneous, arbitrary, capricious, or **contrary to law**. The Panel's Order applied only part of this standard. The Panel concluded that "[t]he relevant inquiry is not whether the Panel would have selected the same classification, but whether DNR's determination had a rational basis." (Order, p. 13). By limiting its inquiry to rational basis, the Panel omitted the "contrary to law" prong and effectively treated an issue of law as a matter of agency discretion and business judgment. This was error.

Further compounding the problem, the record reveals that the foundation of DNR's determination was not as solid as the Panel assumed. DNR's non-responsibility determination stated that Paragon "does not have the proper license classifications or subclassifications to act as a sole prime contractor per SCLLR for this project." (PRP000066). The "SCLLR" referenced is the Board's program coordinator, Rhonda Jackson. Contrary to DNR's characterization, however, Ms. Jackson did not conclude that Paragon lacked a proper license. In fact, Ms. Jackson directed DNR to reach out to "the Building Official at your local city or county Building Department or Permit Office" to determine the license classifications required. (PRP000070). The relevant "building official" for this state project is the State Engineer, who is also the CPO in this matter. S.C. Code § 10-1-180.

Ms. Jackson is not the Contractor's Licensing Board; she is a program coordinator who — rightly — declined to render an opinion. DNR was not entitled to rely on her non-opinion and treat it as though it were a Board interpretation. By misplacing its reliance on this non-opinion, DNR's

determination arguably lacked even a rational basis. And by accepting DNR's reliance on Ms. Jackson, the Panel has effectively delegated the resolution of a question of law to an LLR program coordinator.

The proper framing is not the one the Panel applied. Most responsibility determinations are, indeed, matters of business judgment and discretion — an agency evaluating whether it is comfortable with a contractor's finances, past performance, or management capacity. For those determinations, deference is appropriate because the agency "must bear the brunt of difficulties experienced in obtaining the required performance." *Appeal by SGA | Narmour Wright Design*, Case No. 2022-2.

But determining whether a contractor is licensed is categorically different. A contractor is either licensed or not. The lack of a license "will *always* render a bidder non-responsible." *Protest of Roofco*, Case No. 2000-14(II) (emphasis added). Just as an agency has no discretion to award a contract to an unlicensed contractor, it likewise has no discretion to disqualify a licensed contractor that is otherwise responsible.

The applicable standard of review is not rational basis, but whether the determination was **contrary to law**. S.C. Code Ann. § 11-35-2410(A). Finally, to the extent the Panel's order rests on any inference that DNR preferred a contractor with a WL license sub-classification, that was not the basis of DNR's non-responsibility determination. DNR simply found that Paragon "does not have the proper license classifications or subclassifications." The solicitation did not include a special standard of responsibility under Regulation 19-445.2125F mandating that bidders hold a WL sub-classification. DNR's determination therefore necessarily incorporated an interpretation of the contractor licensing laws — and it is precisely that interpretation that the Panel must review and determine whether it was contrary to law.



## CONCLUSION

The Panel's Order allows DNR to disqualify the lowest responsible bidder based upon DNR's legal interpretation of the contractor licensing statutes, improperly deferring to an agency that has no authority to administer those statutes, applying only a fragment of the applicable standard of review, and refusing to decide whether DNR's interpretation was contrary to law.

For the foregoing reasons, Paragon respectfully requests that the Panel:

1. Grant this Motion to Reconsider;
2. Vacate the Panel's Order affirming DNR's non-responsibility determination;
3. Apply the correct standard — *de novo* review of the legal question presented by § 40-11-410(5)(f) — and determine whether DNR's decision was contrary to law;
4. Interpret § 40-11-410(5)(f) and find that Paragon's PB5 license covers the yard piping installation at the Beaufort-Waddell Mariculture facility;
5. Find that DNR's disqualification of Paragon was contrary to law; and
6. Direct that the contract for Project No. P24-6052-PG be awarded to Paragon Inc. of South Carolina, LLC as the lowest responsive and responsible bidder.

s/ James M. Griffin  
James M. Griffin (State Bar ID No. 9995)  
GRIFFIN HUMPHRIES LLC  
Post Office Box 999  
Columbia, South Carolina 29202  
(803) 744-0800  
[jgriffin@griffinhumphries.com](mailto:jgriffin@griffinhumphries.com)

Columbia, South Carolina  
March 23, 2026

|                                                                                                |                                                       |
|------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| STATE OF SOUTH CAROLINA<br>COUNTY OF RICHLAND                                                  | BEFORE THE SOUTH CAROLINA<br>PROCUREMENT REVIEW PANEL |
| IN RE: Appeal by Haren Construction Co.,<br>Inc.                                               | Case No. 2025-5                                       |
| Project No. P24-6052-PG<br>Beaufort-Waddell Mariculture Maturation<br>Ponds Maintenance—Re-Bid | <b>CERTIFICATE OF SERVICE</b>                         |

I, Jaime Harmon, hereby certify that I have served a true and correct copy of the **Brief of Paragon Inc. of South Carolina LLC d/b/a Paragon Builders in Response to Haren’s Appeal** upon the following counsel of record via electronic mail on the 15<sup>th</sup> day of January, 2026.

Gregory Placone  
Hudson Lambert Parrott, LLC  
201 W. McBee Ave., Suite 450  
Greenville, SC 29601  
[gplacone@hlpwlaw.com](mailto:gplacone@hlpwlaw.com)

P. Nicholas Nybo  
Hudson Lambert Parrott, LLC  
176 Croghan Spur, Suite 220  
Charleston, SC 29407  
[nicknybo@hlpwlaw.com](mailto:nicknybo@hlpwlaw.com)

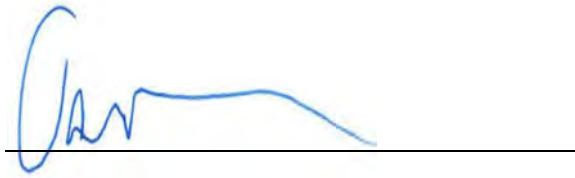
***Attorneys for Haren Construction Co., Inc.***

Manton Grier, Jr.  
Assistant General Counsel  
State Fiscal Accountability Authority  
P.O. Box 11608  
Columbia, SC 29211  
[mgrier@ogc.sc.gov](mailto:mgrier@ogc.sc.gov)

***Attorney for Chief Procurement Officer***

Susan O. Porter  
General Counsel  
S.C. Department of Natural Resources  
260 D. Epting Lane  
West Columbia, S.C. 29172  
P.O. Box 167  
Columbia, S.C. 29202  
[PorterS@dnr.sc.gov](mailto:PorterS@dnr.sc.gov)

*Attorney for South Carolina Department of Natural Resources*



# Exhibit 8

CPO's Motion to Reconsider

**STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND**

IN RE: Appeal by Haren Construction, Inc.

South Carolina Dept. of Natural Resources  
Project No. P24-6052-PG  
Ponds Maintenance

**BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL**

CASE NO. 2025-5

**CPO'S MOTION TO RECONSIDER**

The CPO reluctantly and respectfully moves for the Panel to reconsider its order dated March 13, 2026. The grounds for this motion are that the Panel (1) improperly deferred to DNR's interpretation of a statute that DNR does not administer; (2) failed to conduct a *de novo* review of the scope of the PB license subclassification under § 40-11-410(5)(f); and (3) applied an incomplete standard of review. Essentially, the Panel allowed DNR to disqualify a bidder for lack of a proper license without reviewing whether this decision was contrary to law.

The CPO believes the Panel's order is not only contrary to law, but also contrary to the Panel's own precedent. Because of the importance of this issue, the CPO respectfully requests that the full Panel decide this motion.

**ARGUMENT**

**1. The Panel improperly deferred the interpretation of a statute to an agency that is not charged with administering the statute.**

The Panel improperly deferred to DNR's interpretation of a statute that it does not administer. Under the deference doctrine, a court may defer to an agency's interpretation of an ambiguous statute, but only if the agency is charged with administering the statute. As the Court has held, "our deference doctrine provides that courts defer to an administrative agency's interpretations *with respect to the statutes entrusted to its administration or its own*

regulations ‘unless there is a compelling reason to differ.’” *Kiawah Dev. Partners, II v. S.C. Dept. of Health & Env’tl Ctrl.*, 411 S.C. 16, 34, 766 S.E.2d 707, 718 (2014) (emphasis added); *Barton v. S.C. Dep’t of Prob. Parole & Pardon Servs.*, 404 S.C. 395, 415, 745 S.E.2d 110, 121 (2013) (“The construction of a statute by the agency *charged with its administration* will be accorded the most respectful consideration”).

But if the agency does not administer the statute, deference is inappropriate. Thus, in *Stewart v. Iancu*, 912 F.3d 693 (4<sup>th</sup> Cir. 2019), the Fourth Circuit refused to give deference to the Patent Trademark Office (PTO) on a Title VII statute. “The EEOC, not the PTO, administers Title VII, so even if the *Chevron* deference were implicated here, the PTO is entitled to no such deference.” *Id.* at 704 n.3<sup>1</sup>

The rationale for the deference doctrine is based on the idea that agencies possess special expertise regarding statutes they administer and regulations they promulgate. An administering agency has officers that are “masters of the subject.” *Kiawah Dev. Partners*, 411 S.C. at 34, 766 S.E.2d at 718. “Not unfrequently they are the draftsmen of the laws they are . . . called upon to interpret.” *Id.* Such agencies are often “considered the expert designated by the legislature to make policy determinations” regarding the statute. *See South Carolina Energy Users Comm. v. South Carolina Public Serv. Comm’n*, 388 S.C. 486, 697 S.E.2d 587 (2010).

While DNR is an expert on natural resources, it is neither a “master of the subject” of contractor licensing, nor did it help draft the contractor licensing laws. The only agency’s

---

<sup>1</sup> *See also Air N. Am. v. Dep’t of Transp.*, 937 F.2d 1427, 1436 (9<sup>th</sup> Cir. 1991) (“Since the Department is not at present interpreting the statute that it is charged with implementing, *Chevron* deference is inappropriate.”).

interpretation that would be entitled to deference is the Contractor's Licensing Board. The General Assembly charged that Board, not DNR, with "the administration and enforcement of this chapter[.]" S.C. Code Ann. § 40-11-10. The Panel has also recognized this. The Board "is the state authority responsible for enforcing the provisions set forth in the Contractor's Licensing Act," and the Panel has historically given it deference when it has spoken on an issue. *Protest of Roofco*, Case Nos. 2000-14 and -14(II).<sup>2</sup> The Panel, therefore, erred by deferring to DNR's interpretation of § 40-11-410(5)(f).

**2. The Panel failed to conduct a *de novo* review of the scope of a PB license sub-classification under § 40-11-410(5)(f) and determine whether DNR's decision was contrary to law.**

Once Haren appealed to the Panel, it became the Panel's responsibility to conduct a *de novo* review and interpret the scope of the PB classification itself. The interpretation of § 40-11-410(5)(f) is a question of law. "Statutory interpretation is a question of law subject to *de novo* review." *Barton v. S.C. Dep't of Prob. Parole & Pardon Servs.*, 404 S.C. 395, 414, 745 S.E.2d 110, 120 (2013); *see also Contractors' State License Bd. v. Superior Ct.*, 23 Cal.App.5th 125 (Cal. Ct. App. 2018) ("interpretation of Contractors' State License Law is a matter of law subject to independent review"). The General Assembly "charged [the Panel] with the responsibility to review and determine [appeals] *de novo*." S.C. Code Ann. § 35-11-4410(1).

---

<sup>2</sup> The Board has not provided guidance in this case. The Board meets quarterly. Given the time-sensitive nature of most State construction projects, waiting on a Board meeting to receive guidance is often impractical.

Here, DNR's non-responsibility determination was based on the premise that Paragon's PB subclassification was insufficient. (PRP000066).<sup>3</sup> Thus, the interpretation of § 40-11-410(5)(f) was the paramount issue on appeal. If DNR's interpretation was correct, then its non-responsibility determination was proper and consistent with the law. But if DNR's interpretation was wrong, its non-responsibility determination was contrary to law.

The Panel, however, did not interpret the statute.<sup>4</sup> This was an error. Because even if DNR's interpretation were entitled to deference (which it was not), the Panel was still required, at a minimum, to interpret the plain meaning of the statute. *Kiawah Dev. Partners*, 411 S.C. at 32, 766 S.E.2d at 717 (explaining that the deference doctrine involves a two-step process requiring the court to interpret the statute). And where "the plain language of the statute is contrary to the agency's interpretation, the Court will reject the agency's interpretation." *Media General Communications, Inc. v. S.C. Dept. of Rev.*, 388 S.C. 138, 150, 694 S.E.2d 525, 531 (2010) (holding ALC was not required to defer to administering agency's interpretation contrary to plain meaning of statute).

Not only was the Panel's failure to interpret the statute contrary to its statutory mandate to conduct a *de novo* review, but it was also contrary to Panel precedent. While the Panel has typically relied on guidance from the Contractor's Licensing Board on matters of

---

<sup>3</sup> DNR also based its determination on belief that Paragon of South Carolina, LLC lacks a contractor's license in that name, but both the CPO and the Panel concluded that this issue did not affect responsibility.

<sup>4</sup> See Order, p. 15 ("This Order does not determine that WL licensure was the only possible classification for the Project."); pp. 12-13 ("The mere possibility that the PB subclassification could have been selected does not render DNR's determination clearly erroneous under § 11-35-2410(A).").



contractor licensing, the Panel itself will interpret a licensing statute when the Board is silent. For example, in *Harbert Construction*, Case No. 1991-17, the Panel was required to interpret § 23-45-130 and Regulation 29-95 to determine whether they applied equally to general contractors and subcontractors. Given that the Board was silent on the issue, the Panel interpreted the statute and regulation itself. “The Panel believes that the General Assembly intended that § 23-45-130 and Reg. 29-95 apply when any sprinkler work is to be performed for the State, whether by a general contractor or a subcontractor.” *Id.*

The CPO believes that if the Panel had interpreted the plain meaning of § 40-11-410(5)(f), it would have found that Paragon was properly licensed. Instead, the Panel relied on DNR’s determination of an issue of law that the Panel was required to address. (PRP000066).

### **3. The Panel applied an incomplete standard of review.**

Under § 11-35-2410(A), responsibility determinations are final and conclusive unless they are clearly erroneous, arbitrary, capricious, or contrary to law. The Panel’s order, however, applied an incomplete standard of review. The Panel concluded that “[t]he relevant inquiry is not whether the Panel would have selected the same classification, but whether DNR’s determination had a rational basis.” (Order, p. 13). This was an error. The Panel was responsible for interpreting the scope of § 40-11-410(5)(f) and determining whether DNR’s determination was contrary to law.

DNR premised its non-responsibility determination on the basis that, “Paragon Builders does not have the proper license classifications or subclassifications to act as a sole prime contractor per SCLLR for this project.” (PRP000066). The “SCLLR” that DNR referenced is the Board’s program coordinator, Rhonda Jackson. Contrary to DNR’s

determination, neither she nor “SCLLR” concluded that Paragon lacked a proper license. While Ms. Jackson said a WL license subclassification is likely required, she was careful to remind DNR that she could not determine whether a PB license was sufficient. (PRP000071). In fact, Ms. Jackson directed DNR to reach out to “the Building Official at your local city or county Building Department or Permit Office” to determine the license classifications required.<sup>5</sup> (PRP000070).

Ms. Jackson is not the Contractor’s Licensing Board and, therefore, she rightly refused to give an opinion on the matter. Thus, DNR was not entitled to rely on Ms. Jackson’s non-opinion and treat it as if it were essentially a Board interpretation. By misplacing its reliance, and basing its determination on this non-opinion, DNR’s determination lacked a rational basis. And because DNR relied on Ms. Jackson—and the Panel, in turn, relied on DNR—the Panel has effectively delegated the determination of an issue of law to an LLR program coordinator.

Ultimately, it seems that the Panel treated DNR’s determination as if it were a matter of business judgment rather than an issue of law. Most responsibility determinations are matters of business judgment and discretion, where an agency determines whether it is comfortable with a company’s finances and record of performance. For those determinations, an agency is entitled to deference, for it “must bear the brunt of difficulties experienced in obtaining the required performance.” *Appeal by SGA / Narmour Wright Design*, Case No. 2022-2.

---

<sup>5</sup> The relevant “building official” for this project is the State Engineer, who is also the CPO in this matter. S.C. Code § 10-1-180. Notwithstanding Ms. Jackson’s advice, the only entity entitled to deference is the Contractor’s Licensing Board.

Determining whether a contractor is licensed, however, is **not** a matter of agency discretion and business judgment, because the lack of a license “will **always** render a bidder non-responsible.” *Protest of Roofco*, Case No. 2000-14(II) (emphasis added). A contractor is either licensed or not. Just as an agency lacks discretion to qualify an unlicensed contractor, it also lacks discretion to disqualify a licensed contractor that is otherwise responsible. The applicable standard of review is not whether the Department’s determination had a rational basis, but rather whether the determination was contrary to law. S.C. Code Ann. § 11-35-2410(A).

Finally, to the extent the Panel concluded that its deference is based on the belief that DNR preferred a company with a WL license subclassification, this was not the basis of DNR’s non-responsibility determination. DNR simply found that Paragon “does not have the proper license classifications or subclassifications.” Further, the solicitation did not include a special standard of responsibility under Reg. 19-445.2125F mandating that bidders hold a license with a WL subclassification.<sup>6</sup> Instead, DNR’s decision necessarily included an interpretation of contractor licensing laws that the Panel must review and determine whether it was contrary to law.

### CONCLUSION

The Panel erred by (1) improperly deferring the interpretation of § 40-11-410(5)(f) to an agency that does not administer the statute; by (2) failing to conduct a *de novo* review and interpret the statute itself; and (3) by applying an incomplete standard of review. The

---

<sup>6</sup> Whether such as special standard of responsibility would be considered unduly restrictive is a different question not relevant to this appeal.

CPO, therefore, respectfully requests that the Panel reconsider its Order dated March 13, 2026, and affirm the CPO's decision dated November 19, 2025.

Respectfully submitted,



---

Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1201 Main Street, Suite 350  
Columbia, South Carolina 29201  
(803) 737-0600

ATTORNEYS FOR THE CHIEF  
PROCUREMENT OFFICER

Columbia, South Carolina

March 23, 2026

# Exhibit 9

Order Denying Motions to Reconsider

|                                              |   |                                  |
|----------------------------------------------|---|----------------------------------|
| <b>STATE OF SOUTH CAROLINA</b>               | ) | <b>BEFORE THE SOUTH CAROLINA</b> |
| <b>COUNTY OF RICHLAND</b>                    | ) | <b>PROCUREMENT REVIEW PANEL</b>  |
|                                              | ) |                                  |
| <b>In Re: Haren Construction Co., Inc.</b>   | ) | <b>ORDER DENYING</b>             |
|                                              | ) | <b>MOTIONS TO RECONSIDER</b>     |
| <b>Project No. P24-6052-PG</b>               | ) |                                  |
| <b>Beaufort-Waddell Mariculture</b>          | ) | <b>Case No. 2025-5</b>           |
| <b>Maturation Ponds Maintenance – Re-Bid</b> | ) |                                  |
| <hr/>                                        | ) |                                  |

## **I. INTRODUCTION**

This matter is before the Panel on the following post-order filings: Motions to Reconsider filed by the Chief Procurement Officer for Construction (CPO), Paragon Inc. of South Carolina, LLC (Paragon), and the South Carolina Department of Natural Resources (DNR), and an Objection to Motions to Reconsider filed by Haren Construction Co., Inc. (Haren).

Because the motions fail on their merits, the Panel need not decide whether it possesses authority to reconsider its Order, and the motions are denied.

## **II. BACKGROUND AND PROCEDURAL HISTORY**

The Panel issued its Order on March 13, 2026, reversing the CPO’s November 19, 2025, decision, and affirming DNR’s determination that Paragon was non-responsible.

On March 23, 2026, the parties filed the post-order motions and objection. On March 25, 2026, the Panel issued a procedural order permitting responses. The CPO, DNR, and Haren filed responses on April 1, 2026. Paragon filed no response. The Panel has considered all timely submissions.

The motions challenge the Panel’s application of the standard of review and its treatment of the licensing issues, and the responses do not materially expand or alter those issues. DNR’s motion does not challenge the outcome but raises arguments concerning the scope of review and issue preservation.

### **III. DISCUSSION**

The Panel has considered the arguments in the post-order filings. Those filings do not establish that the Panel's Order dated March 13, 2026, was contrary to law or reflects any error in the Panel's interpretation of the licensing subclassifications at issue.

The Panel first conducted a de novo review of the CPO's decision and independently determined that the relevant statutory provisions, as applied to the Project, do not mandate a single license subclassification as a matter of law. The Panel then determined that, under S.C. Code Ann. § 11-35-2410(A), DNR's selection among legally permissible subclassifications was not clearly erroneous, arbitrary, capricious, or contrary to law, and that the record demonstrated a rational basis for that determination. See Order dated March 13, 2026, at 11-14. To the extent the Order referenced DNR's technical expertise, that discussion pertained to DNR's selection of license subclassifications for the Project, not the Panel's interpretation of those statutes. Having concluded that DNR's determination was not contrary to law, the Panel could not and did not substitute its judgment for that of DNR. The Panel's review of DNR's determination was limited to the statutory standard. Because the governing statutes do not compel a single license subclassification, the Panel was not required to select one.

Consistent with that conclusion, the Panel recognized that the license subclassifications do not, on their face, resolve the Project's unique technical nature. In this context, those subclassifications permit more than one reasonable interpretation. The Panel's determination is supported by the absence of any competing engineering estimate or line-item cost analysis showing that DNR's cost allocation by license subclassification was factually unsupported or artificially structured (Order at 4). This analysis reflects the Panel's independent application of the governing statutes to the record rather than any deference to DNR's interpretation of law.

The arguments advanced by the CPO and Paragon largely restate positions already considered and rejected by the Panel and do not establish that the Panel misapprehended applicable law, overlooked material facts, or committed error warranting reconsideration.

DNR requested specific rulings regarding the scope of Paragon's protest and the name variation on Paragon's bid. The Panel determined that the name variation did not affect bidder responsibility, as set forth in its Order dated March 13, 2026, and did not limit the scope of its review. Even if the scope were limited, it would not alter the outcome.

The Panel has considered the motions, Haren's objection, and the responses filed. These submissions provide no basis to modify the Panel's Order dated March 13, 2026. Any argument not expressly addressed has been considered and is either redundant or without merit.

#### **IV. CONCLUSION**

The post-order motions are denied. The Panel's Order dated March 13, 2026, remains unchanged.

**IT IS SO ORDERED.**

**SOUTH CAROLINA PROCUREMENT REVIEW PANEL**

BY: Willie D. Franks  
Willie D. Franks, Chairman

April 6, 2026  
Columbia, South Carolina



# Exhibit 10

Paragon's Notice of Appeal

**RECEIVED**

**Apr 09 2026**

**SC Court of Appeals**

THE STATE OF SOUTH CAROLINA  
In The Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Case No. 2025-5

---

IN RE: Haren Construction Co., Inc.

South Carolina Department of Natural Resources  
Project No. P24-6052- PG  
Beaufort-Waddell Mariculture  
Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC .....Appellant

---

**NOTICE OF APPEAL**

---

PLEASE TAKE NOTICE that Paragon Inc. of South Carolina, LLC d/b/a Paragon Builders ("Paragon") hereby appeals to the South Carolina Court of Appeals from:

1. The Order of the South Carolina Procurement Review Panel dated March 13, 2026, reversing the November 19, 2025, decision of the Chief Procurement Officer for Construction and reinstating DNR's non-responsibility determination against Paragon in connection with Project No. P24-6052-PG, Beaufort-Waddell Mariculture Maturation Ponds Maintenance – Re-Bid; and
2. The Order of the South Carolina Procurement Review Panel dated April 6, 2026, denying Paragon's Motion to Reconsider the March 13, 2026, Order.

Both Orders were issued by the South Carolina Procurement Review Panel, Willie D. Franks,  
Chairman, Columbia, South Carolina.

Respectfully submitted,

GRIFFIN HUMPHRIES LLC

By: s/ James M. Griffin

James M. Griffin, SC Bar No. 9995  
8906 Two Notch Road, Suite 200  
P.O. Box 999 (29202)  
Columbia, South Carolina 29223  
Telephone: 803-744-0800  
jgriffin@griffinhumphries.com

*Attorney for Paragon Inc. of South Carolina, LLC*

Columbia, South Carolina  
April 9, 2026

**RECEIVED**  
**Apr 09 2026**  
**SC Court of Appeals**

# Exhibit 1

March 13, 2026 Order

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )  
In Re: Haren Construction Co., Inc. )  
Project No. P24-6052-PG )  
Beaufort-Waddell Mariculture )  
Maturation Ponds Maintenance – Re-Bid )  
\_\_\_\_\_ )

BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL

ORDER

Case No. 2025-5

**RECEIVED**  
**Apr 09 2026**  
SC Court of Appeals

## I. INTRODUCTION

This matter comes before the South Carolina Procurement Review Panel (Panel) on the appeal by Haren Construction Co., Inc. (Haren) from the November 19, 2025, decision of the Chief Procurement Officer for Construction (CPO). The CPO sustained the protest filed by Paragon Inc. of South Carolina, LLC (Paragon) in connection with Project No. P24-6052-PG, the Beaufort-Waddell Mariculture Maturation Ponds Maintenance (Project), and remanded the procurement to the South Carolina Department of Natural Resources (DNR). PRP000015.

Although the parties raise several issues concerning licensing classifications, statutory exclusions, protest sufficiency, and scope of review, the dispositive question is whether DNR's non-responsibility determination was clearly erroneous, arbitrary, capricious, or contrary to law under S.C. Code Ann. § 11-35-2410(A).

Upon de novo review of the administrative record, the parties' briefs, and the applicable law, the Panel concludes that DNR's determination was not clearly erroneous, arbitrary, capricious, or contrary to law. The CPO's decision is therefore reversed.

Haren was represented by D. Gregory Placone, Esquire, and P. Nicholas Nybo, Esquire, of Hudson Lambert Parrott, LLC; the CPO by Manton M. Grier, Jr., Esquire, Assistant General Counsel for the State Fiscal Accountability Authority (SFAA); Paragon by

James M. Griffin, Esquire, of Griffin Humphries LLC; and DNR by Susan O. Porter, Esquire, General Counsel for DNR.

## **II. BACKGROUND**

On August 12, 2025, DNR issued an advertisement and solicitation documents for the Project, including bidder instructions, specifications, and drawings defining the scope of work. PRP000062; PRP000084; PRP000192; PRP000470.

The solicitation describes renovation of hatchery infrastructure on DNR property, including rehabilitation of rearing ponds, replacement of piping networks, modifications to an existing head tower, site electrical systems, and related improvements. PRP000062; PRP000084; PRP000192.

The solicitation did not designate a specific contractor license classification for the prime contractor. However, the bid form required bidders to identify the entity performing electrical work under the Electrical (EL) license designation pursuant to the subcontractor listing requirements. PRP000105-106.

Paragon, which holds a Mechanical Contractor license with a Plumbing (PB) subclassification, submitted the apparent low responsive bid. PRP000063. During its responsibility review, DNR contacted personnel associated with the Contractor's Licensing Board within the South Carolina Department of Labor, Licensing and Regulation (LLR), who declined to provide a classification determination and advised that licensing questions should be directed to the local building official responsible for reviewing the Project's plans. PRP000070-73. DNR also reviewed contractor licensure information associated with Paragon's bid and noted that the bid was submitted under the name Paragon Inc. of South Carolina, LLC, while the contractor license in the LLR database was issued to Paragon

Builders. PRP000066. DNR relied on the engineer of record's opinion of cost and allocation of project costs by license classification contained in the administrative record. The estimate separated licensed construction work from non-licensed project costs, including contractor overhead and profit, insurance and bonds, engineering during construction, and third-party inspections. PRP000074. Based on that review, DNR issued a written determination dated October 17, 2025, concluding that Paragon was non-responsible – and therefore ineligible for award – because it did not satisfy the contractor licensing requirements of Title 40 of the South Carolina Code. PRP000066.

Paragon protested the determination, asserting that most of the Project fell within its PB subclassification, that the Project was not a municipal water supply system, that DNR had not properly quantified work outside its classification, and that the discrepancy between its legal and trade names was a mere ministerial variance. PRP000024. The CPO reviewed the protest.

On November 19, 2025, the CPO sustained the protest, concluding that the licensing issue presented a legal question, that the PB subclassification encompassed the work described in the solicitation, and that DNR had not sufficiently supported its sole prime determination. PRP000015.

Haren, which holds a General Contractors-Public Utility license with a Water and Sewer Lines (WL) subclassification, timely appealed. PRP000001. The parties initially agreed that the appeal could be resolved on the written record. After DNR raised jurisdictional and procedural issues in its response brief and limited reply briefing was permitted, no party requested a hearing, and the Panel proceeded on the written record.

On February 25, 2026, the Panel deliberated and reached its decision in this matter. Due to the unique technical nature of mariculture infrastructure and the difficulty of applying specialized Title 40 contractor subclassifications to the Project's scope, the Panel designated this matter as complex pursuant to S.C. Code Ann. § 11-35-4410(5), which requires the Panel to record its determination within thirty days.

### **III. FINDINGS OF FACT**

After consideration of the entire record, the Panel finds the following facts:

1. DNR issued the solicitation for the Project. PRP000062; PRP000079.
2. Paragon submitted the apparent low responsive bid. PRP000063.
3. DNR's written determination stated that Paragon Inc. of South Carolina, LLC did not hold a contractor license under that name in the LLR database and that a contractor license was issued to Paragon Builders, identified by DNR as being "owned by the same owner." PRP000066. The administrative record also includes applications submitted to LLR that identify Paragon Inc. of South Carolina, LLC, doing business as Paragon Builders. PRP000040; PRP000042.
4. DNR's written determination relied upon the engineer's opinion of cost and allocation of project costs by license classification in concluding that eighty percent of the Project required WL licensure. PRP000066. The administrative record also includes the engineer's allocation supporting that conclusion. PRP000074.
5. Although Paragon asserted a different percentage allocation in its protest, the administrative record contains no competing engineering estimate or line-item cost analysis demonstrating that DNR's allocation was factually unsupported or artificially structured. PRP000026; PRP000074.



## **IV. APPLICABLE LAW**

### **A. Standard of Review**

Responsibility determinations under the Procurement Code are “final and conclusive, unless clearly erroneous, arbitrary, capricious, or contrary to law.” S.C. Code Ann. § 11-35-2410(A). Although appeals to the Panel are conducted de novo – allowing the Panel to make its own findings of fact and conclusions of law – its review of such determinations remains subject to this statutory limitation. *See* S.C. Code Ann. § 11-35-4410(1). The Panel has recently applied this standard when reviewing procurement determinations. *See In re U.S. Facilities, Inc.*, Case No. 2025-1, at 5 (S.C. Procurement Rev. Panel May 19, 2025); *In re Schindler Elevator Corp.*, Case No. 2024-5, at 9 (S.C. Procurement Rev. Panel Sept. 19, 2024).

An administrative decision is arbitrary and capricious if it lacks a rational basis or is made without adequate determining principles. As the Court of Appeals has explained, a decision is arbitrary if it is “without a rational basis, is based alone on one’s will and not upon any course of reasoning and exercise of judgment, is made at pleasure, without adequate determining principles, or is governed by no fixed rules or standards.” *Blackmon v. S.C. Dep’t of Health & Envtl. Control*, 441 S.C. 342, 353, 893 S.E.2d 578, 584 (Ct. App. 2022). Courts reviewing administrative decisions do not substitute their discretion for that of the agency in matters committed to agency expertise. The South Carolina Supreme Court has cautioned that otherwise “[j]udicial discretion in a non-judicial field would be substituted for that of the appropriate administrative agency. This we cannot do.” *Guerard v. Whitner*, 276 S.C. 521, 523, 280 S.E.2d 539, 540 (1981).

In accordance with this principle of deference, judicial review of factual determinations made in the administrative process is limited. “As to factual issues, judicial review of administrative agency orders is limited to a determination of whether the order is supported by substantial evidence.” *Murphy v. S.C. Dep’t of Health & Envtl. Control*, 396 S.C. 633, 639, 723 S.E.2d 191, 194 (2012). “Substantial evidence is not a mere scintilla of evidence nor the evidence viewed blindly from one side of the case, but is evidence which, considering the record as a whole, would allow reasonable minds to reach the conclusion that the administrative agency reached or must have reached to justify its action.” *Lark v. Bi-Lo, Inc.*, 276 S.C. 130, 135, 276 S.E.2d 304, 306 (1981). Moreover, “[t]he mere possibility of drawing two inconsistent conclusions from the evidence does not prevent a finding from being supported by substantial evidence.” *Rhame v. Charleston Cnty. Sch. Dist.*, 415 S.C. 162, 167, 781 S.E.2d 151, 154 (Ct. App. 2015).

Under the substantial evidence standard, the reviewing body does not reweigh technical evidence or resolve competing expert judgments but determines only whether the agency’s decision has a rational evidentiary basis in the record. Courts reviewing administrative decisions “need only find, looking at the entire record on appeal, evidence from which reasonable minds could reach the same conclusion.” *Schwiers v. S.C. Dep’t of Health & Envtl. Control*, 429 S.C. 43, 49, 837 S.E.2d 730, 733 (Ct. App. 2019).

Panel precedent likewise recognizes that responsibility determinations are made by the procuring agency. The Panel has explained that “[t]he responsibility inquiry is delegated to the procuring agency and the Panel takes the position that review of this issue is limited to whether the procuring officer’s determination was clearly erroneous, arbitrary, capricious, or contrary to law.” *In re Value Options*, Case No. 2001-7, at 7 (S.C. Procurement Rev. Panel

Aug. 3, 2001). The Panel has further recognized that the party challenging such determinations bears the burden of proof. *Id.* at 7; *see also U.S. Facilities, Inc.*, at 5; *Schindler Elevator Corp.*, at 9.

## **B. Statutory Interpretation**

When interpreting a statute, “[courts] must give the words in a statute their plain and ordinary meaning, without resort to subtle or forced construction to limit or expand the statute’s operation, and when the words are unambiguous, [courts] must apply their literal meaning.” *Davis v. S.C. Dep’t of Corr.*, 444 S.C. 138, 150, 906 S.E.2d 569, 575 (2024). If the language is clear, courts apply the statute according to its plain meaning.

Where statutory language does not resolve the issue presented, courts may defer to an agency’s interpretation when the statute is ambiguous. As the South Carolina Supreme Court explained, “[i]f the statute or regulation is silent or ambiguous with respect to the specific issue, the court then must give deference to the agency’s interpretation of the statute or regulation, assuming the interpretation is worthy of deference.” *Kiawah Dev. Partners II v. S.C. Dep’t of Health & Envtl. Control*, 411 S.C. 16, 33, 766 S.E.2d 707, 717 (2014).

This deference reflects the institutional role of administrative agencies. Courts defer to agencies “because they have been entrusted with administering their statutes and regulations and because they have unique skill and expertise in administering those statutes and regulations.” *Kiawah Dev. Partners II*, 411 S.C. at 34. At the same time, agency deference does not permit an interpretation that conflicts with the statute itself. The Supreme Court has explained that courts will reject an agency’s interpretation “where the plain language of a statute is contrary to the agency’s interpretation.” *Davis*, 444 S.C. at 150.

### **C. Responsibility Determinations**

Under the South Carolina Consolidated Procurement Code, the State must determine the responsibility of bidders and offerors before awarding a contract. Section 11-35-1810(1) provides that “[r]esponsibility of the bidder or offeror shall be ascertained for each contract let by the State based upon full disclosure to the procurement officer concerning capacity to meet the terms of the contracts and based upon past record of performance for similar contracts.” Section 11-35-1410(8) defines a “responsible bidder or offeror” as “a person who has the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance.”

When a protest challenges a bidder’s ability to perform work required by the solicitation, the issue concerns responsibility rather than responsiveness. As the Panel explained, when the State examines “the bidder’s ability to perform, the state is no longer determining responsiveness of the bid, but deciding the responsibility of the bidder.” *In re Brantley Constr. Co.*, Case No. 1999-3, at 3 (S.C. Procurement Rev. Panel June 25, 1999). Because the ability to lawfully perform the work required by the solicitation is part of a bidder’s legal capacity to perform the contract, questions concerning applicable contractor licensing requirements may properly arise during a procuring agency’s responsibility determination.

When a responsibility determination requires application of a statute administered by another state agency, the procuring agency must apply that statute in evaluating bidder responsibility. In a procurement protest, however, the relevant inquiry is not whether the reviewing body would independently interpret that statute, but whether the procuring agency’s

application of the statute lacked a rational basis or was contrary to law under § 11-35-2410(A).

#### **D. Sole Prime Contractor Requirements**

South Carolina law establishes specific licensing requirements for entities acting as sole prime contractors on construction projects. Section 40-11-340 provides:

An entity licensed under the classifications or subclassifications in Sections 40-11-410(1), (2), or (3) may act as a sole prime contractor on a project if forty percent or more of the work as measured by the total cost of construction falls under one or more of the licensee's license classifications or subclassifications. An entity licensed under the classifications or subclassifications in Section 40-11-410(4) and (5) may act as sole prime contractor if fifty-one percent or more of the work falls under one or more of the licensee's license classifications or subclassifications.  
S.C. Code Ann. § 40-11-340.

Because sole prime eligibility under § 40-11-340 depends on the portion of a project's total construction cost falling within a contractor's license classifications, the categorization of project work for licensing purposes bears directly on a bidder's legal capacity to perform the contract. Under the Procurement Code, responsibility determinations must be based on a bidder's capacity to meet the terms of the contract. S.C. Code Ann. § 11-35-1810.

Accordingly, determining whether the work required by a solicitation falls within a particular contractor license classification is part of the procuring agency's responsibility determination. Such determinations are "final and conclusive, unless clearly erroneous, arbitrary, capricious, or contrary to law." S.C. Code Ann. § 11-35-2410(A).

#### **E. Relevant License Subclassifications**

Section 40-11-410 identifies numerous classifications and subclassifications of construction work. Two subclassifications are relevant here. Section 40-11-410(3)(c) describes the WL subclassification as:

“Water and Sewer Lines” which includes construction work on water mains, water service lines, water storage tanks, sewer mains, sewer lines, lift stations, pumping stations and appurtenances to water storage tanks, lift stations, pumping stations, pavement patching, backfill, and erosion control as a part of construction, and which includes connection at the building of all lines to the appropriate lines contained in commercial structures, installation and repair of a project involving manholes, the laying of pipe for storm drains and sewer mains, all necessary connections, and excavation and backfilling, and concrete work incidental thereto.

Contractors in this license subclassification in license groups three, four, and five may install fire protection sprinkler system underground mains to a flanged outlet 1’-0” above the finished floor in compliance with National Fire Protection Association Standard 24. However, shop drawings must be submitted and approved by the State Fire Marshal with a copy of the approved drawings going to the licensed fire sprinkler contractor. Flushing and testing certificates must be delivered to the authority having jurisdiction and the performing licensed fire sprinkler contractor performing. General contractors in this license subclassification may not engage in water and sewer line work from the right-of-way to a residential structure unless the entity is a subcontractor to a licensee holding a plumbing subclassification. S.C. Code Ann. § 40-11-410(3)(c).

Section 40-11-410(5)(f) describes the PB subclassification as:

“Plumbing” which includes the installation, replacement, alteration, and repair of all plumbing including solar water heating when performed solely within property lines and not on public easements or rights-of-way except to make connections to water meters or sewer taps as allowed by the utility owner; and the installation, alteration, and repair of all piping, fixtures, and appliances related to water supply, including pressure vessels and tanks, and excluding municipal or related water supply systems; venting and sanitary drainage systems for all fluid and semi-fluid and organic wastes; roof leaders; water-conditioning equipment; piping and equipment for swimming pools; and installation of a system of pipes, fittings, fixtures, drains, and all necessary component parts upon the premises or in a building to supply water to buildings and to convey sewage or other waste products from buildings. If this equipment is gas-fired, the necessary gas lines may be installed under this subclassification used in connection with this subclassification. Plumbing contractors in license groups three, four, and five are not required to be licensed under Chapter 45, Title 23 to install standpipe systems, including water hose connections, water hose cabinets, and related branch lines if the water hoses do not supply water to automatic fire protection sprinklers. S.C. Code Ann. § 40-11-410(5)(f).

## **V. DISCUSSION AND CONCLUSIONS OF LAW**

Before addressing the parties' arguments, the Panel begins by noting the scope of its review. Although appeals to the Panel are conducted de novo, responsibility determinations remain subject to the standard of review set forth in § 11-35-2410(A). The Panel therefore does not decide which contractor license classification it would independently select, but whether DNR's determination lacked a rational basis or was contrary to law. With that framework in mind, the Panel addresses the issues presented.

### **A. Licensing**

DNR determined that Paragon was non-responsible under the contractor licensing requirements applicable to the Project. DNR's determination referenced a discrepancy between the name appearing on Paragon's bid and the contractor license listed in the LLR database. PRP000066. The administrative record includes applications submitted to LLR that identify Paragon Inc. of South Carolina, LLC, doing business as Paragon Builders. The Panel therefore does not treat the name variation as affecting bidder responsibility. PRP000040; PRP000042.

The central dispute, however, concerns whether the Project could be performed under the PB subclassification or the WL subclassification. The contractor license subclassifications identified in § 40-11-410 describe broad categories of construction work and do not, as applied to this mariculture infrastructure, compel a single classification as a matter of law. The administrative record reflects that applying these subclassifications to specialized facilities is not always straightforward.

The Project involves an integrated seawater distribution system serving the hatchery facility, including a head tower, underground distribution piping, and outlet structures

connecting multiple ponds. PRP000062; PRP000068; PRP000192. Although some components resemble work typically performed under a PB subclassification, DNR determined that the Project concerns the installation and rehabilitation of a broader water distribution system supporting the facility's operations. Notably, S.C. Code Ann. § 40-11-410(3)(c) provides that the WL subclassification includes construction work involving water and sewer lines, pumping stations, pipe laying, manholes, necessary connections, and incidental concrete work. The Project plans reflect a complex piping network and integrated pumping components, along with manholes and utility vault structures connecting the maturation ponds' distribution system. PRP000068; PRP000301; PRP000413; PRP000470; PRP000476. DNR reasonably concluded that these functional infrastructure elements correspond to the pumping stations, water lines, and manholes contemplated by the WL subclassification. Because the Project's core utility involves the distribution of seawater through these components, DNR's selection of the WL classification is supported by the statute's plain language.

The CPO concluded that § 40-11-410 permits the Project to be performed under a PB subclassification, but the statute does not require that classification. Courts interpret statutes according to their plain language, and where the language does not definitively resolve the issue, agencies may apply the statute to the facts before them. *See Davis*, 444 S.C. at 145; *Kiawah Dev. Partners II*, 411 S.C. at 33.

Deference is warranted where the dispute concerns the technical application of licensing categories to specialized mariculture infrastructure. Under *Kiawah*, the Panel recognizes that DNR possesses the expertise necessary to evaluate the technical nature of the Project's intake and distribution systems. The mere possibility that the PB subclassification



could have been selected does not render DNR's actual determination clearly erroneous under § 11-35-2410(A). The relevant inquiry is not whether the Panel would have selected the same classification, but whether DNR's determination had a rational basis. Because DNR's determination that eighty percent of the Project required WL licensure aligns with the components described in § 40-11-410(3)(c) and reflects the agency's technical expertise, it had a rational basis and was not clearly erroneous, arbitrary, capricious, or contrary to law.

#### **B. Sole Prime Contractor Determination**

DNR further determined that Paragon could not serve as the sole prime contractor because the predominant portion of the Project required WL licensure for sole prime eligibility. Section 40-11-340 establishes the percentage thresholds governing sole prime eligibility. A contractor may serve as sole prime only if the applicable percentage threshold is satisfied – forty percent of the project's total construction cost for WL work and fifty-one percent for PB work. The statute ensures that the prime contractor holds licensure covering the predominant portion of the project's construction work. Because Paragon holds a PB license and not a WL license, its eligibility turns on whether DNR reasonably classified the Project as predominantly WL.

Responsibility determinations fall within the discretion of the procuring agency, and state agencies possess broad authority to make such procurement judgments. *Value Options*, at 6. The party challenging such a determination bears the burden of proving it was clearly erroneous, arbitrary, capricious, or contrary to law. *Id.* at 7; *see also U.S. Facilities, Inc.*, at 7; *Schindler Elevator Corp.*, at 9.

In evaluating Paragon's eligibility to serve as sole prime contractor, DNR relied on the engineer's design estimate and itemized cost allocation indicating that eighty percent of the

Project required WL licensure. PRP000066; PRP000074. This allocation significantly exceeds both the forty percent threshold applicable to WL work and the fifty-one percent threshold applicable to PB work. The administrative record contains no competing engineering estimate or technical analysis demonstrating that DNR's allocation lacked a rational basis or was artificially structured. Although Paragon asserted a different percentage allocation in its protest, it did not submit independent engineering analysis contradicting the agency's estimate. PRP000026. The engineer's estimate therefore provides a rational evidentiary basis for DNR's determination.

Under the substantial evidence standard governing administrative review, a reviewing body does not reweigh technical evidence or substitute its judgment for competing expert evaluations. *See Murphy*, 396 S.C. at 639; *Lark*, 276 S.C. at 135; *Rhame*, 415 S.C. at 167. The inquiry is whether the agency's determination is supported by evidence from which reasonable minds could reach the same conclusion. Because DNR relied on a professional engineering estimate contained in the administrative record, its determination that Paragon did not satisfy the statutory requirements for sole prime eligibility is supported by substantial evidence.

### **C. Substitution of Judgment by the CPO**

By selecting a different licensing classification, the CPO substituted his judgment for that of the procuring agency. The Procurement Code does not permit such substitution. Because DNR's determination was supported by substantial evidence and reflected a reasoned application of the governing statutes, the CPO exceeded his scope of review.

#### **D. Scope of Holding**

Because the Panel resolves the appeal based on the merits of DNR's determination that the portion of the Project requiring WL licensure exceeded the statutory thresholds for sole prime eligibility, it need not address additional arguments raised by the parties. The Panel emphasizes the limited nature of its holding. This Order does not determine that WL licensure was the only possible classification for the Project. Rather, the Panel holds only that DNR's determination was not clearly erroneous, arbitrary, capricious, or contrary to law.

#### **VI. ORDER**

For the foregoing reasons:

1. The CPO's November 19, 2025, protest decision is **REVERSED**.
2. DNR's determination that Paragon is non-responsible is **REINSTATED**.
3. This matter is **REMANDED** to DNR for further action consistent with this

Order and the South Carolina Consolidated Procurement Code.

**IT IS SO ORDERED.**

**SOUTH CAROLINA PROCUREMENT REVIEW PANEL**

BY:



Willie D. Franks, Chairman

March 13, 2026  
Columbia, South Carolina

**RECEIVED**

**Apr 09 2026**

**SC Court of Appeals**

# Exhibit 2

April 6, 2026 Order

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )  
 )  
In Re: Haren Construction Co., Inc. )  
 )  
Project No. P24-6052-PG )  
Beaufort-Waddell Mariculture )  
Maturation Ponds Maintenance – Re-Bid )  
\_\_\_\_\_ )

BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL

ORDER DENYING  
MOTIONS TO RECONSIDER

Case No. 2025-5

**RECEIVED**

**Apr 09 2026**

**SC Court of Appeals**

## I. INTRODUCTION

This matter is before the Panel on the following post-order filings: Motions to Reconsider filed by the Chief Procurement Officer for Construction (CPO), Paragon Inc. of South Carolina, LLC (Paragon), and the South Carolina Department of Natural Resources (DNR), and an Objection to Motions to Reconsider filed by Haren Construction Co., Inc. (Haren).

Because the motions fail on their merits, the Panel need not decide whether it possesses authority to reconsider its Order, and the motions are denied.

## II. BACKGROUND AND PROCEDURAL HISTORY

The Panel issued its Order on March 13, 2026, reversing the CPO's November 19, 2025, decision, and affirming DNR's determination that Paragon was non-responsible.

On March 23, 2026, the parties filed the post-order motions and objection. On March 25, 2026, the Panel issued a procedural order permitting responses. The CPO, DNR, and Haren filed responses on April 1, 2026. Paragon filed no response. The Panel has considered all timely submissions.

The motions challenge the Panel's application of the standard of review and its treatment of the licensing issues, and the responses do not materially expand or alter those issues. DNR's motion does not challenge the outcome but raises arguments concerning the scope of review and issue preservation.

### **III. DISCUSSION**

The Panel has considered the arguments in the post-order filings. Those filings do not establish that the Panel's Order dated March 13, 2026, was contrary to law or reflects any error in the Panel's interpretation of the licensing subclassifications at issue.

The Panel first conducted a de novo review of the CPO's decision and independently determined that the relevant statutory provisions, as applied to the Project, do not mandate a single license subclassification as a matter of law. The Panel then determined that, under S.C. Code Ann. § 11-35-2410(A), DNR's selection among legally permissible subclassifications was not clearly erroneous, arbitrary, capricious, or contrary to law, and that the record demonstrated a rational basis for that determination. See Order dated March 13, 2026, at 11-14. To the extent the Order referenced DNR's technical expertise, that discussion pertained to DNR's selection of license subclassifications for the Project, not the Panel's interpretation of those statutes. Having concluded that DNR's determination was not contrary to law, the Panel could not and did not substitute its judgment for that of DNR. The Panel's review of DNR's determination was limited to the statutory standard. Because the governing statutes do not compel a single license subclassification, the Panel was not required to select one.

Consistent with that conclusion, the Panel recognized that the license subclassifications do not, on their face, resolve the Project's unique technical nature. In this context, those subclassifications permit more than one reasonable interpretation. The Panel's determination is supported by the absence of any competing engineering estimate or line-item cost analysis showing that DNR's cost allocation by license subclassification was factually unsupported or artificially structured (Order at 4). This analysis reflects the Panel's independent application of the governing statutes to the record rather than any deference to DNR's interpretation of law.

The arguments advanced by the CPO and Paragon largely restate positions already considered and rejected by the Panel and do not establish that the Panel misapprehended applicable law, overlooked material facts, or committed error warranting reconsideration.

DNR requested specific rulings regarding the scope of Paragon's protest and the name variation on Paragon's bid. The Panel determined that the name variation did not affect bidder responsibility, as set forth in its Order dated March 13, 2026, and did not limit the scope of its review. Even if the scope were limited, it would not alter the outcome.

The Panel has considered the motions, Haren's objection, and the responses filed. These submissions provide no basis to modify the Panel's Order dated March 13, 2026. Any argument not expressly addressed has been considered and is either redundant or without merit.

#### **IV. CONCLUSION**

The post-order motions are denied. The Panel's Order dated March 13, 2026, remains unchanged.

**IT IS SO ORDERED.**

**SOUTH CAROLINA PROCUREMENT REVIEW PANEL**

BY: Willie D. Franks  
Willie D. Franks, Chairman

April 6, 2026  
Columbia, South Carolina

RECEIVED

Apr 09 2026

SC Court of Appeals

THE STATE OF SOUTH CAROLINA  
In The Court of Appeals

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

Case No. 2025-5

IN RE: Haren Construction Co., Inc.

South Carolina Department of Natural Resources  
Project No. P24-6052- PG  
Beaufort-Waddell Mariculture  
Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC .....Appellant

**PROOF OF SERVICE**

I, Jaime Harmon, legal assistant at Griffin Humphries LLC, attorneys for the Appellant, located at 8906 Two Notch Road, Suite 200, Columbia, South Carolina 29223, hereby certify that on April 9, 2026, I have served all counsel in this action a copy of the **Notice of Appeal** by emailing a copy to each attorney listed below using their primary email address listed in the Attorney Information System.

Served:

Stephen O'Keefe  
Edgar Brown Building  
1205 Pendleton Street, Suite 366  
Columbia, SC 29201  
Stephen.Keefe@prp.sc.gov

*General Counsel, South Carolina Procurement Review Panel*



Greg Placone  
Nick Nybo  
Hudson Lambert Parrott, LLC  
176 Croghan Spur  
Charleston, SC 29407  
gplacone@hlpwlaw.com  
nicknybo@hlpwlaw.com

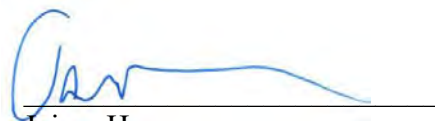
*Attorneys for Haren Construction Co., Inc.*

Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1201 Main Street, Suite 350  
Columbia, SC 29201  
mgrier@ogc.sc.gov

*Attorney for the Chief Procurement Officer*

Van Whitehead  
Susan O. Porter  
S.C. Department of Natural Resources  
260 D. Epting Lane  
West Columbia, SC 29172  
whiteheadv@dnr.sc.gov  
porters@dnr.sc.gov

*Attorneys for S.C. Department of Natural Resources*

  
Jaime Harmon

Columbia, South Carolina  
April 9, 2026

# Exhibit 11

Chief Procurement Officer's Notice of Appeal

RECEIVED

Apr 13 2026

SC Court of Appeals

THE STATE OF SOUTH CAROLINA  
In The Court of Appeals

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

Case No. 2025-5

IN RE: Haren Construction, Co., Inc.

South Carolina Department of Natural Resources  
Project No. P24-6052-PG  
Beaufort-Waddell Mariculture  
Maturation Ponds Maintenance – Re-Bid

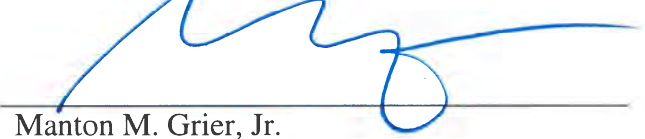
Chief Procurement Officer, State Fiscal Accountability Authority.....Appellant

NOTICE OF APPEAL

The Chief Procurement Officer (CPO) joins Paragon Inc. of South Carolina, LLC in appealing (a) the Order of the South Carolina Procurement Review Panel dated March 13, 2026, and (b) the Order of the South Carolina Procurement Panel dated March dated April 6, 2026, denying the CPO's Motion to Reconsider. Appellant received written notice of those orders on the dates listed above.

[signature on the following page]

Respectfully submitted,



---

Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, South Carolina 29201  
(803) 737-0600

ATTORNEYS FOR THE CHIEF  
PROCUREMENT OFFICER

Columbia, South Carolina

April 13, 2026

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )  
In Re: Haren Construction Co., Inc. )  
Project No. P24-6052-PG )  
Beaufort-Waddell Mariculture )  
Maturation Ponds Maintenance – Re-Bid )  
\_\_\_\_\_ )

BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL

ORDER

Case No. 2025-5

**RECEIVED**  
**Apr 13 2026**  
**SC Court of Appeals**

## I. INTRODUCTION

This matter comes before the South Carolina Procurement Review Panel (Panel) on the appeal by Haren Construction Co., Inc. (Haren) from the November 19, 2025, decision of the Chief Procurement Officer for Construction (CPO). The CPO sustained the protest filed by Paragon Inc. of South Carolina, LLC (Paragon) in connection with Project No. P24-6052-PG, the Beaufort-Waddell Mariculture Maturation Ponds Maintenance (Project), and remanded the procurement to the South Carolina Department of Natural Resources (DNR). PRP000015.

Although the parties raise several issues concerning licensing classifications, statutory exclusions, protest sufficiency, and scope of review, the dispositive question is whether DNR's non-responsibility determination was clearly erroneous, arbitrary, capricious, or contrary to law under S.C. Code Ann. § 11-35-2410(A).

Upon de novo review of the administrative record, the parties' briefs, and the applicable law, the Panel concludes that DNR's determination was not clearly erroneous, arbitrary, capricious, or contrary to law. The CPO's decision is therefore reversed.

Haren was represented by D. Gregory Placone, Esquire, and P. Nicholas Nybo, Esquire, of Hudson Lambert Parrott, LLC; the CPO by Manton M. Grier, Jr., Esquire, Assistant General Counsel for the State Fiscal Accountability Authority (SFAA); Paragon by

James M. Griffin, Esquire, of Griffin Humphries LLC; and DNR by Susan O. Porter, Esquire, General Counsel for DNR.

## **II. BACKGROUND**

On August 12, 2025, DNR issued an advertisement and solicitation documents for the Project, including bidder instructions, specifications, and drawings defining the scope of work. PRP000062; PRP000084; PRP000192; PRP000470.

The solicitation describes renovation of hatchery infrastructure on DNR property, including rehabilitation of rearing ponds, replacement of piping networks, modifications to an existing head tower, site electrical systems, and related improvements. PRP000062; PRP000084; PRP000192.

The solicitation did not designate a specific contractor license classification for the prime contractor. However, the bid form required bidders to identify the entity performing electrical work under the Electrical (EL) license designation pursuant to the subcontractor listing requirements. PRP000105-106.

Paragon, which holds a Mechanical Contractor license with a Plumbing (PB) subclassification, submitted the apparent low responsive bid. PRP000063. During its responsibility review, DNR contacted personnel associated with the Contractor's Licensing Board within the South Carolina Department of Labor, Licensing and Regulation (LLR), who declined to provide a classification determination and advised that licensing questions should be directed to the local building official responsible for reviewing the Project's plans. PRP000070-73. DNR also reviewed contractor licensure information associated with Paragon's bid and noted that the bid was submitted under the name Paragon Inc. of South Carolina, LLC, while the contractor license in the LLR database was issued to Paragon

Builders. PRP000066. DNR relied on the engineer of record's opinion of cost and allocation of project costs by license classification contained in the administrative record. The estimate separated licensed construction work from non-licensed project costs, including contractor overhead and profit, insurance and bonds, engineering during construction, and third-party inspections. PRP000074. Based on that review, DNR issued a written determination dated October 17, 2025, concluding that Paragon was non-responsible – and therefore ineligible for award – because it did not satisfy the contractor licensing requirements of Title 40 of the South Carolina Code. PRP000066.

Paragon protested the determination, asserting that most of the Project fell within its PB subclassification, that the Project was not a municipal water supply system, that DNR had not properly quantified work outside its classification, and that the discrepancy between its legal and trade names was a mere ministerial variance. PRP000024. The CPO reviewed the protest.

On November 19, 2025, the CPO sustained the protest, concluding that the licensing issue presented a legal question, that the PB subclassification encompassed the work described in the solicitation, and that DNR had not sufficiently supported its sole prime determination. PRP000015.

Haren, which holds a General Contractors-Public Utility license with a Water and Sewer Lines (WL) subclassification, timely appealed. PRP000001. The parties initially agreed that the appeal could be resolved on the written record. After DNR raised jurisdictional and procedural issues in its response brief and limited reply briefing was permitted, no party requested a hearing, and the Panel proceeded on the written record.

On February 25, 2026, the Panel deliberated and reached its decision in this matter. Due to the unique technical nature of mariculture infrastructure and the difficulty of applying specialized Title 40 contractor subclassifications to the Project's scope, the Panel designated this matter as complex pursuant to S.C. Code Ann. § 11-35-4410(5), which requires the Panel to record its determination within thirty days.

### **III. FINDINGS OF FACT**

After consideration of the entire record, the Panel finds the following facts:

1. DNR issued the solicitation for the Project. PRP000062; PRP000079.
2. Paragon submitted the apparent low responsive bid. PRP000063.
3. DNR's written determination stated that Paragon Inc. of South Carolina, LLC did not hold a contractor license under that name in the LLR database and that a contractor license was issued to Paragon Builders, identified by DNR as being "owned by the same owner." PRP000066. The administrative record also includes applications submitted to LLR that identify Paragon Inc. of South Carolina, LLC, doing business as Paragon Builders. PRP000040; PRP000042.
4. DNR's written determination relied upon the engineer's opinion of cost and allocation of project costs by license classification in concluding that eighty percent of the Project required WL licensure. PRP000066. The administrative record also includes the engineer's allocation supporting that conclusion. PRP000074.
5. Although Paragon asserted a different percentage allocation in its protest, the administrative record contains no competing engineering estimate or line-item cost analysis demonstrating that DNR's allocation was factually unsupported or artificially structured. PRP000026; PRP000074.



## **IV. APPLICABLE LAW**

### **A. Standard of Review**

Responsibility determinations under the Procurement Code are “final and conclusive, unless clearly erroneous, arbitrary, capricious, or contrary to law.” S.C. Code Ann. § 11-35-2410(A). Although appeals to the Panel are conducted de novo – allowing the Panel to make its own findings of fact and conclusions of law – its review of such determinations remains subject to this statutory limitation. *See* S.C. Code Ann. § 11-35-4410(1). The Panel has recently applied this standard when reviewing procurement determinations. *See In re U.S. Facilities, Inc.*, Case No. 2025-1, at 5 (S.C. Procurement Rev. Panel May 19, 2025); *In re Schindler Elevator Corp.*, Case No. 2024-5, at 9 (S.C. Procurement Rev. Panel Sept. 19, 2024).

An administrative decision is arbitrary and capricious if it lacks a rational basis or is made without adequate determining principles. As the Court of Appeals has explained, a decision is arbitrary if it is “without a rational basis, is based alone on one’s will and not upon any course of reasoning and exercise of judgment, is made at pleasure, without adequate determining principles, or is governed by no fixed rules or standards.” *Blackmon v. S.C. Dep’t of Health & Envtl. Control*, 441 S.C. 342, 353, 893 S.E.2d 578, 584 (Ct. App. 2022). Courts reviewing administrative decisions do not substitute their discretion for that of the agency in matters committed to agency expertise. The South Carolina Supreme Court has cautioned that otherwise “[j]udicial discretion in a non-judicial field would be substituted for that of the appropriate administrative agency. This we cannot do.” *Guerard v. Whitner*, 276 S.C. 521, 523, 280 S.E.2d 539, 540 (1981).

In accordance with this principle of deference, judicial review of factual determinations made in the administrative process is limited. “As to factual issues, judicial review of administrative agency orders is limited to a determination of whether the order is supported by substantial evidence.” *Murphy v. S.C. Dep’t of Health & Envtl. Control*, 396 S.C. 633, 639, 723 S.E.2d 191, 194 (2012). “Substantial evidence is not a mere scintilla of evidence nor the evidence viewed blindly from one side of the case, but is evidence which, considering the record as a whole, would allow reasonable minds to reach the conclusion that the administrative agency reached or must have reached to justify its action.” *Lark v. Bi-Lo, Inc.*, 276 S.C. 130, 135, 276 S.E.2d 304, 306 (1981). Moreover, “[t]he mere possibility of drawing two inconsistent conclusions from the evidence does not prevent a finding from being supported by substantial evidence.” *Rhame v. Charleston Cnty. Sch. Dist.*, 415 S.C. 162, 167, 781 S.E.2d 151, 154 (Ct. App. 2015).

Under the substantial evidence standard, the reviewing body does not reweigh technical evidence or resolve competing expert judgments but determines only whether the agency’s decision has a rational evidentiary basis in the record. Courts reviewing administrative decisions “need only find, looking at the entire record on appeal, evidence from which reasonable minds could reach the same conclusion.” *Schwiers v. S.C. Dep’t of Health & Envtl. Control*, 429 S.C. 43, 49, 837 S.E.2d 730, 733 (Ct. App. 2019).

Panel precedent likewise recognizes that responsibility determinations are made by the procuring agency. The Panel has explained that “[t]he responsibility inquiry is delegated to the procuring agency and the Panel takes the position that review of this issue is limited to whether the procuring officer’s determination was clearly erroneous, arbitrary, capricious, or contrary to law.” *In re Value Options*, Case No. 2001-7, at 7 (S.C. Procurement Rev. Panel

Aug. 3, 2001). The Panel has further recognized that the party challenging such determinations bears the burden of proof. *Id.* at 7; *see also U.S. Facilities, Inc.*, at 5; *Schindler Elevator Corp.*, at 9.

## **B. Statutory Interpretation**

When interpreting a statute, “[courts] must give the words in a statute their plain and ordinary meaning, without resort to subtle or forced construction to limit or expand the statute’s operation, and when the words are unambiguous, [courts] must apply their literal meaning.” *Davis v. S.C. Dep’t of Corr.*, 444 S.C. 138, 150, 906 S.E.2d 569, 575 (2024). If the language is clear, courts apply the statute according to its plain meaning.

Where statutory language does not resolve the issue presented, courts may defer to an agency’s interpretation when the statute is ambiguous. As the South Carolina Supreme Court explained, “[i]f the statute or regulation is silent or ambiguous with respect to the specific issue, the court then must give deference to the agency’s interpretation of the statute or regulation, assuming the interpretation is worthy of deference.” *Kiawah Dev. Partners II v. S.C. Dep’t of Health & Envtl. Control*, 411 S.C. 16, 33, 766 S.E.2d 707, 717 (2014).

This deference reflects the institutional role of administrative agencies. Courts defer to agencies “because they have been entrusted with administering their statutes and regulations and because they have unique skill and expertise in administering those statutes and regulations.” *Kiawah Dev. Partners II*, 411 S.C. at 34. At the same time, agency deference does not permit an interpretation that conflicts with the statute itself. The Supreme Court has explained that courts will reject an agency’s interpretation “where the plain language of a statute is contrary to the agency’s interpretation.” *Davis*, 444 S.C. at 150.

### **C. Responsibility Determinations**

Under the South Carolina Consolidated Procurement Code, the State must determine the responsibility of bidders and offerors before awarding a contract. Section 11-35-1810(1) provides that “[r]esponsibility of the bidder or offeror shall be ascertained for each contract let by the State based upon full disclosure to the procurement officer concerning capacity to meet the terms of the contracts and based upon past record of performance for similar contracts.” Section 11-35-1410(8) defines a “responsible bidder or offeror” as “a person who has the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance.”

When a protest challenges a bidder’s ability to perform work required by the solicitation, the issue concerns responsibility rather than responsiveness. As the Panel explained, when the State examines “the bidder’s ability to perform, the state is no longer determining responsiveness of the bid, but deciding the responsibility of the bidder.” *In re Brantley Constr. Co.*, Case No. 1999-3, at 3 (S.C. Procurement Rev. Panel June 25, 1999). Because the ability to lawfully perform the work required by the solicitation is part of a bidder’s legal capacity to perform the contract, questions concerning applicable contractor licensing requirements may properly arise during a procuring agency’s responsibility determination.

When a responsibility determination requires application of a statute administered by another state agency, the procuring agency must apply that statute in evaluating bidder responsibility. In a procurement protest, however, the relevant inquiry is not whether the reviewing body would independently interpret that statute, but whether the procuring agency’s

application of the statute lacked a rational basis or was contrary to law under § 11-35-2410(A).

#### **D. Sole Prime Contractor Requirements**

South Carolina law establishes specific licensing requirements for entities acting as sole prime contractors on construction projects. Section 40-11-340 provides:

An entity licensed under the classifications or subclassifications in Sections 40-11-410(1), (2), or (3) may act as a sole prime contractor on a project if forty percent or more of the work as measured by the total cost of construction falls under one or more of the licensee's license classifications or subclassifications. An entity licensed under the classifications or subclassifications in Section 40-11-410(4) and (5) may act as sole prime contractor if fifty-one percent or more of the work falls under one or more of the licensee's license classifications or subclassifications.  
S.C. Code Ann. § 40-11-340.

Because sole prime eligibility under § 40-11-340 depends on the portion of a project's total construction cost falling within a contractor's license classifications, the categorization of project work for licensing purposes bears directly on a bidder's legal capacity to perform the contract. Under the Procurement Code, responsibility determinations must be based on a bidder's capacity to meet the terms of the contract. S.C. Code Ann. § 11-35-1810.

Accordingly, determining whether the work required by a solicitation falls within a particular contractor license classification is part of the procuring agency's responsibility determination. Such determinations are "final and conclusive, unless clearly erroneous, arbitrary, capricious, or contrary to law." S.C. Code Ann. § 11-35-2410(A).

#### **E. Relevant License Subclassifications**

Section 40-11-410 identifies numerous classifications and subclassifications of construction work. Two subclassifications are relevant here. Section 40-11-410(3)(c) describes the WL subclassification as:

“Water and Sewer Lines” which includes construction work on water mains, water service lines, water storage tanks, sewer mains, sewer lines, lift stations, pumping stations and appurtenances to water storage tanks, lift stations, pumping stations, pavement patching, backfill, and erosion control as a part of construction, and which includes connection at the building of all lines to the appropriate lines contained in commercial structures, installation and repair of a project involving manholes, the laying of pipe for storm drains and sewer mains, all necessary connections, and excavation and backfilling, and concrete work incidental thereto.

Contractors in this license subclassification in license groups three, four, and five may install fire protection sprinkler system underground mains to a flanged outlet 1’-0” above the finished floor in compliance with National Fire Protection Association Standard 24. However, shop drawings must be submitted and approved by the State Fire Marshal with a copy of the approved drawings going to the licensed fire sprinkler contractor. Flushing and testing certificates must be delivered to the authority having jurisdiction and the performing licensed fire sprinkler contractor performing. General contractors in this license subclassification may not engage in water and sewer line work from the right-of-way to a residential structure unless the entity is a subcontractor to a licensee holding a plumbing subclassification. S.C. Code Ann. § 40-11-410(3)(c).

Section 40-11-410(5)(f) describes the PB subclassification as:

“Plumbing” which includes the installation, replacement, alteration, and repair of all plumbing including solar water heating when performed solely within property lines and not on public easements or rights-of-way except to make connections to water meters or sewer taps as allowed by the utility owner; and the installation, alteration, and repair of all piping, fixtures, and appliances related to water supply, including pressure vessels and tanks, and excluding municipal or related water supply systems; venting and sanitary drainage systems for all fluid and semi-fluid and organic wastes; roof leaders; water-conditioning equipment; piping and equipment for swimming pools; and installation of a system of pipes, fittings, fixtures, drains, and all necessary component parts upon the premises or in a building to supply water to buildings and to convey sewage or other waste products from buildings. If this equipment is gas-fired, the necessary gas lines may be installed under this subclassification used in connection with this subclassification. Plumbing contractors in license groups three, four, and five are not required to be licensed under Chapter 45, Title 23 to install standpipe systems, including water hose connections, water hose cabinets, and related branch lines if the water hoses do not supply water to automatic fire protection sprinklers. S.C. Code Ann. § 40-11-410(5)(f).

## **V. DISCUSSION AND CONCLUSIONS OF LAW**

Before addressing the parties' arguments, the Panel begins by noting the scope of its review. Although appeals to the Panel are conducted de novo, responsibility determinations remain subject to the standard of review set forth in § 11-35-2410(A). The Panel therefore does not decide which contractor license classification it would independently select, but whether DNR's determination lacked a rational basis or was contrary to law. With that framework in mind, the Panel addresses the issues presented.

### **A. Licensing**

DNR determined that Paragon was non-responsible under the contractor licensing requirements applicable to the Project. DNR's determination referenced a discrepancy between the name appearing on Paragon's bid and the contractor license listed in the LLR database. PRP000066. The administrative record includes applications submitted to LLR that identify Paragon Inc. of South Carolina, LLC, doing business as Paragon Builders. The Panel therefore does not treat the name variation as affecting bidder responsibility. PRP000040; PRP000042.

The central dispute, however, concerns whether the Project could be performed under the PB subclassification or the WL subclassification. The contractor license subclassifications identified in § 40-11-410 describe broad categories of construction work and do not, as applied to this mariculture infrastructure, compel a single classification as a matter of law. The administrative record reflects that applying these subclassifications to specialized facilities is not always straightforward.

The Project involves an integrated seawater distribution system serving the hatchery facility, including a head tower, underground distribution piping, and outlet structures

connecting multiple ponds. PRP000062; PRP000068; PRP000192. Although some components resemble work typically performed under a PB subclassification, DNR determined that the Project concerns the installation and rehabilitation of a broader water distribution system supporting the facility's operations. Notably, S.C. Code Ann. § 40-11-410(3)(c) provides that the WL subclassification includes construction work involving water and sewer lines, pumping stations, pipe laying, manholes, necessary connections, and incidental concrete work. The Project plans reflect a complex piping network and integrated pumping components, along with manholes and utility vault structures connecting the maturation ponds' distribution system. PRP000068; PRP000301; PRP000413; PRP000470; PRP000476. DNR reasonably concluded that these functional infrastructure elements correspond to the pumping stations, water lines, and manholes contemplated by the WL subclassification. Because the Project's core utility involves the distribution of seawater through these components, DNR's selection of the WL classification is supported by the statute's plain language.

The CPO concluded that § 40-11-410 permits the Project to be performed under a PB subclassification, but the statute does not require that classification. Courts interpret statutes according to their plain language, and where the language does not definitively resolve the issue, agencies may apply the statute to the facts before them. *See Davis*, 444 S.C. at 145; *Kiawah Dev. Partners II*, 411 S.C. at 33.

Deference is warranted where the dispute concerns the technical application of licensing categories to specialized mariculture infrastructure. Under *Kiawah*, the Panel recognizes that DNR possesses the expertise necessary to evaluate the technical nature of the Project's intake and distribution systems. The mere possibility that the PB subclassification



could have been selected does not render DNR's actual determination clearly erroneous under § 11-35-2410(A). The relevant inquiry is not whether the Panel would have selected the same classification, but whether DNR's determination had a rational basis. Because DNR's determination that eighty percent of the Project required WL licensure aligns with the components described in § 40-11-410(3)(c) and reflects the agency's technical expertise, it had a rational basis and was not clearly erroneous, arbitrary, capricious, or contrary to law.

#### **B. Sole Prime Contractor Determination**

DNR further determined that Paragon could not serve as the sole prime contractor because the predominant portion of the Project required WL licensure for sole prime eligibility. Section 40-11-340 establishes the percentage thresholds governing sole prime eligibility. A contractor may serve as sole prime only if the applicable percentage threshold is satisfied – forty percent of the project's total construction cost for WL work and fifty-one percent for PB work. The statute ensures that the prime contractor holds licensure covering the predominant portion of the project's construction work. Because Paragon holds a PB license and not a WL license, its eligibility turns on whether DNR reasonably classified the Project as predominantly WL.

Responsibility determinations fall within the discretion of the procuring agency, and state agencies possess broad authority to make such procurement judgments. *Value Options*, at 6. The party challenging such a determination bears the burden of proving it was clearly erroneous, arbitrary, capricious, or contrary to law. *Id.* at 7; *see also U.S. Facilities, Inc.*, at 7; *Schindler Elevator Corp.*, at 9.

In evaluating Paragon's eligibility to serve as sole prime contractor, DNR relied on the engineer's design estimate and itemized cost allocation indicating that eighty percent of the

Project required WL licensure. PRP000066; PRP000074. This allocation significantly exceeds both the forty percent threshold applicable to WL work and the fifty-one percent threshold applicable to PB work. The administrative record contains no competing engineering estimate or technical analysis demonstrating that DNR's allocation lacked a rational basis or was artificially structured. Although Paragon asserted a different percentage allocation in its protest, it did not submit independent engineering analysis contradicting the agency's estimate. PRP000026. The engineer's estimate therefore provides a rational evidentiary basis for DNR's determination.

Under the substantial evidence standard governing administrative review, a reviewing body does not reweigh technical evidence or substitute its judgment for competing expert evaluations. *See Murphy*, 396 S.C. at 639; *Lark*, 276 S.C. at 135; *Rhame*, 415 S.C. at 167. The inquiry is whether the agency's determination is supported by evidence from which reasonable minds could reach the same conclusion. Because DNR relied on a professional engineering estimate contained in the administrative record, its determination that Paragon did not satisfy the statutory requirements for sole prime eligibility is supported by substantial evidence.

### **C. Substitution of Judgment by the CPO**

By selecting a different licensing classification, the CPO substituted his judgment for that of the procuring agency. The Procurement Code does not permit such substitution. Because DNR's determination was supported by substantial evidence and reflected a reasoned application of the governing statutes, the CPO exceeded his scope of review.

#### **D. Scope of Holding**

Because the Panel resolves the appeal based on the merits of DNR's determination that the portion of the Project requiring WL licensure exceeded the statutory thresholds for sole prime eligibility, it need not address additional arguments raised by the parties. The Panel emphasizes the limited nature of its holding. This Order does not determine that WL licensure was the only possible classification for the Project. Rather, the Panel holds only that DNR's determination was not clearly erroneous, arbitrary, capricious, or contrary to law.

#### **VI. ORDER**

For the foregoing reasons:

1. The CPO's November 19, 2025, protest decision is **REVERSED**.
2. DNR's determination that Paragon is non-responsible is **REINSTATED**.
3. This matter is **REMANDED** to DNR for further action consistent with this

Order and the South Carolina Consolidated Procurement Code.

**IT IS SO ORDERED.**

**SOUTH CAROLINA PROCUREMENT REVIEW PANEL**

BY:



Willie D. Franks, Chairman

March 13, 2026  
Columbia, South Carolina

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )  
 )  
In Re: Haren Construction Co., Inc. )  
 )  
Project No. P24-6052-PG )  
Beaufort-Waddell Mariculture )  
Maturation Ponds Maintenance – Re-Bid )  
\_\_\_\_\_ )

BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL

ORDER DENYING  
MOTIONS TO RECONSIDER

Case No. 2025-5

**RECEIVED**

**Apr 13 2026**

**SC Court of Appeals**

## I. INTRODUCTION

This matter is before the Panel on the following post-order filings: Motions to Reconsider filed by the Chief Procurement Officer for Construction (CPO), Paragon Inc. of South Carolina, LLC (Paragon), and the South Carolina Department of Natural Resources (DNR), and an Objection to Motions to Reconsider filed by Haren Construction Co., Inc. (Haren).

Because the motions fail on their merits, the Panel need not decide whether it possesses authority to reconsider its Order, and the motions are denied.

## II. BACKGROUND AND PROCEDURAL HISTORY

The Panel issued its Order on March 13, 2026, reversing the CPO's November 19, 2025, decision, and affirming DNR's determination that Paragon was non-responsible.

On March 23, 2026, the parties filed the post-order motions and objection. On March 25, 2026, the Panel issued a procedural order permitting responses. The CPO, DNR, and Haren filed responses on April 1, 2026. Paragon filed no response. The Panel has considered all timely submissions.

The motions challenge the Panel's application of the standard of review and its treatment of the licensing issues, and the responses do not materially expand or alter those issues. DNR's motion does not challenge the outcome but raises arguments concerning the scope of review and issue preservation.

### **III. DISCUSSION**

The Panel has considered the arguments in the post-order filings. Those filings do not establish that the Panel's Order dated March 13, 2026, was contrary to law or reflects any error in the Panel's interpretation of the licensing subclassifications at issue.

The Panel first conducted a de novo review of the CPO's decision and independently determined that the relevant statutory provisions, as applied to the Project, do not mandate a single license subclassification as a matter of law. The Panel then determined that, under S.C. Code Ann. § 11-35-2410(A), DNR's selection among legally permissible subclassifications was not clearly erroneous, arbitrary, capricious, or contrary to law, and that the record demonstrated a rational basis for that determination. See Order dated March 13, 2026, at 11-14. To the extent the Order referenced DNR's technical expertise, that discussion pertained to DNR's selection of license subclassifications for the Project, not the Panel's interpretation of those statutes. Having concluded that DNR's determination was not contrary to law, the Panel could not and did not substitute its judgment for that of DNR. The Panel's review of DNR's determination was limited to the statutory standard. Because the governing statutes do not compel a single license subclassification, the Panel was not required to select one.

Consistent with that conclusion, the Panel recognized that the license subclassifications do not, on their face, resolve the Project's unique technical nature. In this context, those subclassifications permit more than one reasonable interpretation. The Panel's determination is supported by the absence of any competing engineering estimate or line-item cost analysis showing that DNR's cost allocation by license subclassification was factually unsupported or artificially structured (Order at 4). This analysis reflects the Panel's independent application of the governing statutes to the record rather than any deference to DNR's interpretation of law.

The arguments advanced by the CPO and Paragon largely restate positions already considered and rejected by the Panel and do not establish that the Panel misapprehended applicable law, overlooked material facts, or committed error warranting reconsideration.

DNR requested specific rulings regarding the scope of Paragon's protest and the name variation on Paragon's bid. The Panel determined that the name variation did not affect bidder responsibility, as set forth in its Order dated March 13, 2026, and did not limit the scope of its review. Even if the scope were limited, it would not alter the outcome.

The Panel has considered the motions, Haren's objection, and the responses filed. These submissions provide no basis to modify the Panel's Order dated March 13, 2026. Any argument not expressly addressed has been considered and is either redundant or without merit.

#### **IV. CONCLUSION**

The post-order motions are denied. The Panel's Order dated March 13, 2026, remains unchanged.

**IT IS SO ORDERED.**

**SOUTH CAROLINA PROCUREMENT REVIEW PANEL**

BY: Willie D. Franks  
Willie D. Franks, Chairman

April 6, 2026  
Columbia, South Carolina

RECEIVED

Apr 13 2026

SC Court of Appeals

THE STATE OF SOUTH CAROLINA  
In The Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Case No. 2025-5

---

IN RE: Haren Construction, Co., Inc.

South Carolina Department of Natural Resources  
Project No. P24-6052-PG  
Beaufort-Waddel Mariculture  
Maturation Ponds Maintenance – Re-Bid

Chief Procurement Officer, State Fiscal Accountability Authority.....Appellant

---

PROOF OF SERVICE

---

The undersigned certifies that I have served all counsel in this action of the Notice of Appeal by emailing a copy to each attorney listed below.

Stephen O’Keefe  
Edgar Brown Building  
1205 Pendleton Street, Suite 366  
Columbia, SC 29201  
Stephen.Okeefe@prp.sc.gov

*General Counsel, South Carolina  
Procurement Review Panel*

Greg Placone  
Nick Nybo  
Hudson Lambert Parrott, LLC  
176 Croghan Spur  
Charleston, SC 29407  
gplacone@hlpwlaw.com  
nicknybo@hlpwlaw.com

*Attorneys for Haren Construction Co., Inc.*

Van Whitehead  
Susan O. Porter  
S.C. Department of Natural Resources  
260 D. Epting Lane  
West Columbia, SC 29172  
whiteheadv@dnr.sc.gov  
porters@dnr.sc.gov

*Attorneys for S.C. Department of Natural  
Resources*

James M. Griffin  
Griffing Humphries LLC  
8906 Two Notch Rd, Suite 200  
P.O. Box 999 (29202)  
Columbia, SC 29223  
jgriffin@griffinghumphries.com

*Attorney for Appellant Paragon Inc. of South  
Carolina, LLC*



Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, South Carolina 29201  
(803) 737-0600

ATTORNEYS FOR THE CHIEF  
PROCUREMENT OFFICER

Columbia, South Carolina

April 13, 2026



# Exhibit 12

DNR Notice of Appeal

RECEIVED

Apr 21 2026

SC Court of Appeals

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Case No. 2025-5

---

In Re: Haren Construction, Co., Inc.

South Carolina Department of Natural Resources  
Project No. P24-6052-PG  
Beaufort-Waddel Mariculture  
Maturation Ponds Maintenance – Re-Bid

---

NOTICE OF CROSS-APPEAL

---

The South Carolina Department of Natural Resources (“SCDNR”), Respondent-Appellant in the above referenced matter, cross appeals the (a) Order of the South Carolina Procurement Review Panel dated March 13, 2026, and (b) the Order of the South Carolina Procurement Review Panel dated April 6, 2026, denying the SCDNR’s Motion to Reconsider. SCDNR received written notice of each order on the dates they were entered and indicated above. SCDNR received the Notice of Appeal filed by Paragon, Inc. of South Carolina, LLC on April 9, 2026 and the Notice of Appeal filed by the Chief Procurement Officer, State Fiscal Accountability Authority on April 13, 2026. The Court of Appeals has designated this matter as Appellate Case No. 2026-000914.

*[signature page follows]*

Respectfully submitted,  
*s/ Van Whitehead*

---

Susan O. Porter, General Counsel  
S.C. Bar No. 68335  
[PorterS@dnr.sc.gov](mailto:PorterS@dnr.sc.gov)

Van Whitehead, Deputy General Counsel  
S.C. Bar No. 70446  
[WhiteheadV@dnr.sc.gov](mailto:WhiteheadV@dnr.sc.gov)

South Carolina Department of Natural Resources  
P.O. Box 167  
Columbia, SC 29202  
(803) 734-4006

Attorneys for the South Carolina Department of  
Natural Resources

April 21, 2026

(SCDNR 25-0060)  
(Ct. App. 2026-000914)

Other Counsel of Record:

Attorney for Paragon Inc. of South Carolina, LLC  
Griffin Humphries, LLC  
James M. Griffin  
8906 Two Notch Road, Suite 200  
P.O. Box 999 (29202)  
803-744-0800  
[jgriffin@griffinhumphries.com](mailto:jgriffin@griffinhumphries.com)

Attorney for Chief Procurement Officer  
Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, SC 29201  
803-737-0600  
[mgrier@ogc.sc.gov](mailto:mgrier@ogc.sc.gov)

Attorneys for Haren Construction Co., Inc.  
HUDSON LAMBERT PARROT, LLC  
D. Gregory Placone  
201 W. McBee Ave., Suite 450  
Greenville, SC 29601  
864-235-5535  
[gplacone@hlpwlaw.com](mailto:gplacone@hlpwlaw.com)

HUDSON LAMBERT PARROT, LLC  
P. Nicholas ("Nick") Nybo  
176 Croghan Spur Road, Suite 220  
Charleston, SC 29407  
843-321-9970  
nicknybo@hlpwlaw.com

RECEIVED

Apr 21 2026

SC Court of Appeals

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Case No. 2025-5

---

In Re: Haren Construction, Co., Inc.

South Carolina Department of Natural Resources  
Project No. P24-6052-PG  
Beaufort-Waddel Mariculture  
Maturation Ponds Maintenance – Re-Bid

---

PROOF OF SERVICE

---

I certify that I have served the SCDNR's Notice of Cross-Appeal upon counsel for all parties and the South Carolina Procurement Review Panel in the above captioned matter by sending a copy by email to each attorney listed below on April 21, 2026.

Attorney for the South Carolina Procurement Review Panel

Stephen O'Keefe, General Counsel  
Edgar Brown Building  
1205 Pendleton Street, Suite 366  
Columbia, SC 29201  
Stephen.Keefe@prp.sc.gov

Attorney for Paragon Inc. of South Carolina, LLC

Griffin Humphries, LLC  
James M. Griffin  
8906 Two Notch Road, Suite 200  
P.O. Box 999 (29202)  
803-744-0800  
jgriffin@griffinhumphries.com

Attorney for Chief Procurement Officer - Construction

Manton M. Grier, Jr.  
Office of General Counsel

State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, SC 29201  
803-737-0600  
mgrier@ogc.sc.gov

Attorneys for Haren Construction Co., Inc.  
HUDSON LAMBERT PARROT, LLC  
D. Gregory Placone  
201 W. McBee Ave., Suite 450  
Greenville, SC 29601  
864-235-5535  
gplacone@hlpwlaw.com

HUDSON LAMBERT PARROT, LLC  
P. Nicholas ("Nick") Nybo  
176 Croghan Spur  
Charleston, SC 29407  
843-321-9970  
nicknybo@hlpwlaw.com

*s/ Van Whitehead*\_\_\_\_\_

Susan O. Porter, General Counsel  
S.C. Bar No. 68335  
PorterS@dnr.sc.gov

Van Whitehead, Deputy General Counsel  
S.C. Bar No. 70446  
WhiteheadV@dnr.sc.gov

South Carolina Department of Natural Resources  
P.O. Box 167  
Columbia, SC 29202  
(803) 734-4006

Attorneys for the South Carolina Department of  
Natural Resources

April 21, 2026

(SCDNR 25-0060)  
(Ct. App. 2026-000914)

# Exhibit 13

Paragon's Motion to Stay

**STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND**

IN RE: Appeal by Haren Construction, Inc.

South Carolina Dept. of Natural Resources  
Project No. P24-6052-PG  
Ponds Maintenance

**BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL**

CASE NO. 2025-5

**PARAGON INC. OF SOUTH CAROLINA, LLC  
D/B/A PARAGON BUILDERS' MOTION TO  
STAY**

Paragon Inc. of South Carolina, LLC d/b/a Paragon Builders ("Paragon"), by and through its undersigned counsel, respectfully moves the South Carolina Procurement Review Panel (the "Panel") pursuant to Rule 241(c) SCARC, for a stay of the Panel's Order dated March 13, 2026, and its Order Denying Motions to Reconsider dated April 6, 2026 (collectively, the "Orders"), pending resolution of Paragon's appeal to the South Carolina Court of Appeals. In support thereof, Paragon states as follows:

**I. INTRODUCTION**

The Panel's Orders reverse the Chief Procurement Officer's decision sustaining Paragon's protest and reinstate DNR's non-responsibility determination, remanding this matter to DNR for further procurement action. Paragon has filed a Notice of Appeal to the South Carolina Court of Appeals, Exhibit 1. Under S.C. Code 11-45-4410(6), the filing of an appeal does not automatically stay enforcement of this Panel's ruling. Therefore, unless a stay is granted, DNR may proceed



immediately to award the contract to Haren Construction Co., Inc., likely mooted Paragon's appeal and causing irreparable harm that cannot be remedied after the fact.

## II. STANDARD FOR A STAY

Although the filing of an appeal from the Panel's decision does not automatically stay enforcement of the ruling, the Panel nevertheless has authority to stay its Orders pending appeal.

Rule 241(c), SCARC, provides

- (1) After service of notice of appeal, any party may move for an order lifting the automatic stay in cases which involve the general rule. In a case subject to an exception, any party may move for an order imposing a supersedeas of matters decided in the order, judgment, decree or decision on appeal after service of the notice of appeal. The effect of the granting of a supersedeas is to suspend or stay the matters decided in the order, judgment, decree or decision on appeal and, where a prior order or decision was in effect at the time the appealed order, judgment, decree or decision was filed, to revive the terms of the prior order or decision.

Moreover, Rule 241(c) directs that when “*determining whether an order should issue pursuant to this Rule, the lower court, administrative tribunal, appellate court, or judge or justice of the appellate court should consider whether such an order is necessary to preserve jurisdiction of the appeal or to prevent a contested issue from becoming moot.*” (emphasis added). Lastly, Rule 241(d) requires that the application for a supersedeas be first made to the administrative tribunal which entered the order on appeal.

In addition, the Administrative Procedures Act, S.C. Code Ann. § 1-23-380(B) provides that a court or agency may stay the operation of an administrative order pending appeal upon such terms as it deems proper. Courts and administrative tribunals in South Carolina apply a four-factor standard in evaluating stay requests, considering: (1) the likelihood of success on the merits of the appeal; (2) whether the movant will suffer irreparable harm absent a stay; (3) whether the stay will substantially injure other parties; and (4) where the public interest lies. Each factor weighs in favor of a stay here.

### III. ARGUMENT

#### A. If a Stay is not Granted, the Appeal will likely be Moot, and Paragon will suffer irreparable harm

If DNR is permitted to proceed with contract award while this appeal is pending, Paragon's appellate remedy will be effectively rendered meaningless, thereby mooting the appeal. A case becomes moot when judgment, if rendered, will have no practical legal effect upon the existing controversy. Mootness also arises when some event occurs making it impossible for the reviewing court to grant effectual relief. *Sloan v. Greenville Cnty.*, 380 S.C. 528, 535, 670 S.E.2d 663, 667 (Ct. App. 2009)

Once the contract is awarded to Haren and performance commences — particularly on a construction project involving rehabilitation of time-sensitive mariculture infrastructure — the Court of Appeals will likely find that injunctive or restorative relief is impractical or that the procurement cannot be unwound without significant disruption. The loss of a specific government contract opportunity, particularly one for which Paragon submitted the lowest responsive bid, is not compensable by money damages in the ordinary course. Paragon's right to compete as the low bidder for a public construction contract represents a concrete and protectable interest that will be extinguished by premature award.

In addition, the procurement process itself remains legally unsettled pending appeal. Permitting award under these circumstances would potentially require re-procurement if Paragon prevails, imposing greater disruption on the contracting parties and the public than a temporary stay.

#### B. Paragon Has a Meritorious Appeal.

##### 1. The Panel Applied an Impermissible Deferential Standard to a Pure Question of Law.

The central error in the Orders is the Panel's decision to defer to DNR's contractor licensing determination rather than independently resolving the legal question of which license subclassification governs the Project's scope. The interpretation of a statute is a question of law subject to de novo review. *Town of Summerville v. City of N. Charleston*, 378 S.C. 107, 110, 662 S.E.2d 40, 41 (2008). *Davis v. S.C. Dep't of Corr.*, 444 S.C. 138, 150, 906 S.E.2d 569, 575 (2024). While the Panel acknowledged that its review was de novo, it simultaneously deferred to DNR's selection among "legally permissible subclassifications" — a result that is difficult to reconcile with genuine de novo statutory interpretation. If the statute, properly construed, compels or permits only the PB subclassification for work of this character, there is no discretionary range within which DNR could permissibly operate.

## 2. DNR Is Not the Agency Charged with Administering the Contractor Licensing Statutes.

Deference to an agency's statutory interpretation is warranted only when the agency administers the statute in question. See *Kiawah Dev. Partners II*, 411 S.C. at 34. Title 40's contractor licensing provisions are administered by the South Carolina Department of Labor, Licensing and Regulation ("LLR") — not DNR. Indeed, the administrative record reflects that DNR itself contacted LLR during its responsibility review, and LLR declined to provide a classification determination. PRP000070-73. It is legally inconsistent to defer to DNR's interpretation of a statute that LLR — the agency charged with its administration — declined to apply. The Court of Appeals is likely to conclude that the Panel was required to independently construe §§ 40-11-340 and 40-11-410, not defer to the procuring agency.

## 3. The Plain Language of the PB Subclassification Encompasses the Project's Scope.

Section 40-11-410(5)(f) defines the PB subclassification to include "the installation, alteration, and repair of all piping, fixtures, and appliances related to water supply . . . and the installation of a system of pipes, fittings, fixtures, drains, and all necessary component parts upon

the premises or in a building to supply water to buildings." The Project involves rehabilitation of rearing pond piping networks, distribution piping, and outlet structures within DNR's hatchery property — work that falls within the plain language of the PB subclassification. The CPO so concluded after reviewing the same administrative record, and the Panel itself acknowledged that "some components resemble work typically performed under a PB subclassification." Order at 12. The Panel's determination that DNR's contrary classification was nonetheless not clearly erroneous rests on a level of deference that is difficult to sustain when the Panel's own analysis acknowledged the PB classification's plausibility.

#### 4. DNR's Cost Allocation Lacked an Independent Licensing Basis.

The engineer of record's cost allocation — the sole evidentiary basis for DNR's eighty-percent WL determination — was a construction cost estimate, not a licensing analysis. It was prepared by a design engineer, not by LLR or a licensing authority, and DNR offered no explanation of how specific line items were mapped to particular statutory subclassifications. Paragon's protest challenged the allocation on substantive grounds; while Paragon did not submit a counter-estimate, the burden of establishing a rational evidentiary basis for the non-responsibility determination rests with the procuring agency, not the protesting bidder, at the protest stage. The Court of Appeals will likely conclude that an engineer's cost estimate, without more, does not constitute the kind of licensing determination that can displace the low bidder's statutory right to compete.

#### C. A Stay Will Not Substantially Injure Other Parties.

The stay sought here is narrow in scope: Paragon asks only that DNR be directed to refrain from making a final contract award to any other bidder pending resolution of the appeal. The Project involves maintenance and rehabilitation of existing DNR infrastructure; while the work is important, the record does not reflect that any emergency or immediate threat to public

safety requires the contract to be awarded before the Court of Appeals can act. Haren will not lose any vested right by virtue of a brief delay while the legal questions at the heart of this dispute are resolved by the appellate court. DNR likewise is not prejudiced by the maintenance of a status quo that preserves the integrity of the competitive procurement process.

To the extent Haren or DNR argues that delay causes operational hardship to DNR's hatchery facility, Paragon respectfully submits that such concerns can be addressed by requesting expedited briefing in the Court of Appeals, which Paragon does not oppose.

D. The Public Interest Favors a Stay.

The South Carolina Consolidated Procurement Code reflects a legislative judgment that competitive bidding on public construction contracts serves the public interest by ensuring that public funds are expended efficiently and that all qualified contractors have a fair opportunity to compete. S.C. Code Ann. § 11-35-020. That interest is not served by awarding a contract to the second-lowest bidder — over the protest of the apparent low bidder — while the legal validity of the non-responsibility determination remains actively contested on appeal. The public interest in the integrity of the procurement process, and in the correct application of the contractor licensing statutes, is best protected by maintaining the status quo until the Court of Appeals resolves the questions presented.

Furthermore, this case presents questions of first impression regarding the application of Title 40 contractor licensing subclassifications to specialized mariculture infrastructure — questions that the Panel itself acknowledged were technically complex and that LLR declined to resolve administratively. A stay will allow the Court of Appeals to provide authoritative guidance on these issues before a contract award forecloses the practical significance of its ruling.

#### **IV. CONCLUSION**

For the foregoing reasons, Paragon Inc. of South Carolina, LLC d/b/a Paragon Builders respectfully requests that the Panel enter an Order:

1. Staying the Panel's Order dated March 13, 2026, and Order Denying Motions to Reconsider dated April 6, 2026, pending final resolution of Paragon's appeal to the South Carolina Court of Appeals;
2. Directing DNR to refrain from making any contract award in connection with Project No. P24-6052-PG pending resolution of that appeal; and
3. Granting such other and further relief as the Panel deems just and proper.

s/ James M. Griffin  
James M. Griffin (State Bar ID No. 9995)  
GRIFFIN HUMPHRIES LLC  
Post Office Box 999  
Columbia, South Carolina 29202  
(803) 744-0800  
[jgriffin@griffinhumphries.com](mailto:jgriffin@griffinhumphries.com)

Columbia, South Carolina  
April 9, 2026

|                                                                                                |                                                       |
|------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| STATE OF SOUTH CAROLINA<br>COUNTY OF RICHLAND                                                  | BEFORE THE SOUTH CAROLINA<br>PROCUREMENT REVIEW PANEL |
| IN RE: Appeal by Haren Construction Co.,<br>Inc.                                               | Case No. 2025-5                                       |
| Project No. P24-6052-PG<br>Beaufort-Waddell Mariculture Maturation<br>Ponds Maintenance—Re-Bid | <b>CERTIFICATE OF SERVICE</b>                         |

I, Jaime Harmon, hereby certify that I have served a true and correct copy of the **Paragon Inc. of South Carolina LLC d/b/a Paragon Builders’ Motion to Stay** upon the following counsel of record via electronic mail on the 9th day of April, 2026.

Greg Placone  
Nick Nybo  
Hudson Lambert Parrott, LLC  
176 Croghan Spur  
Charleston, SC 29407  
gplacone@hlpwlaw.com  
nicknybo@hlpwlaw.com

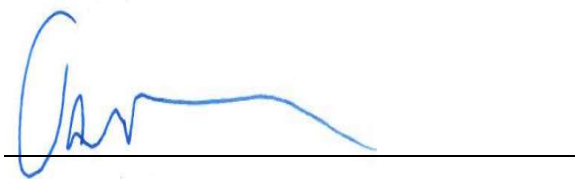
*Attorneys for Haren Construction Co., Inc.*

Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1201 Main Street, Suite 350  
Columbia, SC 29201  
mgrier@ogc.sc.gov

*Attorney for the Chief Procurement Officer*

Van Whitehead  
Susan O. Porter  
S.C. Department of Natural Resources  
260 D. Epting Lane  
West Columbia, SC 29172  
whiteheadv@dnr.sc.gov  
porters@dnr.sc.gov

*Attorneys for S.C. Department of Natural Resources*

A handwritten signature in blue ink is positioned above a solid black horizontal line. The signature is stylized, starting with a large, looped capital letter, followed by several smaller, connected letters, and ending with a long, sweeping horizontal stroke that extends to the right.



# Exhibit 14

Order Denying Motion to Stay

|                                              |   |                                  |
|----------------------------------------------|---|----------------------------------|
| <b>STATE OF SOUTH CAROLINA</b>               | ) | <b>BEFORE THE SOUTH CAROLINA</b> |
| <b>COUNTY OF RICHLAND</b>                    | ) | <b>PROCUREMENT REVIEW PANEL</b>  |
|                                              | ) |                                  |
| <b>In Re: Haren Construction Co., Inc.</b>   | ) | <b>ORDER DENYING</b>             |
|                                              | ) | <b>MOTION TO STAY</b>            |
| <b>Project No. P24-6052-PG</b>               | ) |                                  |
| <b>Beaufort-Waddell Mariculture</b>          | ) | <b>Case No. 2025-5</b>           |
| <b>Maturation Ponds Maintenance – Re-Bid</b> | ) |                                  |
| <hr/>                                        | ) |                                  |

This matter is before the Panel on the Motion to Stay filed by Paragon Inc. of South Carolina, LLC d/b/a Paragon Builders (Paragon), seeking a stay of the Panel’s Order dated March 13, 2026, and Order Denying Motions to Reconsider dated April 6, 2026, pending appeal.

The Panel has considered the Motion and the responses in opposition. The filing of a notice of appeal does not stay enforcement of the Panel’s Orders. See S.C. Code Ann. § 11-35-4410(6). The Panel retains authority to consider a request for supersedeas under Rule 241(c), SCACR.

Rule 241(c) governs the requested relief. Under that Rule, the Panel considers whether a stay is necessary to preserve the jurisdiction of the appeal or to prevent a contested issue from becoming moot. Paragon has not made that showing.

A stay is not necessary to preserve appellate jurisdiction. The Court of Appeals retains full authority to review the Panel’s Orders and to grant appropriate relief.

A stay is also not necessary to prevent mootness. The possibility that further procurement action may affect the practical posture of the appeal does not render appellate review unavailable or ineffective. Paragon has not identified any circumstance under which the Court of Appeals would be unable to address the issues presented or grant meaningful relief.

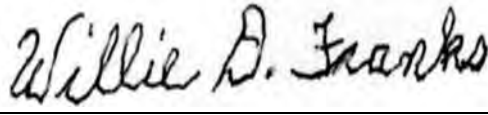
To the extent the Motion contains arguments regarding the merits of the Panel's Orders, those arguments repeat positions previously raised and rejected and do not bear on the limited inquiry under Rule 241(c).

Accordingly, the Motion to Stay is **DENIED**.

**IT IS SO ORDERED.**

**SOUTH CAROLINA PROCUREMENT REVIEW PANEL**

BY: \_\_\_\_\_

A handwritten signature in black ink that reads "Willie D. Franks". The signature is written in a cursive, slightly slanted style.

Willie D. Franks, Chairman

April 14, 2026  
Columbia, South Carolina

RECEIVED

Apr 22 2026

SC Court of Appeals

THE STATE OF SOUTH CAROLINA  
In The Court of Appeals

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

Appellate Case No. 2026-000914  
Case No. 2025-5

IN RE: Haren Construction Co., Inc.

South Carolina Department of Natural Resources  
Project No. P24-6052- PG  
Beaufort-Waddell Mariculture  
Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC .....Appellant

**PROOF OF SERVICE**

I, Jaime Harmon, legal assistant at Griffin Humphries LLC, attorneys for the Appellant, located at 8906 Two Notch Road, Suite 200, Columbia, South Carolina 29223, hereby certify that on April 22, 2026, I have served all counsel in this action a copy of the **Paragon Inc. of South Carolina, LLC d/b/a Paragon Builders' Motion to Stay and Request for Expedited Briefing Schedule** by emailing a copy to each attorney listed below using their primary email address listed in the Attorney Information System.

Served:

Stephen O'Keefe  
Edgar Brown Building  
1205 Pendleton Street, Suite 366  
Columbia, SC 29201  
Stephen.Keefe@prp.sc.gov

***General Counsel, South Carolina Procurement Review Panel***

Greg Placone  
Nick Nybo  
Hudson Lambert Parrott, LLC  
176 Croghan Spur  
Charleston, SC 29407  
gplacone@hlpwlaw.com  
nicknybo@hlpwlaw.com

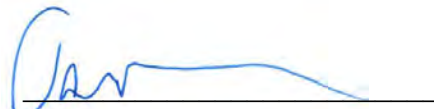
***Attorneys for Haren Construction Co., Inc.***

Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1201 Main Street, Suite 350  
Columbia, SC 29201  
mgrier@ogc.sc.gov

***Attorney for the Chief Procurement Officer***

Van Whitehead  
Susan O. Porter  
S.C. Department of Natural Resources  
260 D. Epting Lane  
West Columbia, SC 29172  
whiteheadv@dnr.sc.gov  
porters@dnr.sc.gov

***Attorneys for S.C. Department of Natural Resources***

  
Jaime Harmon

Columbia, South Carolina  
April 22, 2026

**RECEIVED**

**Apr 27 2026**

**SC Court of Appeals**

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Case No. 2025-5

---

In Re: Haren Construction, Co., Inc.

South Carolina Department of Natural Resources  
Project No. P24-6052-PG  
Beaufort-Waddel Mariculture  
Maturation Ponds Maintenance – Re-Bid

---

SCDNR RESPONSE IN OPPOSITION TO PARAGON’S MOTION TO STAY AND  
CONSENT TO EXPEDITED BRIEFING<sup>1</sup>

---

The South Carolina Department of Natural Resources submits this Response in Opposition to Paragon’s Motion to Stay the above-captioned matter. Paragon Inc. of South Carolina, LLC (Paragon) asserts the South Carolina Procurement Review Panel’s March 13, 2026 Order and April 6, 2026 Order Denying Motions to Reconsider in this matter should be stayed pending appeal. The Department opposes the motion for the reasons set forth herein and asks that the Court deny the Motion to Stay.

The granting of a stay is governed by Rule 241, SCACR, and Paragon carries the burden to show a stay is warranted. In responding to Paragon’s arguments, the Department asserts those

---

<sup>1</sup> The Department has maintained below and now before this Court that this appeal should be dismissed for lack of jurisdiction and does not intend to waive that position. However, to the extent the Court does not dismiss this action before deciding the pending request for expedited briefing, the Department consents to expedited briefing, subject to its jurisdictional objections.

arguments are lacking and that Paragon has not carried its burden and is incapable of doing so as a matter of law.

### JURISDICTIONAL THRESHOLD

Prior to reaching the merits of Paragon’s motion, the Department is obligated to raise to the Court’s attention a threshold question of jurisdiction. As argued in the Department’s Motion to Dismiss which is contemporaneously filed with this Response, the Department asserts several grounds for dismissal and would urge the Court to first address those questions.

### ARGUMENTS

#### **I. Paragon’s Appeal Is Already Moot and Paragon Cannot Claim an Irreparable Harm**

Paragon suggests it is entitled to “the opportunity to compete as the low bidder for a public construction contract — a right that cannot be compensated through money damages in this posture — constitutes irreparable harm.” (Paragon Motion to Stay, p. 5<sup>2</sup>).<sup>3</sup> It then continues, stating: “The contest here is whether Paragon, as the apparent low bidder, was improperly excluded from award.” (Paragon Motion to Stay, pp. 5-6).

As discussed more fully in the Department’s Motion to Dismiss, Paragon’s challenge to the Department’s procurement decision is fatally flawed for several reasons. First, pursuant to state licensing laws, Paragon was prohibited from bidding on the project when it held no contractor’s license in the name of “Paragon Inc. of South Carolina, LLC” and thus has no entitlement upon which it can claim a harm. S.C. Code Ann. §§ 40-11-30, -200, and -370 (1976 & Supp. 2025). Statutory law makes it clearly illegal for a contractor to bid on a project except in the “exact name

---

<sup>2</sup> The pages of Paragon’s motion are not numbered so the page references herein are based on the counted / pdf page number.

<sup>3</sup> In Paragon’s Motion to Stay before the Procurement Review Panel, it claimed a “right to compete ... for a public construction contract” and that it had a “concrete and protectable interest that will be extinguished by premature award.” (Paragon Motion Exhibit 13 – Panel Motion to Stay, p. 3). The abandonment of such a claim in the motion now before this Court is conspicuous and undermines Paragon’s claims for entitlement to any rights or remedies.

which appears on the license issued.” S.C. Code Ann. § 40-11-370. In essence, any bid submitted that is not in the exact name is illegal and should be deemed void *ab initio* for failing this most basic legal prerequisite. Paragon was not a lawful applicant, pursuant to sections 40-11-30, -200, and -370, and has no entitlement that it can rightfully claim was harmed.

Likewise, the absence of any underlying right means that Paragon has no standing to pursue this challenge. “Standing refers to a party's right to make a legal claim or seek judicial enforcement of a duty or right.” *Powell ex rel. Kelley v. Bank of Am.*, 379 S.C. 437, 444, 665 S.E.2d 237, 241 (Ct.App.2008) (alteration and internal quotation marks omitted). In contrast to a statute providing standing, section 40-11-370 expressly prohibits Paragon from initiating or maintaining this appeal. This point is demonstrated in *Youngblood v. South Carolina Department of Social Services* where the Supreme Court explained: “while the family court found statutory standing pursuant to section 63–9–60, we hold that statute does not give the Youngbloods standing; *instead, it specifically deprives them of standing.*” 402 S.C. 311, 318, 741 S.E.2d 515, 518 (2013)(emphasis added). That Court then concluded: “Because the statute *does not permit any exceptions and plainly states* that the section 63–9–60(A) grant of *standing does not apply* to children placed by DSS, the *family court erred in grounding standing on* section 63–9–60.” *Id.*, 402 S.C. at 319, 741 S.E.2d at 519 (emphasis added). *See also Jowers v. S.C. Dep't of Health & Env't Control*, 423 S.C. 343, 353, 815 S.E.2d 446, 451 (2018) (“Our courts will not address the merits of any case unless it presents a justiciable controversy.”); *Youngblood*, 402 S.C. at 317, 741 S.E.2d at 518 (“Standing, a fundamental prerequisite to instituting an action, may exist by statute, through the principles of constitutional standing, or through the public importance exception.”); *James v. Anne's Inc.*, 390 S.C. 188, 193, 701 S.E.2d 730, 732 (2010) (stating appellate courts have “the inherent authority to consider justiciability). This concept is reinforced by section 40-11-370(C) which states: ”An



entity that enters into a contract to engage in construction in a name other than the name that appears on its license may not bring an action either at law or in equity to enforce the provisions of the contract.”

Next, it would be illegal for the Department to “to consider a bid, sign a contract, or allow a contractor to begin work” when the contractor has not complied with Section 40-11-370. S.C. Code Ann. § 40-11-200(B)(1976 & Supp. 2025). These statutory requirements render Paragon’s pursuit of an award through this procurement appeal moot on a substantive basis. *See Cheap-O’s Truck Stop, Inc. v. Cloyd*, 350 S.C. 596, 602, 567 S.E.2d 514, 517 (Ct. App. 2002) (“An appellate court will not pass on moot and academic questions or make an adjudication where there remains no actual controversy.” (quoting *Curtis v. State*, 345 S.C. 557, 567, 549 S.E.2d 591, 596 (2001))); *see also Sloan v. Friends of Hunley, Inc.*, 369 S.C. 20, 26, 630 S.E.2d 474, 477 (2006) (“A moot case exists where a judgment rendered by the court will have no practical legal effect upon an existing controversy because an intervening event renders any grant of effectual relief impossible for the reviewing court.”).

## **II. Paragon Lacks a Meritorious Appeal**

Paragon claims its appeal has merit on several tenuous grounds which the Department asserts are contrary to Paragon’s claim. First, Paragon seeks to conjure merit from the mere fact that the CPO and Department have filed notices of appeal. While the Department will not speak for the CPO, the Department’s motivation for filing the notice of appeal is set forth in the Department’s Motion to Dismiss and clearly reflects Paragon’s appeal to be unsupported.

Next, Paragon alludes to the merits of the Panel’s decision that gave deference to the Department’s engineering staff in rejecting Paragon’s bid. As an agency of the State of South Carolina, the Department is expressly required to apply the South Carolina Consolidated

Procurement Code and regularly does so under authority delegated under the Code. See generally S.C. Code Ann. §§ 11-35-20, -40, -45, -210, - 310(18, 26, 28, 38) (1976 & Sup. 2025). Again and more specifically applicable to this appeal, the Department is specifically charged by the Procurement Code to make a determination of responsibility. S.C. Code Ann. §11-35-1810(2)(“Determination of Nonresponsibility. A written determination of nonresponsibility of a bidder or offeror shall be made in accordance with regulations promulgated by the board.”); S.C. Regs. 19-445.2125(D)(“the procurement officer must be satisfied that the prospective contractor is responsible”); *see also* S.C. Regs. 19-445.2145(F) and Office of State Engineer OSE Manual “MANUAL FOR PLANNING AND EXECUTION OF STATE PERMANENT IMPROVEMENTS” (2023)( <https://procurement.sc.gov/manual> - last visited March 23, 2026) – Section 6.11 Determination of Bidder’s Responsibility(“the Agency must satisfy itself that the apparent low Bidder meets the State’s Standards of Responsibility”).

Going further with respect to licensing, the OSE Manual provides:

**6.11 DETERMINATION OF BIDDER’S RESPONSIBILITY**

*Before posting the SE-370, the Agency must satisfy itself that the apparent low Bidder meets the State’s Standards of Responsibility.*

**6.11.1 Criteria for Determining Responsibility**

*Criteria the Agency should use in determining whether the Bidder meets the State’s Standards of Responsibility include whether the Bidder has:*

- A. The appropriate financial, material, equipment, facility, and personnel resources and expertise (or the ability to obtain them) necessary to meet all contractual requirements.
- B. A satisfactory record of performance.
- C. A satisfactory record of integrity.
- D. *The necessary legal qualifications to contract with the State (includes being properly licensed).*
- E. Supplied all necessary information in connection with the inquiry concerning responsibility; and

F. No record of debarment from participation in construction projects in past 3 years from any state or Federal agency as recorded in the federal government's System for Award Management (SAM). This can be found at <https://www.SAM.gov> .

**6.11.2 Verify Proper Contractor Licensing and License Limitations:**

A. Before posting the SE-370, the Agency must verify that the Bidder and its listed Subcontractors have the proper contractor's license and license limitations, and they were in effect at the time of bidding.

B. *If the Agency determines that a Bidder or one of its listed Subcontractors does not have the proper license and license limitations, the Agency must declare the Bidder is non-responsible. The Agency should notify the SC Contractors' Licensing Board that the Bidder or Subcontractor is offering to perform work without a proper license. The Agency may contact the Contractors' Licensing Board at: <https://lir.sc.gov/clb/> .*

(emphasis added).

Therefore, any suggestion by Paragon that the Department lacks authority to make determinations under the Procurement Code are not supported under the above authorities. *In Re: Value Options*, Case No. 2001-7, at 3 (S.C. Procurement Rev. Panel, Aug 3, 2001, available: <https://procurement.sc.gov/legal/legal-panel-orders>)(“The Panel finds that State agencies also have broad discretion in making responsibility determinations for procurement contracts.”). By extension, the above authorities directly charge the Department to also make determinations and application of the SCLLR licensing authority. See Manual Section 6.11.2(B). Referencing federal procurement, the Panel has previously acknowledged that “[a] contracting agency has broad discretion in making responsibility determinations since it must bear the brunt of difficulties experienced in obtaining the required performance.” *In Re: Value Options* at 3.(internal citation and quotations removed).

Next, as the end user of the desired construction project – a saltwater mariculture facility – the Department does have specialized knowledge that is relevant to both the Procurement Code determinations and any necessary applications of SCLLR's licensing requirements. See generally, S.C. Code Ann. § 11-35-2410(A) and *In Re: Appeal by United Way Association of South Carolina*,

*Inc.* Case No. 2017-2, at 8 (S.C. Procurement Rev. Panel Nov. 14, 2017, available: <https://procurement.sc.gov/legal/legal-panel-orders>)(“The Panel has consistently held that it ‘will not substitute its judgment for the judgment of the evaluators, who are often experts in their fields, or disturb their findings so long as the evaluators follow the requirements of the Procurement Code and the RFP, fairly consider all proposals, and are not actually biased.’”).

Accordingly, the level of deference given by the Panel to the Department’s determinations under the Procurement Code and associated SCLLR licensing provisions were appropriate and Paragon’s claim of a meritorious basis for appeal is lacking.

### **III. A Stay Would Substantially Injure the Department and Public Interest**

In Paragon’s Motion to Stay submitted to the Panel, it initially characterizes the underlying project in this procurement action as “a construction project involving rehabilitation of time-sensitive mariculture infrastructure.” (Paragon Motion Exhibit 13 – Panel Motion to Stay, pp. 3, 5-6). In its motion before this Court, Paragon now presents the project in a more subdued manner in an effort to downplay the resulting harm to the Department and the projects it undertakes on behalf of the public.

The Department has tremendous respect for the integrity of the Consolidated Procurement Code and the complimentary provisions of the licensing laws, especially sections 40-11-200 & - 370, and believes the award of this procurement action to Haren is correct under both. The General Assembly provided dedicated funding for this project in fiscal year 2021-2022<sup>4</sup> and the Department has diligently sought to procure the necessary services. Upon finally selecting Haren as an appropriate and lawfully qualified contractor, the timely and efficient activation of the

---

<sup>4</sup> To the extent the Court may take judicial notice of legislative enactments, including the State’s annual budget, the 2021-2022 Appropriations Act reflects line-item funding the upgrades in this procurement action.

General Assembly’s intended rehabilitation of mariculture infrastructure at the Waddell facility has been delayed by Paragon’s appeal over the last several months<sup>5</sup>. Further delay under Paragon’s desired stay would substantially injure the Department’s efforts to fulfill the General Assembly’s mandate and negatively impact the Department’s and public’s interest in performing mariculture operations at the restored facility. Every month of delay means a month of delay for the Department growing fish.

### Conclusion

The Department respectfully requests that the Court deny Paragon’s Motion to Stay.

Respectfully submitted,

s/ Van Whitehead

Susan O. Porter, General Counsel

S.C. Bar No. 68335

[PorterS@dnr.sc.gov](mailto:PorterS@dnr.sc.gov)

Van Whitehead, Deputy General Counsel

S.C. Bar No. 70446

[WhiteheadV@dnr.sc.gov](mailto:WhiteheadV@dnr.sc.gov)

South Carolina Department of Natural Resources

P.O. Box 167

Columbia, SC 29202

(803) 734-4006

Attorneys for the South Carolina Department of  
Natural Resources

April 25, 2026

(SCDNR 25-0060)  
(Ct. App. 2026-000914)

---

<sup>5</sup> As recounted in the Panel’s March 13, 2026 Order, the Department posted the solicitation underlying this dispute in August of 2025 and rendered an award decision on October 17, 2025 from which Paragon started its challenge.

RECEIVED

Apr 27 2026

SC Court of Appeals

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Case No. 2025-5

---

In Re: Haren Construction, Co., Inc.

South Carolina Department of Natural Resources  
Project No. P24-6052-PG  
Beaufort-Waddel Mariculture  
Maturation Ponds Maintenance – Re-Bid

---

PROOF OF SERVICE

---

I certify that I have served the SCDNR's Response in Opposition to Paragon's Motion to Stay and Consent to Expedited Briefing upon counsel for all parties and the South Carolina Procurement Review Panel in the above captioned matter by sending a copy by email to each attorney listed below on April 25, 2026.

Attorney for the South Carolina Procurement Review Panel

Stephen O'Keefe, General Counsel  
Edgar Brown Building  
1205 Pendleton Street, Suite 366  
Columbia, SC 29201  
Stephen.Keefe@prp.sc.gov

Attorney for Paragon Inc. of South Carolina, LLC

Griffin Humphries, LLC  
James M. Griffin  
8906 Two Notch Road, Suite 200  
P.O. Box 999 (29202)  
803-744-0800  
jgriffin@griffinhumphries.com

Attorney for Chief Procurement Officer - Construction

Manton M. Grier, Jr.

Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, SC 29201  
803-737-0600  
mgrier@ogc.sc.gov

Attorneys for Haren Construction Co., Inc.  
HUDSON LAMBERT PARROT, LLC  
D. Gregory Placone  
201 W. McBee Ave., Suite 450  
Greenville, SC 29601  
864-235-5535  
gplacone@hlpwlaw.com

HUDSON LAMBERT PARROT, LLC  
P. Nicholas ("Nick") Nybo  
176 Croghan Spur  
Charleston, SC 29407  
843-321-9970  
nicknybo@hlpwlaw.com

s/ Van Whitehead

Susan O. Porter, General Counsel  
S.C. Bar No. 68335  
PorterS@dnr.sc.gov

Van Whitehead, Deputy General Counsel  
S.C. Bar No. 70446  
WhiteheadV@dnr.sc.gov

South Carolina Department of Natural Resources  
P.O. Box 167  
Columbia, SC 29202  
(803) 734-4006

Attorneys for the South Carolina Department of  
Natural Resources

April 25, 2026

(SCDNR 25-0060)  
(Ct. App. 2026-000914)

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Case No. 2025-5

---

In Re: Haren Construction, Co., Inc.

South Carolina Department of Natural Resources  
Project No. P24-6052-PG  
Beaufort-Waddel Mariculture  
Maturation Ponds Maintenance – Re-Bid

---

SCDNR MOTION TO DISMISS

---

The South Carolina Department of Natural Resources (“Department”) submits this Motion to Dismiss the above-captioned matter pursuant to Rule 240, SCACR.<sup>1</sup> For the reasons stated herein, the Department respectfully asks that the Court dismiss this appeal and vacate the March 13, 2026 and April 6, 2026 Orders of the South Carolina Procurement Review Panel (“Panel”) and the underlying November 19, 2025 Decision of the Chief Procurement Officer (“CPO”).<sup>2</sup> (Exhibits

---

<sup>1</sup> The Department previously filed a Notice of Cross-Appeal in an abundance of caution to preserve its rights to present arguments on appeal distinct from those raised by Paragon or the CPO. However, given Paragon’s recent filing of a Motion to Stay, the Department now files this motion to more expeditiously present the Court with arguments supporting the prompt disposal of this appeal.

<sup>2</sup> Although the Department has no objection to the outcome of the Panel’s decision affirming the Department’s rejection of Paragon, the Department asserts the Panel erred in not first addressing jurisdictional questions as the basis for that outcome. (Exhibits 2-6). *See Bell v. Fludd*, 28 S.C. 313, \_\_\_, 5 S.E. 810, 811(1888)(when facing a jurisdictional challenge it “would be not only premature, but improper, for [the court] to consider or determine” the merits); *Riddle v. Reese*, 53 S.C. 198, 31 S.E. 222 (1898); *see also Hardie v. United States*, 367 F.3d 1288, 1290 (Fed. Cir. 2004) (explaining jurisdiction is a threshold issue that a court must resolve before proceeding to the merits).



2, 3, and 1(PRP 15-21), respectively). The multiple grounds for dismissal of this appeal are presented in the alternative in recognition that any one basis would be adequate for dismissal.

### BACKGROUND

This appeal arises from a procurement action initiated by the Department on August 12, 2025 upon the advertisement and solicitation for construction services. (Exhibits 1(PRP 16, 62, 79-84) and 2). More specifically, the Department sought professional construction services to substantially renovate the Waddell Mariculture facility in Beaufort County where the Department raises saltwater fish for release to public waters. (Exhibits 1(PRP 16, 66, 68, 79-84) and 2). Paragon Inc. of South Carolina, LLC (“Paragon”) submitted a bid in response to the Department’s solicitation. (Exhibits 1(PRP 16, 63, 66) and 2). As part of its bid to the Department, Paragon did not submit any licenses from the South Carolina Department of Labor, Licensing and Regulation in the name of “Paragon Inc. of South Carolina, LLC.” (Exhibit 1(PRP 66)). Instead, it only submitted licenses issued in the name of “Paragon Builders.” (Exhibit 1(PRP 34, 36, 38, 52)). On October 17, 2025, the Department determined that Paragon was “non-responsible,”<sup>3</sup> thus ineligible, and provided written notification of that to Paragon. (Exhibit 1 (PRP 66, 68-69)).

Paragon submitted a protest to the CPO asserting it was “responsive”<sup>4</sup> and generally challenging the Department’s determination of ineligibility. (Exhibit 1 (PRP 24-69)). The CPO rendered a decision on November 19, 2025 reversing the Department’s determination and, in part,

---

<sup>3</sup> The South Carolina Consolidated Procurement Code defines “Responsible bidder or offeror” as “a person who has the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance which may be substantiated by past performance.” S.C. Code Ann. § 11-35-1410(8) (1976 & Supp. 2025).

<sup>4</sup> “Responsive bidder or offeror” is “a person who has submitted a bid or proposal which conforms in all material aspects to the invitation for bids or request for proposals.” S.C. Code Ann. § 11-35-1410(9).

expressing a view that “bidding in its legal name rather than its trade name as it appears on its license is a minor informality per Section 11-35-1520(13).” (Exhibit 1 (PRP 15-21)).

The CPO’s decision was timely appealed to the Panel which reversed the CPO’s decision on the merits and, in part, expressed a view that “The administrative record includes applications submitted to LLR that identify Paragon Inc. of South Carolina, LLC, doing business as Paragon Builders. The Panel therefore does not treat the name variation as affecting bidder responsibility.” (Exhibit 2).

Paragon, the CPO and the Department all filed Motions for Reconsideration which the Panel denied on April 6, 2026. (Exhibits 3 and 5). The Panel’s denial stated, in part: “The Panel determination that the name variation did not affect bidder responsibility, as set forth in its Order dated March 13, 2026, and did not limit the scope of its review. Even if the scope were limited, it would not alter the outcome.” (Exhibit 3).

### ARGUMENTS

#### **I. Paragon is statutorily barred from participating in SCDNR’s Procurement Action which deprived the CPO, Panel, and this Court of Jurisdiction.**

Paragon failed to comply with a statutory licensing requirement in attempting to submit a bid to the Department. Compliance is a mandatory prerequisite to lawful bids and Paragon’s failure to comply renders Paragon’s bid void *ab initio*.

The statutory provisions that Paragon failed to obey require a contractor to use the exact name that appears on its license when submitting bids. Those provisions include the following:

#### **SECTION 40-11-30. Licensing requirement.**

*No entity or individual may practice as a contractor by performing or offering to perform contracting work for which the total cost of construction is greater than ten thousand dollars for general contracting or greater than ten thousand dollars for mechanical contracting without a license issued in accordance with this chapter.*

S.C. Code Ann. § 40-11-30(1976 & Supp. 2025)(emphasis added).

**SECTION 40-11-200. Unlawful practice; penalty.**

\*\*\*

(B) It is a violation of this chapter for an awarding authority, owner, contractor, or an agent of an authority, owner, or contractor *to consider a bid*, sign a contract, or allow a contractor to begin work *unless the bidder or contractor has first obtained the licenses required by this chapter*. Bids or contracts submitted by contractors may not be reconsidered or resubmitted to an awarding authority, contractor, or owner if the contractor was not properly licensed at the time the initial bid or contract was submitted.

S.C. Code Ann. § 40-11-200(B)(1976 & Supp. 2025)(emphasis added). “Bid” is defined as “an offer to furnish labor, equipment, or materials or other services regulated by this chapter.” S.C. Code Ann. § 40-11-20(3)(1976 & Supp. 2025).

**SECTION 40-11-370. License required to use term "licensed contractor"; engaging in construction under assumed name; enforcement of contract.**

(A) It is unlawful to use the term "licensed contractor" or to perform or *offer to perform general or mechanical construction without first obtaining a license as required by this chapter*.

(B) *It is unlawful to engage in construction under a name other than the exact name which appears on the license issued pursuant to this chapter. "Engaging in construction" includes marketing, advertising, using site signs, and submitting contracts.* This requirement does not include advertising on vehicles, which may use an abbreviated version of the license name so long as the advertising is not misleading.

(C) An entity which does not have a valid license as required by this chapter may not bring an action either at law or in equity to enforce the provisions of a contract. *An entity that enters into a contract to engage in construction in a name other than the name that appears on its license may not bring an action either at law or in equity to enforce the provisions of the contract.*

S.C. Code Ann. § 40-11-370(1976 & Supp. 2025)(emphasis added).

Therefore, the requirement of section 40-11-370 unequivocally requires a contractor to obtain a license in the “exact name” in which it intends to “engage in construction.” *See State v. Bridgers*, 329 S.C. 11, 14, 495 S.E.2d 196, 198 (1997)(“[W]here a statute uses a term that has a

well-recognized meaning in the law, the presumption is that the General Assembly intended to use the term in that sense.”). That term is further explained to include “submitting contracts” and even “marketing, advertising, using site signs.” S.C. Code Ann. § 40-11-370(B). To the extent a different trade name might be used, section 40-11-370(B) only allows such abbreviations for “advertising on vehicles ... so long as the advertising is not misleading.” The importance of this statutory requirement is demonstrated where the General Assembly clearly declared that “[i]t is *unlawful* to engage in construction [or market, advertise, use site signs, or submit contracts] under a name other than the exact name which appears on the license issued pursuant to this chapter.” S.C. Code Ann. §40-11-370(B).<sup>5</sup> Likewise, a further consequence of a contractor entering “into a contract to engage in construction in a name other than the name that appears on its license” is that the contractor “may not bring an action either at law or in equity to enforce the provisions of the contract.” S.C. Code Ann. §40-11-370(C). Both of these consequences are substantial and demonstrate the legislative intent that contractors obtain and utilize licenses in the exact name specified by SCLLR. There is no ambiguity on that legal mandate.

Turning now to the facts of this case, the Department received a bid from “Paragon Inc. of South Carolina, LLC.” (Exhibit 1 (PRP 66)). Paragon has not provided for the record a contractor’s license issued in the name of “Paragon Inc. of South Carolina, LLC.” The only licenses Paragon provided to the Department are in the name of “Paragon Builders.” (Exhibit 1 (PRP 34, 36, 38, 52, 66)). Therefore, Paragon Inc. of South Carolina, LLC did not hold a license from SCLLR in that name as clearly required by statutory mandate before offering to perform general or mechanical construction. Given the statutory mandate of conducting business in the “exact name” on the

---

<sup>5</sup> With respect to this issue, the fact that “Paragon Builders” was cited by SCLLR on August 5, 2025 for “engaging or offering to engage in contracting work or submitting a bid when not properly licensed or while a license was under suspension or revocation” and fined \$500 by SCLLR further demonstrates the importance of this requirement. (Exhibit 1 (PRP 478)).

license, the Department asserts it is Paragon's responsibility to seek and obtain a license from SCLLR in the correct legal name. See generally *Smother's v. United States Fid. & Guar. Co.*, 322 S.C. 207, 210–211, 470 S.E.2d 858, 860 (1996) (“Everyone is presumed to have knowledge of the law and must exercise reasonable care to protect his interests.”); *LaBruce v. City of North Charleston*, 268 S.C. 465, 234 S.E.2d 866 (1977)(“Citizens are charged with knowledge of existing law.”). Paragon's license application provides, in part, immediately above the Licensee / Legal Name field: “[I]ndividual or company listed in this section will be designated as the “License Holder.” You must sign contract for permits, conduct business, and advertise in this name only (See SC Code of Laws Section 40-11-20, 130, [...] 240 and 370(B)).” (Exhibit 1 (PRP 40)). Quite simply, the requirements of “exact name” or “this name” reflect an obligation to only use a singular name, not two names or a “doing business as” alternative name. Additionally, the revision application form specifically includes a “name change” action item which demonstrates the remedy for Paragon's exact name deficiency being readily available. (Exhibit 1 (PRP 42-43)). In the absence of doing so, Paragon must bear the consequences of not complying with applicable law. As the Panel previously declared, “the lack of a proper license to do the work solicited in a state contract will always render a bidder nonresponsible.” *In re: Protest of Roofco, Inc.*, Panel Case No. 200-14(I), p. 3 (2001 WL 34058940; or alternatively <https://procurement.sc.gov/legal/legal-panel-orders>).

Finally, to the extent the CPO dismissed Paragon's lack of holding a license in the correct name as a mere informality and minor infraction, stating, “[i]n past years, the Contractors Licensing Board staff have advised the CPOC that this is a minor infraction not affecting a contractor's ability to perform the work.” and characterizing it as being a “minor informality” under section 11-35-1520(13), neither are sufficient legal grounds to overcome the statutory

mandates of sections 40-11-30, 40-11-200 and 40-11-370. (Exhibit 1 (PRP 20-21)). The legislature has mandated that contractors conduct business in the exact name appearing on any license and explained this requirement is to be broadly applied with limited exception. S.C. Code Ann. § 40-11-370(B). The Department is legally barred by section 40-11-200 and S.C. Regs. 19-445.2125(A)(3) from considering the bid from Paragon and a staff opinion of SCLLR cannot nullify those requirements. *See Quail Hill, L.L.C. v. County of Richland*, 387 S.C. 223, 236-38, 692 S.E.2d 499, 506-07 (2010) (finding a governmental entity is not estopped from enforcing its ordinances where its employee gives erroneous information or acts in contradiction to an ordinance). Furthermore, the “minor informalities” exceptions in the Procurement Code simply do not release this obligation. S.C. Code Ann. § 11-35-1520(13). In fact, exception (13) provides:

(13) Minor Informalities and Irregularities in Bids. A minor informality or irregularity is one which is merely a matter of form or is some immaterial variation from the exact requirements of the invitation for bids having no effect or merely a trivial or negligible effect on total bid price, quality, quantity, or delivery of the supplies or performance of the contract, and the correction or waiver of which would not be prejudicial to bidders. The procurement officer shall either give the bidder an opportunity to cure any deficiency resulting from a minor informality or irregularity in a bid or waive any such deficiency when it is to the advantage of the State. Such communication or determination shall be in writing. Examples of minor informalities or irregularities include, but are not limited to:

...

(1) *Notwithstanding Title 40, the failure of a bidder to indicate his contractor’s license number or other evidence of licensure, except that a contract must not be awarded to the bidder unless and until the bidder is properly licensed under the laws of South Carolina.*

S.C. Code Ann. § 11-35-1520(13)(1)(emphasis added). Likewise, the statutory requirement that “Bids or contracts submitted by contractors may not be reconsidered or resubmitted to an awarding authority, contractor, or owner if the contractor was not properly licensed *at the time the initial bid or contract was submitted*,” also neutralizes any notion that the exact name requirement may be shrugged off as close enough. S.C. Code Ann. § 40-11-200(B). Despite the above authorities, the

Panel similarly erred after acknowledging the “name variation” and then ignoring the prohibitions established in sections 40-11-30, 40-11-200 and 40-11-370. (Exhibits 2 and 3).

Therefore, Paragon Inc. of South Carolina, LLC, under sections 40-11-30, 40-11-200, and 40-11-370, was prohibited as a matter of law from bidding on the Department’s solicitation. In the absence of a lawful bid, Paragon had no legal basis for challenging the Department’s rejection of the bid. That failure and statutory barrier deprived the CPO, Panel and this Court of jurisdiction to hear this appeal. *See Chet Adams Co. v. James F. Pedersen Co.*, 307 S.C. 33, 36, 413 S.E.2d 827, 828 (1992) (“Acts by a court as to a matter over which it has no jurisdiction are void.”).

## **II. Paragon lacks standing to initiate or maintain an appeal of SCDNR’s determination of non-responsibility.**

Consistent with the foregoing discussion, the failure of Paragon to comply with statutory licensing requirements may also be treated as a lack of standing upon the express statutory terms of section 40-11-370.

“Standing refers to a party's right to make a legal claim or seek judicial enforcement of a duty or right.” *Powell ex rel. Kelley v. Bank of Am.*, 379 S.C. 437, 444, 665 S.E.2d 237, 241 (Ct.App.2008) (alteration and internal quotation marks omitted). “Standing is ... that concept of justiciability that is concerned with whether a particular person may raise legal arguments or claims.” *Id.* (alteration in original) (internal quotation marks omitted). “It concerns an individual's sufficient interest in the outcome of the litigation to warrant consideration of [the person's] position by a court.” *Id.* (alteration in original) (internal quotation marks omitted). “Standing is a fundamental requirement for instituting an action.” *Brock v. Bennett*, 313 S.C. 513, 519, 443 S.E.2d 409, 412 (Ct.App.1994).

In contrast to a statute providing standing, section 40-11-370 expressly prohibits Paragon from initiating or maintaining this appeal. This point is demonstrated in *Youngblood v. South Carolina Department of Social Services* where the Supreme Court explained: “while the family court found statutory standing pursuant to section 63–9–60, we hold that statute does not give the Youngbloods standing; *instead, it specifically deprives them of standing.*” 402 S.C. 311, 318, 741 S.E.2d 515, 518 (2013)(emphasis added). That Court then concluded: “Because the statute *does not permit any exceptions and plainly states* that the section 63–9–60(A) grant of *standing does not apply* to children placed by DSS, the *family court erred in grounding standing on* section 63–9–60.” *Id.*, 402 S.C. at 319, 741 S.E.2d at 519 (emphasis added). *See also Jowers v. S.C. Dep't of Health & Env't Control*, 423 S.C. 343, 353, 815 S.E.2d 446, 451 (2018) (“Our courts will not address the merits of any case unless it presents a justiciable controversy.”); *Youngblood*, 402 S.C. at 317, 741 S.E.2d at 518 (“Standing, a fundamental prerequisite to instituting an action, may exist by statute, through the principles of constitutional standing, or through the public importance exception.”); *James v. Anne's Inc.*, 390 S.C. 188, 193, 701 S.E.2d 730, 732 (2010) (stating appellate courts have “the inherent authority to consider justiciability”); *Peoples Fed. Sav. & Loan Ass'n v. Res. Plan. Corp.*, 358 S.C. 460, 477, 596 S.E.2d 51, 60 (2004) (“A threshold inquiry for any court is a determination of justiciability, i.e., whether the litigation presents an active case or controversy.” (quoting *Lennon v. S.C. Coastal Council*, 330 S.C. 414, 415, 498 S.E.2d 906, 906 (Ct. App. 1998))); *Carolina All. for Fair Emp. v. S.C. Dep't of Labor, Licensing, & Reg.*, 337 S.C. 476, 486-87, 523 S.E.2d 795, 800-01 (Ct. App. 1999) (raising the issue of standing sua sponte in a declaratory judgment action and affirming the grant of summary judgment under Rule 56(c) because the appellant lacked standing).



Therefore, again, this appeal should be dismissed on the basis of Paragon not having standing to initiate or maintain the appeal pursuant to unique and express prohibitions in section 40-11-370.

### **III. Failure to Exhaust Administrative Remedies.**

The Department asserts Paragon did not adequately protest the Department's non-responsibility determination and thus failed to exhaust administrative remedies thus depriving the CPO, Panel, and this Court of jurisdiction.

Upon review of the bid submission of Paragon, the Department determined Paragon was non-responsible. (Exhibit 1 (PRP 66, 68, 69)). The term "non-responsible" is a term of art in the context of the South Carolina Consolidated Procurement Code and is not interchangeable with "non-responsive." However, in its October 27, 2025 Notice of Intent to Protest (Exhibit 1 (PRP 54 – 61)) and November 4, 2025 Formal Protest (Exhibit 1 (PRP 24-32)), Paragon consistently asserted it was appealing the Department's decision that Paragon's bid was "non-responsive." (Exhibit 1 (PRP 24, 25, 28, 29, 31, 55, 59)). As addressed more fully herein, Paragon did not properly raise the "non-responsible" issue in a manner by which it can be addressed by this Court because the CPO should not even have considered it.

In the context of the Procurement Code, the terms "responsible" and "responsive" are frequently stated as dual requirements and have specific meanings. For example, "Responsible bidder or offeror" is defined as "a person who has the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance which may be substantiated by past performance." S.C. Code Ann. § 11-35-1410(8). In contrast, "Responsive bidder or offeror" is "a person who has submitted a bid or proposal which conforms in all material aspects to the invitation for bids or request for proposals." S.C. Code Ann. § 11-35-

1410(9). The Department is specifically charged by statute to make a determination of responsibility. S.C. Code Ann. §11-35-1810; S.C. Regs. 19-445.2125(D)(“the procurement officer must be satisfied that the prospective contractor is responsible”); *see also* S.C. Regs. 19-445.2145(F) and Office of State Engineer OSE Manual “MANUAL FOR PLANNING AND EXECUTION OF STATE PERMANENT IMPROVEMENTS” (2023)(<https://procurement.sc.gov/manual> - last visited December 31, 2025) – Section 6.11 Determination of Bidder’s Responsibility(“the Agency must satisfy itself that the apparent low Bidder meets the State’s Standards of Responsibility”).

A bid is only to be awarded to a party that is both responsive and responsible. S.C. Code Ann. § 11-35-1810; *see e.g.* S.C. Code Ann. §11-35-1520(10)(“Unless there is a compelling reason to reject bids as prescribed by regulation of the board, notice of an award or an intended award of a contract to the lowest responsive and responsible bidders whose bid meets the requirements set forth in the invitation for bids must be given by posting the notice on the date and at a location specified in the invitation for bids.”). Therefore, there is a material legal distinction between challenging responsiveness and responsibility. In this instance, Paragon’s protests pursued the legal theory of responsiveness and did not adequately raise a challenge to the Department’s non-responsibility determination.

Building upon this foundation, the Panel is statutorily mandated to conduct a *de novo* review of a challenged procurement decision. S.C. Code Ann. § 11-35-4410(1)(1976 and Supp. 2025)(“There is created the South Carolina Procurement Review Panel which is charged with the responsibility to review and determine *de novo*: (a) requests for review of written determinations of the chief procurement officers pursuant to Sections 11-35-4210(6), ...); *see generally* *Unisys Corp. v. S.C. Budget & Control Bd. Div. of Gen. Servs. Info. Tech. Mgmt. Off.*, 346 S.C. 158, 551

S.E.2d 263 (2001). As such, the Panel is generally disregarding the decision of CPO and making a new decision as to the propriety of the Department's procurement decision. *See generally Nat'l Health Corp. v. S.C. Dep't of Health and Envtl. Control*, 298 S.C. 373, 378, fn. 1, 380 S.E.2d 841, 844, fn. 1 (Ct.App.1989)(trial de novo is defined as "a new trial or retrial had in which the whole case is tried as if no trial whatsoever had been had in the first instance.")(citation omitted). However, as the South Carolina Court of Appeals recognized in *National Health Corporation*, some administrative reviews are "quasi-de novo, quasi-appellant." *Id.*, 298 S.C. 378, fn. 1, 380 S.E.2d 844, fn. 1; *see also Richards v. Spicer*, \_\_\_ S.C. \_\_\_, 915 S.E.2d 486, 520 (2025)("the circuit court also ruled that ... the Procurement Code gives appellate review of the CPO's decision to the Procurement Review Panel"); *Milliken and Co. v. S.C. Dept. of Labor*, 275 S.C. 264, 266, 269 S.E.2d 763, 764 (1980)("In our view, administrative review of the issuance of [an OSHA] citation is intended to be essentially appellate in nature: it should be undertaken only upon information which was available to the officer or examiner responsible for issuing the citation in the first place."). Furthermore, the Panel has previously explained that a protestant is limited by section 11-35-4210 to the established issues in its protest letter. *In re: Protest of Volume Services*, Panel Case No. 1994-8, p. 4. (1994 WL 16006483). In discussing this point, Panel Order explained:

Section 11-35-4210 provides the right to protest. Subsections (1) and (2) require a protestant to state its grounds for protest in writing to the CPO within a time limit. Thus, the issues in the case are established in the protest letter. The letter appealing to the Panel cannot add issues. If new issues were allowed to be included in the appeal letter to the Panel, no effect would be given to the requirements of subsection (1) and (2). Although, the Panel hearing is a de novo hearing under Code Section 11-35-441 0(1 ), it is only new as to evidence. The Panel may allow new evidence to be admitted, but only evidence concerning the established issues.

*Id. See also In re: Appeal by United Way Assoc. of South Carolina, Inc.*, Panel Case No. 2017-2, p. 10 and fn 7(available on <https://procurement.sc.gov/legal/legal-panel-orders>). Therefore, the

Department believes that whether the Panel’s review is framed as an administrative *de novo* review or appellate review, Paragon failed to properly raise the non-responsibility issue for the CPO or Panel to consider.

To initiate a timely protest, Paragon was statutorily required to “set forth both the grounds of the protest and the relief requested with enough particularity to give notice of the issues to be decided.” S.C. Code Ann. § 11-35-4210(2)(b). Here, the Department very clearly gave notice of its non-responsibility determination to Paragon in the October 17, 2025 memorandum (Exhibit 1 (PRP 66)). Thereafter and prior to Paragon submitting its formal protest, the Department stated in its October 30, 2025 memorandum: “Just to clarify, SCDNR deemed Paragon Inc. "Non-Responsible" and not Non-Responsive as noted in their notice of intent to protest.” (Exhibit 1 (PRP 68)). However, in its November 4, 2025 formal protest, Paragon declared the grounds for protest to be:

Paragon protests the Agency’s determination that its bid was non-responsive based on alleged violations of South Carolina Code Sections 40-11-270, 40-11-340, and 40-11-370. The Agency’s determination is erroneous, arbitrary, and contrary to law. Specifically, Paragon contends:

...

Issue: The Agency allegedly found Paragon’s bid non-responsive due to licensing deficiencies.

...

Issue: The Agency may have concerns regarding Paragon’s ability to properly subcontract portions of the work.

...

Issue: The Agency cited Section 40-11-370(B) regarding engaging in construction under a name other than the exact name on the license.

(Exhibit 1 (PRP 25-26)). In its own words, Paragon only challenged the issue of non-responsiveness. Paragon’s protest issues do not identify non-responsibility or the legal standard for such adopted under the Procurement Code. See S.C. Code Ann. §11-35-1810; S.C. Regs. 19-445.2125(D)(“the procurement officer must be satisfied that the prospective contractor is

responsible”); *see also* S.C. Regs. 19-445.2145(F) and Office of State Engineer OSE Manual “MANUAL FOR PLANNING AND EXECUTION OF STATE PERMANENT IMPROVEMENTS” (2023)( <https://procurement.sc.gov/manual> - last visited December 31, 2025) – Section 6.11 Determination of Bidder’s Responsibility. Therefore, Paragon failed to meet that statutory standard for stating the grounds for appeal with its initial and final protests as to the non-responsible determination. This flaw is fatal to Paragon’s protest and the continuing appeals to the Panel and this Court.

Under a *de novo* standard, Paragon failed to exhaust a statutory administrative prerequisite to CPO or Panel review. As the United States Supreme Court explained in the *Woodford v. Ngo*:

Because exhaustion requirements are designed to deal with parties who do not want to exhaust, administrative law creates an incentive for these parties to do what they would otherwise prefer not to do, namely, to give the agency a fair and full opportunity to adjudicate their claims. Administrative law does this by requiring proper exhaustion of administrative remedies, which “means using all steps that the agency holds out, and doing so *properly* (so that the agency addresses the issues on the merits).” *Pozo*, 286 F.3d, at 1024 (emphasis in original). This Court has described the doctrine as follows: “[A]s a general rule ... courts should not topple over administrative decisions unless the administrative body not only has erred, *but has erred against objection made at the time appropriate under its practice.*” *United States v. L.A. Tucker Truck Lines, Inc.*, 344 U.S. 33, 37, 73 S.Ct. 67, 97 L.Ed. 54 (1952) (emphasis added in *Woodford*). *See also Sims v. Apfel*, 530 U.S. 103, 108, 120 S.Ct. 2080, 147 L.Ed.2d 80 (2000); *id.*, at 112, 120 S.Ct. 2080 (O'Connor, J., concurring in part and concurring in judgment) (“On this underlying principle of administrative law, the Court is unanimous”); *id.*, at 114-115, 120 S.Ct. 2080 (BREYER, J., dissenting); *Unemployment Compensation Comm'n of Alaska v. Aragon*, 329 U.S. 143, 155, 67 S.Ct. 245, 91 L.Ed. 136 (1946); *Hormel v. Helvering*, 312 U.S. 552, 556-557, 61 S.Ct. 719, 85 L.Ed. 1037 (1941); 2 K. Davis & R. Pierce, *Administrative Law Treatise* § 15:8, pp. 341-344 (3d ed.1994). Proper exhaustion demands compliance with an agency's deadlines and other critical procedural rules because no adjudicative system can function effectively without imposing some orderly structure on the course of its proceedings.

*Woodford v. Ngo*, 548 U.S. 81, 90-92 (2006); *accord Brown v. James*, 389 S.C. 41, 48, 697 S.E.2d 604, 608 (Ct. App. 2010). Furthermore, in administrative law, procedural prerequisites can become

jurisdictional. The United States Court of Appeals for the District of Columbia has explained in addressing exhaustion of administrative remedies under federal administrative law that:

the word “exhaustion” now describes two distinct legal concepts. The first is a judicially created doctrine requiring parties who seek to challenge agency action to exhaust available administrative remedies before bringing their case to court. We will call this doctrine “non-jurisdictional exhaustion.” ...

The second form of exhaustion arises when Congress requires resort to the administrative process as a predicate to judicial review. This “jurisdictional exhaustion” is rooted, not in prudential principles, but in Congress' power to control the jurisdiction of the federal courts. Whether a statute requires exhaustion is purely a question of statutory interpretation.

*Avocados Plus Inc. v. Veneman*, 370 F.3d 1243, 1247-48 (D.C. Cir. 2004) (internal citations omitted). “[T]he avenue of written protest remains the sole procedure by which a matter is brought before the Panel for consideration.” *Hitachi Data Systems Corp. v. Leatherman*, 309 S.C. 174, 179, 420 S.E.2d 843, 846(1992)(discussing statutory limitations on Panel’s authority); *accord Amisub of S.C., Inc. v. S.C. Dep’t of Health & Env’t Control*, 403 S.C. 576, 585, 743 S.E.2d 786, 791 (2013)(“The General Assembly has the authority to limit the subject matter jurisdiction of a court it has created; therefore, it can prescribe the parameters of the ALC's powers.”). Applying these principles to the instant matter, the CPO and Panel, as administrative agents outside of the judiciary, are likewise creatures of statute and subject to legislative limitations on jurisdiction. Where Paragon failed to timely raise the issue of non-responsibility pursuant to section 11-35-4210, it cannot maintain a challenge on that issue before the CPO, Panel or this Court.

Alternatively, under an appellate standard, Paragon both failed the statutory prerequisite and did not properly preserve the non-responsibility determination.<sup>6</sup> As in other appellate matters, the requirements of issue preservation apply in administrative appeals. *See Carson v. South*

---

<sup>6</sup> “The appellate court must always take notice of the lack of subject matter jurisdiction.” *Town of Hilton Head Island v. Godwin*, 370 S.C. 221, 223, 634 S.E.2d 59, 60 (Ct.App.2006).

*Carolina Dep't of Natural Res.*, 371 S.C. 114, 120, 638 S.E.2d 45, 48 (2002) (court sitting in appellate capacity may not consider issues not raised or ruled on by administrative agency); *Gatewood v. S.C. Dep't of Corr.*, 416 S.C. 304, 324, 785 S.E.2d 600, 611 (Ct. App. 2016) ("An issue that is not raised to an administrative agency is not preserved for appellate review by the ALC."). Here, Paragon raised responsiveness that, as discussed above, is materially distinct from the non-responsibility determination. To preserve a matter for appellate review, it must both be raised to and ruled upon by the trial court, or here the CPO. Paragon did not adequately raise the non-responsiveness issue to the CPO or Panel.<sup>7</sup>

In summary, under the administrative challenge / appeal framework of the Procurement Code, Paragon did not timely or appropriately raise a challenge to the Department's non-responsibility determination thereby precluding the CPO and Panel from reviewing or modifying the Department's determination. That failure to comply with statutory prerequisites is a jurisdictional defect.

#### **IV. The Department is Statutorily Prohibited from Awarding a Contract to Paragon Rendering this Appeal Moot.**

Building upon the prior discussion, Paragon's failure to obtain a license in the exact name of Paragon Inc. of South Carolina, LLC precludes the Department from being able to award the construction job to Paragon. Stated differently, it would be illegal for the Department "to consider a bid, sign a contract, or allow a contractor to begin work" when the contractor has not complied with section 40-11-30, 40-11-200, and 40-11-370. S.C. Code Ann. § 40-11-200(B)(1976 & Supp. 2025). Therefore, Paragon's efforts to prevail will only lead to a dead end where the Department

---

<sup>7</sup> To the extent the CPO's decision rules on non-responsibility, the issue was not properly presented by Paragon in compliance with S.C. Code Ann. § 11-35-4210(2) as discussed above and should be deemed void. See *Chet Adams Co. v. James F. Pedersen Co.*, 307 S.C. 33, 36, 413 S.E.2d 827, 828 (1992) ("Acts by a court as to a matter over which it has no jurisdiction are void.").

cannot award or authorize Paragon to begin work. Such an outcome would render this appeal moot. *See Cheap-O's Truck Stop, Inc. v. Cloyd*, 350 S.C. 596, 602, 567 S.E.2d 514, 517 (Ct. App. 2002) ("An appellate court will not pass on moot and academic questions or make an adjudication where there remains no actual controversy." (quoting *Curtis v. State*, 345 S.C. 557, 567, 549 S.E.2d 591, 596 (2001))); *see also Sloan v. Friends of Hunley, Inc.*, 369 S.C. 20, 26, 630 S.E.2d 474, 477 (2006) ("A moot case exists where a judgment rendered by the court will have no practical legal effect upon an existing controversy because an intervening event renders any grant of effectual relief impossible for the reviewing court."). Therefore, Paragon's challenges to the Department's non-responsibility determination and rejection of Paragon's bid are moot and can have no practical effect.

### CONCLUSION

Based on the authorities and arguments set forth above, the Department respectfully requests that the Court grant this Motion to Dismiss and vacate the March 13, 2026 and April 6, 2026 Orders of the South Carolina Procurement Review Panel and the underlying November 19, 2025 Decision of the Chief Procurement Officer.

Respectfully submitted,  
s/ Van Whitehead

Susan O. Porter, General Counsel  
S.C. Bar No. 68335  
[PorterS@dnr.sc.gov](mailto:PorterS@dnr.sc.gov)

Van Whitehead, Deputy General Counsel  
S.C. Bar No. 70446  
[WhiteheadV@dnr.sc.gov](mailto:WhiteheadV@dnr.sc.gov)

South Carolina Department of Natural Resources  
P.O. Box 167  
Columbia, SC 29202  
(803) 734-4006

April 25, 2026

Attorneys for the South Carolina Department of  
Natural Resources



(SCDNR 25-0060)  
(Ct. App. 2026-000914)

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Case No. 2025-5

---

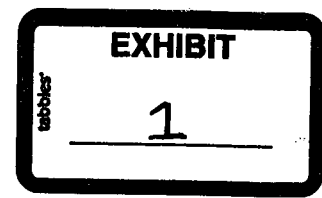
In Re: Haren Construction, Co., Inc.

South Carolina Department of Natural Resources  
Project No. P24-6052-PG  
Beaufort-Waddel Mariculture  
Maturation Ponds Maintenance – Re-Bid

**EXHIBITS TO SCDNR MOTION TO DISMISS**

- 1) Procurement Review Panel Record – excerpts (references to PRP)
  - a. November 19, 2025 CPO Protest Decision (PRP 15-21)
  - b. Paragon Formal Protest with attachments (PRP 24-69)
  - c. SCDNR Solicitation excerpt (PRP 79-84)
  - d. Citation and Notification of Penalty for General and/or Mechanical Contracting issued to Paragon Builders (PRP478)
- 2) March 13, 2026 Panel Order
- 3) April 6, 2026 Panel Order Denying Motions to Reconsider
- 4) SCDNR Brief
- 5) SCDNR Motion to Reconsider
- 6) SCDNR Response in Opposition to Paragon’s and CPOC’s Motions to Reconsider

## **Exhibit 1**



HENRY MCMASTER, CHAIR  
GOVERNOR

CURTIS M. LOFTIS, JR.  
STATE TREASURER

BRIAN J. GAINES  
COMPTROLLER GENERAL



THE DIVISION OF PROCUREMENT SERVICES

DELBERT H. SINGLETON, JR.  
DIVISION DIRECTOR  
(803) 734-8018

JOHN ST. C. WHITE  
MATERIALS MANAGEMENT OFFICER  
(803) 737-0600  
FAX: (803) 737-0639

HARVEY S. PEELER, JR.  
CHAIRMAN, SENATE FINANCE COMMITTEE

BRUCE W. BANNISTER  
CHAIRMAN, HOUSE WAYS AND MEANS COMMITTEE

GRANT GILLESPIE  
EXECUTIVE DIRECTOR

## Protest Decision

**Matter of:** Paragon Inc. of South Carolina, LLC

**File No.:** 2026-004

**Posting Date:** November 19, 2025

**Contracting Entity:** South Carolina Department of Natural Resources

**Project No.:** P24-6052-PG

**Description:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid

### DIGEST

Protest of Intent to Award on the grounds that the South Carolina Department of Natural Resources (Department) erred by finding a contractor with a Mechanical Contractor's-Plumbing License could not legally perform the water supply and discharge line and water supply tank work of the project granted where licensing law provides otherwise.

### AUTHORITY

Per S.C. Code Ann. § 11-35-4210, the Chief Procurement Officer for Construction (CPOC) conducted an administrative review of a protest filed by Paragon Inc. of South Carolina, LLC (Paragon) protesting the Department's intention to award a contract to Haren Construction Co., Inc. (Haren) for rehabilitation of the head tower and rearing ponds M-1 through M-4, and replacement of the yard piping and electrical infrastructure at the Beaufort-Waddell Mariculture Center (the Project). Paragon's protest is attached as Exhibit A. This decision is based on materials in the procurement file and applicable law and precedents.

Protest Decision, page 2  
Case No. 2026-004  
November 19, 2025

## BACKGROUND

On August 12, 2025, the Department published an advertisement for construction services for the Project. [Exhibit B] By the deadline for receipt of bids, the Department received two bids. [Exhibit C] The solicitation included three add alternates. Paragon was low on the base bid and on any combination of the base bid plus add alternates. [Id.]

On its bid, Paragon provided numbers for its contractor's licenses which are shown on the website of the Department of Labor, Licensing and Regulation as Paragon Builder's licenses. Paragon Builders has South Carolina contractor's license with the classifications of General Contractor-Building (BD License), General Contractor Specialty – Nonstructural Renovations (NR License), Mechanical Contractors – Plumbing (PB License), Electrical (EL License), and Packaged Equipment (PK License). [Exhibit D]

After reviewing the scope of work for the Project in the plans and specifications and the Project Architect-Engineer's (A/E) estimate of probable cost, the Department determined that Paragon lacks an appropriate contractor's license to bid the Project as a sole prime contractor.<sup>1</sup> [Exhibit E] The Department determined that Haren has an appropriate contractor's license to bid the project as a sole prime contractor.

On October 20, 2025, the Department posted a notice of its intent to award a contract to Haren for the base bid work of the Project plus the work of alternate one. [Exhibit F] On October 27, 2025, Paragon filed a notice of intent to protest setting forth the general basis of its protest. [Exhibit A] On October 30, 2025, the Department filed a response with the CPOC. [Exhibit G] On November 4, 2025, Paragon filed its formal protest of the Department's intent to award a contract asserting that it was properly licensed to bid the Project as a sole prime contractor.

---

<sup>1</sup> A contractor is limited to the scope of his license group and classification both in bidding and performing work. S.C. Code Ann. § 40-11-270; *see also* §§ 40-11-30 and 260(A).

Protest Decision, page 3  
Case No. 2026-004  
November 19, 2025

## DISCUSSION

A determination of responsibility is required by S.C. Code Ann. §11-35-1810, which states “[r]esponsibility of the bidder or offeror shall be ascertained for each contract let by the State.” A responsibility determination is a determination that the bidder has the ability to perform. *See* S.C. Code Ann. Regs. 19-445.2125(A)(1). Possession of the proper contractor license is an issue of responsibility. *Protest of Brantley Construction Co., Inc.*, Panel Case No. 1999-3 (where the State is investigating the bidder’s ability to perform it is deciding an issue of responsibility); *Protest of Roofco, Inc.*, Panel Case No. 2000-14(I) (“[T]he lack of a proper license to do the work solicited in a state contract will always render a bidder nonresponsible.”); *see also* S.C. Code Ann. § 40-11-200(B) (“It is a violation of this chapter for an awarding authority ... to consider a bid ... unless the bidder has first obtained the licenses required by this chapter. Bids or contracts submitted by contractors may not be reconsidered or resubmitted to an awarding authority ... if the contractor was not properly licensed at the time the initial bid or contract was submitted.”).

A procurement officer’s determination of nonresponsibility is final and conclusive unless it is “clearly erroneous, arbitrary, capricious, or contrary to law.”<sup>2</sup> S.C. Code Ann. § 11-35-2410(A). To prevail, the protestant must prove the nonresponsibility determination is clearly erroneous, arbitrary, capricious, or contrary to law. *Protest of Brantley Construction Co., Inc.*, Panel Case No. 1999-3. Where the Department’s decision has a rational basis in law and fact, the CPOC will not, and indeed cannot, substitute his opinion for that of the Department’s.

The Department structured the solicitation and bid documents to seek bids for a sole prime contractor to construct the Project. A prime contractor “is an entity which contracts directly with an owner to perform general or mechanical construction.” S.C. Code Ann. § 40-11-20(20). A sole prime contractor is “the prime contractor for a project on which there is only one prime contractor.” S.C. Code Ann. § 40-11-20(24). A prime contractor may only bid and perform work within the scope of its license(s). S.C. Code Ann. § 40-11-270. However, a sole prime contractor

---

<sup>2</sup> The word “clearly” modifies the word “erroneous” but not the words “contrary to law.”

Protest Decision, page 4  
Case No. 2026-004  
November 19, 2025

may offer to perform work outside the scope of its license provided a certain percentage of the work falls within the scope of its license.<sup>3</sup> In this regard, S.C. Code Ann. § 40-11-340 states:

An entity licensed under the classifications or subclassifications in Sections 40-11-410(1), (2), or (3) may act as a sole prime contractor on a project if forty percent or more of the work as measured by the total cost of construction falls under one or more of the licensee's license classifications or subclassifications. An entity licensed under the classifications or subclassifications in Section 40-11-410(4) and (5) may act as sole prime contractor if fifty-one percent or more of the work falls under one or more of the licensee's license classifications or subclassifications.

The Contractor's Licensing Laws define the total cost of construction as:

[T]he actual cost incurred by the owner, all contractors, subcontractors, and other parties for labor, material, equipment, profit, and incidental expenses for the entire project. This does not include the cost of design services unless those services are included in a construction contract.

S.C. Code Ann. § 40-11-20(23)

Paragon claims that using its bid, 13% of the work of the Project falls under its BD License, 19% falls under its EL License, and 53% falls under its PB License. While the CPOC does not believe that any of the work of the Project falls under Paragon's BD license since the Project does not involve the construction or renovation of a building, the CPOC need not decide that issue in this case. The controlling issue is whether the Department's determination that more than 51% of the work required a General Contractors-Public Utility license with a Water and Sewer Lines subclassification (WL License) to the exclusion of a PB license, was "clearly erroneous, arbitrary, capricious, or contrary to law."

This Project involves work on concrete water storage tanks, water distribution lines to distribute water to fish maturation ponds and drain lines from the ponds. All the work is on the Department's property and none of the work is to provided water and sewer service to the public.

Section 40-11-410(3)(c) addresses the scope of a WL License stating:

---

<sup>3</sup> A sole prime contractor must subcontract any work outside the scope of its license(s).

Protest Decision, page 5  
Case No. 2026-004  
November 19, 2025

"Water and Sewer Lines" which includes construction work on water mains, water service lines, water storage tanks, sewer mains, sewer lines, lift stations, pumping stations and appurtenances to water storage tanks, lift stations, pumping stations, pavement patching, backfill, and erosion control as a part of construction, and which includes connection at the building of all lines to the appropriate lines contained in commercial structures, installation and repair of a project involving manholes, the laying of pipe for storm drains and sewer mains, all necessary connections, and excavation and backfilling, and concrete work incidental thereto.

Contractors in this license subclassification in license groups three, four, and five may install fire protection sprinkler system underground mains to a flanged outlet 1'-0" above the finished floor in compliance with National Fire Protection Association Standard 24. However, shop drawings must be submitted and approved by the State Fire Marshal with a copy of the approved drawings going to the licensed fire sprinkler contractor. Flushing and testing certificates must be delivered to the authority having jurisdiction and the performing licensed fire sprinkler contractor performing. General contractors in this license subclassification may not engage in water and sewer line work from the right-of-way to a residential structure unless the entity is a subcontractor to a licensee holding a plumbing subclassification.

The primary focus of this license is public utility water and sewer service lines within the utility right-of-way or easement. However, it does not preclude water line work on property that is not within the right-of-way unless it is a service line to a residential structure.<sup>4</sup> This Project does not involve a residential structure.

Section 40-11-410(5)(f) addresses the scope of a PB License stating:

"Plumbing" which includes the installation, replacement, alteration, and repair of all plumbing including solar water heating when performed solely within property lines and not on public easements or rights-of-way except to make connections to water meters or sewer taps as allowed by the utility owner; and the installation, alteration, and repair of all piping, fixtures, and appliances related to water supply, including pressure vessels and tanks, and excluding municipal or related water supply systems; venting and sanitary drainage systems for all fluid and semi-fluid and organic wastes; roof leaders; water-conditioning equipment; piping and equipment for swimming pools; and installation of a system of pipes, fittings, fixtures, drains, and all necessary component parts upon the premises or in a building to supply water to buildings and to convey sewage or other waste

---

<sup>4</sup> It seems odd that the statute singles out residential structures as opposed to other structures such as commercial structures.



Protest Decision, page 6  
Case No. 2026-004  
November 19, 2025

products from buildings. If this equipment is gas-fired, the necessary gas lines may be installed under this subclassification used in connection with this subclassification. Plumbing contractors in license groups three, four, and five are not required to be licensed under Chapter 45, Title 23 to install standpipe systems, including water hose connections, water hose cabinets, and related branch lines if the water hoses do not supply water to automatic fire protection sprinklers.

The primary focus of this license is water and sewer service to commercial, residential, and other type facilities. A licensee with a PB license may not do water and sanitary piping within a utility right-of-way or easement but only “within property lines.” A licensee with a PB license may also work on water supply tanks within property lines.

Neither WL License nor the PB License appears to contemplate water and drainage line work of the type on this project.<sup>5</sup> Neither expressly excludes such work and both incorporate language that seems to include such work. Therefore, the CPO finds that the language of both allow the licensee to do the water supply tank and line work of this project as well as the drainage line work.

Paragon also protests the Department's determination that Paragon was nonresponsible because it bid in the name of Paragon Inc. of South Carolina, LLC rather than the exact name appearing on its license – Paragon Builders. The Department places its reliance on Section 40-11-370(B) which states:

It is unlawful to engage in construction under a name other than the exact name which appears on the license issued pursuant to this chapter.

However, unlike other provisions in the licensing law, a violation of this Section is not a bar to the contractor performing the work on which they bid. In years past, the Contractors Licensing Board staff have advised the CPOC that this is a minor infraction not affecting a contractor's ability to perform the work. Moreover, Paragon Inc. of South Carolina, LLC, does appear on

---

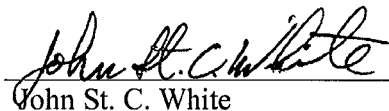
<sup>5</sup> While the scope of both licenses is clear when the work involves traditional utility services and water distribution and sanitary sewage collection for human occupied structures, the scope of each becomes murky where the work is not clearly either. The Department took reasonable steps to determine the applicable licenses when faced with the confusing language of the licensing law – it reached out to the Contractor's Licensing Board which gave an indefinite answer. The process of obtaining a definitive answer from the Board requires submitting the question to the Board at a quarterly meeting, a process that does not accommodate a project construction schedule.

Protest Decision, page 7  
Case No. 2026-004  
November 19, 2025

Paragon's license application as its legal name and Paragon Builders as its trade name. Additionally, Paragon provided its license number with its bid clearly identifying it as Paragon Builders. At the most, Paragon's bidding in its legal name rather than its trade name as it appears on its license is a minor informality per Section 11-35-1520(13).

#### **DECISION**

Based on the foregoing, the CPOC grants Paragon's protest and remands this matter back to the Department to proceed in accordance with the Procurement Code.



---

John St. C. White  
Chief Procurement Officer

Columbia, South Carolina



# Exhibit A

## FORMAL PROTEST

**Date:** November 4, 2025

**TO:** Chief Procurement Officer Office of State Engineer Construction Office South Carolina  
Department of Natural Resources Email: protest-ose@mrnm.sc.gov Physical Address: 1201  
Main Street, Suite 600, Columbia, SC 29201

**FROM:** Paragon Inc. of South Carolina, LLC

2874 Columbia Road NE Orangeburg, SC 29118-1902 Telephone: (803) 534-1900 Email:  
eric@paragonbuilderssc.com Attention: Eric Byrd, Vice President

**RE:** Formal Protest of Award Decision

**Project Name:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid Project  
**Number:** P24-6052-PG **Award Notice Posted:** October 20, 2025

---

## I. NOTICE AND TIMELINESS

Pursuant to South Carolina Code Section 11-35-4210, Paragon Inc. of South Carolina, LLC ("Paragon" or "Protester") hereby submits this Formal Protest of the South Carolina Department of Natural Resources' ("SCDNR" or "Agency") decision to deem Paragon's bid non-responsive and to award the above-referenced contract to Haren Construction Co. Inc.

This Formal Protest is timely submitted within fifteen (15) business days of the October 20, 2025, award notice posting, as required by Section 11-35-4210. A Notice of Intent to Protest was timely filed on October 27, 2025.

## II. INTERESTED PARTY INFORMATION

**Protester:** Paragon Inc. of South Carolina, LLC (doing business as "Paragon Builders")

**SC Contractor's License Numbers:** CLG.100190, CLM.111292

**Classification(s) & Limits:** Building BD5, Plumbing PB5, Electrical EL5

**Contact Person:** Eric Byrd, Vice President 2874 Columbia Road NE Orangeburg, SC 29118-1902 Telephone: (803) 534-1900 Email: eric@paragonbuilderssc.com

**Legal Counsel:** James M. Griffin, Esquire Griffin Humphries LLC PO Box 999 Columbia, SC 29202 Telephone: 803-744-0800 Email: jgriffin@griffinhumphries.com

### III. PROCUREMENT INFORMATION

**Awarding Agency:** South Carolina Department of Natural Resources **Project:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid **Project Number:** P24-6052-PG  
**Bid Opening Date:** September 23, 2025 **Award Notice Date:** October 20, 2025 **Intended Awardee:** Haren Construction Co. Inc. **Award Amount:** \$6,207,000.00

### IV. PARAGON'S BID INFORMATION

**Legal Entity Name:** Paragon Inc. of South Carolina, LLC **Trade/DBA Name:** Paragon Builders  
**Business Address:** 2874 Columbia Road, Orangeburg, SC (Orangeburg County) **Federal Tax ID:** 58-2486021

**Bid Amounts:**

- Base Bid Amount: \$5,323,800.00
- Alternate #1: \$533,600.00
- Alternate #2: \$568,200.00
- Alternate #3: \$573,350.00

**Status:** Deemed "Non-Responsive" by Agency

### V. GROUNDS FOR PROTEST

Paragon protests the Agency's determination that its bid was non-responsive based on alleged violations of South Carolina Code Sections 40-11-270, 40-11-340, and 40-11-370. The Agency's determination is erroneous, arbitrary, and contrary to law. Specifically, Paragon contends:

#### A. Compliance with Section 40-11-270 (License Requirements)

**Issue:** The Agency allegedly found Paragon's bid non-responsive due to licensing deficiencies.

**Paragon's Position:**

Paragon holds all licenses necessary to perform the work as bid:

1. **General Contractor License CLG.100190** - authorizes Building-BD5 and Nonstructural Renovation-NR5 work with the following group limitations:
  - Group #5: Unlimited
  - Expiration: 10/31/2026
2. **Mechanical Contractor License CLM.111292** - authorizes Packaged Equipment-PK5, Plumbing-PB5, and Electrical-EL5 work with the following group limitations:
  - Group #5: Unlimited
  - Expiration: 10/31/2027

The work components of this project include:

- **Building work (BD5)** - covered by General Contractor License CLG.100190 at 13% of Total Project
- **Plumbing work (PB5)** - covered by Mechanical Contractor License CLM.111292 at 53% of total project
- **Electrical work (EL5)** - covered by Mechanical Contractor License CLM.111292 at 19% of total project
- **Pond liner work (15%)** - requires no specific license; Paragon will utilize its Building classification or engage appropriately licensed subcontractors as needed

Paragon's total bid of \$5,857,400 (including alternate #1) falls well within the unlimited group limitations of both licenses.

**Supporting Documentation:** See Exhibits A (General Contractor License CLG.100190) and B (Mechanical Contractor License CLM.111292).

## **B. Compliance with Section 40-11-340 (Subcontracting)**

**Issue:** The Agency may have concerns regarding Paragon's ability to properly subcontract portions of the work.

### **Paragon's Position:**

Paragon's licensing structure fully authorizes it to self-perform the major components of this work or to engage licensed subcontractors for specialized portions. Section 40-11-340 permits licensed general contractors to subcontract work to appropriately licensed specialty contractors. Paragon's approach is entirely consistent with this statutory framework and standard industry practice.

For the pond liner work, which represents 15% of the project and requires no specific contractor license under South Carolina law, Paragon may either:

- Perform the work under its Building-BD5 classification, or
- Engage appropriately licensed subcontractors as needed

This flexibility is expressly contemplated by South Carolina's contractor licensing statutes and regulations.

## **C. Compliance with Section 40-11-370 (Business Name)**

**Issue:** The Agency cited Section 40-11-370(B) regarding engaging in construction under a name other than the exact name on the license.

### **Paragon's Position:**

Paragon's bid was submitted under "Paragon Inc. of South Carolina, LLC," which is the exact legal name of the business entity and matches the Licensee/Legal Name on Paragon's contractor license application to the South Carolina Department of Labor, Licensing and Regulation (LLR).

**Critical Distinction:** While LLR issued the physical license documents under Paragon's trade name "Paragon Builders," the underlying legal entity holding both licenses is correctly identified as "Paragon Inc. of South Carolina, LLC." This is confirmed by:

1. **License Application (DOC 165)** - submitted in the name of "Paragon Inc. of South Carolina, LLC" with DBA "Paragon Builders" (See Exhibit C)
2. **License Records** - Both licenses (CLG.100190 and CLM.111292) are legally held by and issued to Paragon Inc. of South Carolina, LLC, even though the physical license certificates display the trade name
3. **Bid Submission** - Paragon's bid used the exact legal entity name that holds the licenses

Any alleged discrepancy between the legal entity name and the trade name displayed on the physical license certificates is a secondary, administrative matter that does not warrant bid rejection, particularly when:

- The entity is properly identified in the bid documents
- All license numbers are correctly provided
- The qualifying party is properly designated
- There is no indication of fraud, misrepresentation, or attempt to circumvent licensing requirements

Section 40-11-370(B) is intended to prevent unlicensed entities from fraudulently conducting business under someone else's license or misrepresenting their licensed status. That concern is wholly absent here. Paragon is the properly licensed entity, correctly identified itself, and submitted accurate license information.

The Agency's interpretation would improperly elevate form over substance and penalize a contractor for a ministerial variance between the legal entity name on its application and the trade name on its license certificate—a variance created by LLR's own administrative practices, not by any action or omission of Paragon.

#### **D. Statutory Construction and Legislative Intent**

South Carolina's contractor licensing statutes are designed to:

1. Protect the public by ensuring that construction work is performed by qualified, licensed contractors
2. Establish minimum standards for competency and financial responsibility
3. Prevent fraud and misrepresentation in the construction industry

Paragon fully satisfies each of these objectives. The Agency's restrictive interpretation would:

- **Improperly exclude legitimate plumbing work from the statutory scope** - contrary to the plain meaning of Section 40-11-410(5)(f) defining "plumbing" to include water distribution piping
- **Create uncertainty for contractors bidding on projects involving water piping systems on private property** - discouraging competition
- **Penalize contractors for administrative variances** between legal entity names and trade names on license certificates, even when the contractor is properly licensed and identified

## VI. PREJUDICE TO PARAGON

Paragon will suffer substantial and irreparable prejudice if this protest is not granted:

### 1. Financial Harm

Paragon submitted the lowest responsible bid at \$5,857,400 (base bid plus alternate #1). The difference between Paragon's total bid and the intended award amount of \$6,207,000 is **\$349,600 more** than Paragon's total bid. This represents a significant financial loss to both Paragon and the State of South Carolina.

### 2. Loss of Business Opportunity

Paragon is a qualified, properly licensed contractor capable of performing this work in accordance with all applicable laws and regulations. Denying Paragon this contract opportunity based on erroneous legal interpretations unjustly deprives Paragon of legitimate business.

### 3. Reputational Harm

A determination of "non-responsiveness" carries significant negative implications for Paragon's professional reputation and may affect future bidding opportunities, despite Paragon's full compliance with all licensing requirements.

### 4. Competitive Disadvantage

If the Agency's restrictive interpretation of the Plumbing license definition stands, it would create uncertainty for contractors bidding on similar projects involving water piping systems on private property, potentially discouraging competition and increasing costs to public agencies.

## VII. RELIEF REQUESTED

Paragon respectfully requests that the Chief Procurement Officer:

1. **Reverse** the determination that Paragon's bid is non-responsive;
2. **Find** that Paragon's Plumbing license (PB5) properly covers the yard piping installation work as defined in Section 40-11-410(5)(f);



3. **Find** that Paragon's bid was submitted in the proper legal name "Paragon Inc. of South Carolina, LLC," which is the legal entity that holds both contractor licenses CLG.100190 and CLM.111292;
4. **Find** that Paragon meets all requirements of Sections 40-11-270, 40-11-340, and 40-11-370;
5. **Determine** that Paragon submitted the lowest responsive and responsible bid; and
6. **Award** the contract to Paragon Inc. of South Carolina, LLC.

## VIII. REQUEST FOR DOCUMENTS

Pursuant to Section 11-35-4210 and established protest procedures, Paragon requests access to the following documents within five (5) business days:

1. Complete bid tabulation showing all bids received
2. All documentation related to the responsiveness determination for Paragon's bid, including:
  - o Internal memoranda
  - o Email communications
  - o Evaluation notes
  - o Legal analysis or opinions
3. All documentation related to the responsiveness determination for the two other bidders (Haren Construction and BRW Construction)
4. Any communications within SCDNR or between other South Carolina State Agencies, legal counsel, or personnel regarding license classification interpretation for this project
5. Any legal opinions or guidance sought regarding the plumbing license scope under Section 40-11-410(5)(f)
6. Haren Construction and BRW Construction's license documentation and classifications
7. Any protest or inquiry submitted by any other bidder
8. Complete bid documents submitted by the two other bidders, including copies of sealed bid envelopes
9. All communications between SCDNR and LLR regarding licensing requirements for this project
10. Any determinations, rulings, or guidance from LLR regarding whether plumbing licenses cover yard piping installation work

## IX. LEGAL ARGUMENT

### A. South Carolina's Competitive Bidding Statutes Favor Acceptance of Low Bids

South Carolina law strongly favors competitive bidding and acceptance of the lowest responsive and responsible bid. The South Carolina Consolidated Procurement Code requires that "[a]n award shall be made with reasonable promptness by written notice to that responsible bidder whose bid will be most advantageous to the State." S.C. Code Ann. § 11-35-1520(5).

A bid should be deemed "non-responsive" only when there is a material deviation from the solicitation requirements that gives the bidder an unfair competitive advantage or otherwise compromises the integrity of the competitive bidding process. Minor irregularities or technicalities that do not affect the substance of the bid should be waived.

### **B. Paragon's Licenses Authorize All Work Contemplated by the Project**

The plain language of Section 40-11-410(5)(f) defines "Plumbing" which includes the installation, replacement, alteration, and repair of all plumbing...when performed solely within property lines...and the installation, alteration, and repair of all piping, fixtures, and appliances, relating to water supply." This definition clearly encompasses the water distribution work in this project, which involves installation of piping systems for mariculture ponds.

The Agency's apparent interpretation—that plumbing licenses do not cover any piping work outside building walls on private property—is:

1. **Contrary to the statute's plain language**, which specifically addresses and includes water distribution piping
2. **Internally inconsistent**, as it would render the phrase "installation...of all piping, fixtures, and appliances relating to water supply" meaningless if all outside piping were categorically excluded
3. **Inconsistent with industry practice** and the reasonable expectations of licensed plumbing contractors
4. **Contrary to legislative intent** to establish clear scope boundaries for licensed trades

Moreover, Paragon's General Contractor license (Building-BD5) provides additional authority to perform this work or to engage appropriately licensed subcontractors.

### **C. The Business Name Issue Does Not Warrant Bid Rejection**

Section 40-11-370(B) states: "No person may engage in the business of contracting in a name other than that shown on the license unless the name is properly registered pursuant to applicable law."

Here, Paragon's bid was submitted in the name "Paragon Inc. of South Carolina, LLC"—the exact legal entity name that:

- Holds both contractor licenses
- Is shown on the license application submitted to LLR
- Is properly registered with the South Carolina Secretary of State

The fact that LLR's physical license certificates display Paragon's trade name "Paragon Builders" rather than the legal entity name is an administrative matter within LLR's control, not Paragon's. Paragon cannot be penalized for LLR's administrative practices.

Section 40-11-370(B) is intended to prevent fraud and misrepresentation—situations where an unlicensed entity attempts to operate under a licensed contractor's name, or where a contractor misrepresents its identity to circumvent licensing requirements. Neither situation exists here.

Courts consistently hold that procurement statutes should be construed to promote competition and achieve the best value for public agencies, not to exclude qualified bidders based on technical irregularities that do not affect the substance of the procurement.

#### **D. Applicable Legal Standards**

South Carolina courts have established that:

1. **Procurement regulations should be construed liberally to favor competition** and should not be used to exclude responsible bidders except where necessary to protect the integrity of the procurement process
2. **Substantial compliance is sufficient** where strict compliance would serve no meaningful purpose and the public interest is not compromised
3. **Minor irregularities or immaterial variances** in bids should be waived when they do not provide a competitive advantage or prejudice other bidders
4. **Administrative interpretations that contradict statutory language** or frustrate legislative intent are not entitled to deference

#### **E. Public Policy Considerations**

Awarding this contract to Paragon serves important public policy objectives:

1. **Fiscal Responsibility:** Paragon submitted the lowest qualified bid, saving South Carolina taxpayers \$349,600
2. **Competitive Procurement:** Rejecting Paragon's bid based on erroneous legal interpretations discourages competition and increases costs
3. **Fair Treatment of Qualified Contractors:** Paragon holds all necessary licenses and has demonstrated its qualifications; the Agency's interpretation imposes arbitrary barriers to participation
4. **Consistency and Predictability:** Contractors need clear, consistent rules regarding licensing requirements; the Agency's restrictive interpretation creates uncertainty

### **X. CONCLUSION**

Paragon Inc. of South Carolina, LLC is a fully qualified, properly licensed contractor that submitted the lowest responsible bid for this project. The Agency's determination of non-responsiveness is based on erroneous interpretations of South Carolina's contractor licensing statutes that contradict the plain language of those statutes and frustrate their intended purpose.

Paragon respectfully requests that this protest be granted, that Paragon's bid be deemed responsive and responsible, and that the contract be awarded to Paragon as the lowest qualified bidder.

---

## **XI. CONSENT TO ELECTRONIC COMMUNICATIONS**

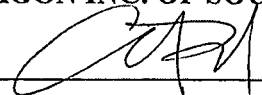
By submitting this Formal Protest to protest-ose@mrnm.sc.gov, Paragon (and any person acting on Paragon's behalf) consents to receive communications regarding this protest (and any related protests) at the email address of Paragon's legal counsel, James M. Griffin at jgriffin@griffinhumphries.com with copies to eric@paragonbuilderssc.com.

## **XII. CERTIFICATION**

The undersigned certifies that the statements contained in this Formal Protest are true and accurate to the best of knowledge and belief.

Respectfully submitted this 4th day of November, 2025.

**PARAGON INC. OF SOUTH CAROLINA, LLC**

By:  Eric Byrd, Vice President

2874 Columbia Road NE Orangeburg, SC 29118-1902 Telephone: (803) 534-1900 Email: eric@paragonbuilderssc.com

---

### **ATTORNEY FOR PROTESTER:**

James M. Griffin, Esquire Griffin Humphries LLC PO Box 999 Columbia, SC 29202 Telephone: 803-744-0800 Email: jgriffin@griffinhumphries.com

---

## **EXHIBITS**

**Exhibit A:** General Contractor License CLG.100190

**Exhibit B:** Mechanical Contractor License CLM.111292

**Exhibit C:** Contractor License Application (DOC 165) showing Paragon Inc. of South Carolina, LLC as Licensee/Legal Name with DBA Paragon Builders

**Exhibit D:** Notice of Intent to Protest (filed October 27, 2025)

# Ex. A

Paragon Builders General Contractor License  
Expiration Date 10-31-2026

\*\*\* It is at the discretion of this licensee to designate any employee or their company to pull permits and conduct business in their behalf. \*\*\*

\*\*\* THIS LICENSE EXPIRES ON 10/31/2026 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES. DO NOT TEAR CARD IN HALF.**

35

PARAGON BUILDERS  
PO BOX 2058  
ORANGEBURG SC 29116-2058

**LICENSE#: CLG.100190**

South Carolina Department of Labor, Licensing and Regulation  
Contractor's Licensing Board  
**GENERAL CONTRACTOR**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:

**Building-BD5, Nonstructural Renovation-NR5**

**INITIAL ISSUE DATE: 01/07/1999**

**LICENSE EXPIRATION DATE: 10/31/2026**

(If above license has "Limited Building-LB", work is limited to 3 stories in height)

**GENERAL CONTRACTOR**

**LICENSE#: CLG.100190**

**EXPIRATION DATE: 10/31/2026**

**PARAGON BUILDERS**

Qualifier(s): **DEQUINCEY S EDWARDS, STEPHON EDWARDS**

Licensee's Group# Limitation Per Job/Project (i.e., BD2 = Group 2):

Group #1 - \$100,000 Group #2 - \$400,000 Group #3 - \$1,000,000

Group #4 - \$3,000,000 Group #5 - \$Unlimited

*M. Monica W. Fulton*  
Board Executive

WARNING - THIS DOCUMENT CONTAINS SECURITY FEATURES LISTED ON REVERSE SIDE

**SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION**  
**CONTRACTOR'S LICENSING BOARD**

**LICENSE#: CLG.100190**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**GENERAL CONTRACTOR**

for each Classification and Group Limitation listed below:

(If this license has a "Limited Building-LB" classification, work is limited to 3 stories in height)

**Building-BD5, Nonstructural Renovation-NR5**

**LICENSE NUMBER: CLG.100190**

**Initial License Date: 01/07/1999**

**EXPIRATION DATE: 10/31/2026**

**Qualifying Party(s): DEQUINCEY S EDWARDS, STEPHON EDWARDS**

**Group Limitation Per Job (i.e., BD2 = Group 2):**

Group #1 - \$100,000 Group #4 - \$3,000,000

Group #2 - \$400,000 Group #5 - \$Unlimited

Group #3 - \$1,000,000

*M. Monica W. Fulton*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business on their behalf. \*\*\*

# Ex. B

Paragon Builders Mechanical Contractor License  
Expiration Date 10-31-2025

\*\*\* THIS LICENSE EXPIRES ON 10/31/2025 \*\*\*

QUALIFYING PARTY ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or em in **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**THIS IS A 2-PART POCKETCARD - FOLD CARD IN HALF - DO NOT CUT OR TEAR CARD IN HALF**  
BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES

**LICENSE#: CLM.111292**

CCG 1055888

South Carolina Department of Labor, Licensing and Regulation

Contractor's Licensing Board

**MECHANICAL CONTRACTOR**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:

PK5, PB5, EL5, STEPHON EDWARDS, ERIC BYRD, 121268, -74603

**LICENSE EXPIRATION DATE: 10/31/2025**

(If this license has a "Limited Building-LB", work is limited to 3 stories in height)

**MECHANICAL CONTRACTOR**

**LICENSE#: CLM.111292 - EXPIRES: 10/31/2025**

**PARAGON BUILDERS**

Initial Issue Date: 04/28/2010 - Expiration Date: 10/31/2025

Qualifier(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON

Group Limitations Per Job/Project (i.e. AC2 = Group 2):

Group #1 - \$35,000 Group #2 - \$100,000

Group #3 - \$200,000 Group #4 - \$400,000

Group #5 - \$Unlimited

*M. Monica W. Fulton*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf. \*\*\*

DO NOT PEEL CARD FROM A CORNER

To remove card from backing

- Bend form back from the outside edge
- Pull card off backing

SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION  
**CONTRACTOR'S LICENSING BOARD**

CCG 1055888

**LICENSE#: CLM.111292**

**LICENSE#: CLM.111292**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**MECHANICAL CONTRACTOR**

for each Classification and Group Limitation listed below:

PK5, PB5, EL5, STEPHON EDWARDS, ERIC BYRD, 121268, -74603

**LICENSE NUMBER: .....CLM.111292**

**Initial License Date: .....04/28/2010**

**EXPIRATION DATE: .....10/31/2025**

Group Limitations Per Job (i.e. AC2 = Group 2):

Group #1 - \$35,000 Group #3 - \$200,000

Group #2 - \$100,000 Group #4 - \$400,000

Group #5 - \$Unlimited

Qualifying Party(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON

*M. Monica W. Fulton*  
Board Executive

It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf. \*\*\*



**Paragon Builders Mechanical Contractor License**  
**Expiration Date 10-31-2027**

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf.\*\*\*

\*\*\* THIS LICENSE EXPIRES ON 10/31/2027 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES. DO NOT TEAR CARD IN HALF.**

35  
PARAGON BUILDERS  
PO BOX 2058  
ORANGEBURG SC 29116-2058

**LICENSE#: CLM.111292**

South Carolina Department of Labor, Licensing and Regulation  
Contractor's Licensing Board  
**MECHANICAL CONTRACTOR**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:  
Packaged Equipment-PK5, Plumbing-PB5, Electrical-EL5

**INITIAL ISSUE DATE: 04/28/2010**  
**LICENSE EXPIRATION DATE: 10/31/2027**

**MECHANICAL CONTRACTOR**

**LICENSE#: CLM.111292**

**EXPIRATION DATE: 10/31/2027**

**PARAGON BUILDERS**

**Qualifier(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON**

**Licensee's Group# Limitation Per Job/Project (i.e., EL2 = Group 2):**  
Group #1 - \$35,000 Group #2 - \$100,000 Group #3 - \$200,000  
Group #4 - \$400,000 Group #5 - \$Unlimited

*Paul R Gillette*  
President/Owner

WARNING - THIS DOCUMENT CONTAINS SECURITY FEATURES LISTED ON REVERSE SIDE

**SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION**  
**CONTRACTOR'S LICENSING BOARD**

**LICENSE#: CLM.111292**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**MECHANICAL CONTRACTOR**

for each Classification and Group Limitation listed below:

**Packaged Equipment-PK5, Plumbing-PB5, Electrical-EL5**

**LICENSE NUMBER: CLM.111292**

**Initial License Date: 04/28/2010**

**EXPIRATION DATE: 10/31/2027**

**Qualifying Party(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON**

**Group Limitation Per Job (i.e., EL2 = Group 2):**

Group #1 - \$35,000 Group #2 - \$100,000

Group #3 - \$200,000 Group #4 - \$400,000

Group #5 - \$Unlimited

*Paul R Gillette*  
President/Owner

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business on their behalf. \*\*\*

# Ex. C

## Mechanical Contractor's Application

# APPLICATION FOR LICENSE (DOC 165)

is application form is used for:

- New license, including a business with a new name and Federal ID number, or a new type of business (Corporation, LLC, LLP, etc.)
- Reinstatement a lapsed license.

not use this application if you need to revise a license, such as increasing the license group limitation, or name change with the same Federal ID number and type of business; you need to complete the General and Mechanical Tractor Revision Application (Doc 180).

submit the following with your application:

- The license fee is \$350. Fees are non-refundable. License fee in the form of a check or money order made payable to SCCLB. A returned check fee of up to \$30, or an amount specified by law, may be assessed on all returned funds. NO CASH IS ACCEPTED.
- Verification to conduct business in SC from the SC Secretary of State (not required for a sole proprietorship)
- Financial Statement or Surety Bond supporting the requested group limitation.
- Completed POP/QP Initial Application (Doc 168) for individuals who are not currently certified by the Board or have a certification that has been inactive for more than four years or completed POP/QP Revision Application (Doc 181) to add an active POP/QP certification or a certification that has been inactive for less than four years.

Completed applications may be submitted to the Board at PO Box 11379, Columbia, SC 29211, by email to [scclb@sc.gov](mailto:scclb@sc.gov), or delivered in person at 110 Centerville Dr., Columbia, SC 29210.

## APPLICANT INFORMATION

Individual or company listed in this section will be designated as the "License Holder" for all contracts, permits, another business, and advertise in this name only. (See SC Code of Laws Section 40-11-20, 130, 240 and 370(B)).

Legal Name: Paragon Inc. of South Carolina LLC

Business As (DBA) Name: Paragon Builders

Business Phone: 803-534-1900

Email requested: eric@paragonbuilders.com

Physical Address: 2874 Columbia Rd, Orangeburg SC 29117

City, State, Zip

Physical Address (if different from above): Same

Is the license/entity listed above a current or previous SC Contractor?

☐ YES ☒ NO

If yes, license number:

Is this a reinstatement application?

Is this a name change or form of business change?

Application for reinstatement of license

## Mechanical Contractor's Revision Application



South Carolina Department of Labor, Licensing and Regulation  
**South Carolina Contractor's Licensing Board**

110 Centerview Dr. • Columbia • SC • 29210

P.O. Box 11329 • Columbia • SC • 29211

Phone: 803-896-4686 • Contact: CLB@llr.sc.gov • Fax: 803-896-4814

llr.sc.gov/clb

**GENERAL AND MECHANICAL CONTRACTOR  
 REVISION APPLICATION (DOC. 180)**

**NOTE:** Find your specific instructions on the previous page (i.e. "Change of Licensing Group", "Change of Business Name or Address", etc.). The instructions will let you know which sections of the application you need to complete. You may disregard all other sections of the application not mentioned in your instructions. **All applicants must complete sections A, E and F.**

**Completed applications may be submitted to the Board at PO Box 11329, Columbia, SC 29211, by email to contact.clb@llr.sc.gov, or delivered in person at 110 Centerview Dr., Columbia, SC 29210.**

**REQUESTED ACTION**

Indicate the reason for your application below. All applicants must complete the applicable sections and attestation at the end of this application.

☐ Name Change      ☐ Address Change      ☐ Owner/Officer Change      ☒ License Group Change

**SECTION A**

**LICENSEE INFORMATION (as it currently appears on your license card)**

**ALL** applicants must complete this section.

Licensee/Legal Name: Paragon Inc. of South Carolina, LLC

Doing Business As (DBA) Name: Paragon Builders License # M.111292

Business Phone: 803-534-1900 Email (required): stephon@paragonbuilderssc.com

Business Address: 2874 Columbia Road, Orangeburg, SC 29118 County: Orangeburg  
Physical street address, City, State and Zip Code

Mailing Address (if different from above): POB 2058, Orangeburg, SC 29116

Federal Tax ID or SSN: 58-2466031 Website: www.paragonbuilderssc.com

**SECTION B**

**CHANGE OF BUSINESS NAME OR ADDRESS (physical or mailing)**

**ONLY** complete this section if you need to change your business name, corporate structure, address, or other contact information. Attach amended charter or the Secretary of State Articles of Amendment if this is a corporate name change. If your name, Federal ID No. or corporate structure has changed more than 15 business days ago, **do not** complete this form; you must submit a new **General and Mechanical Contractor Initial Application (Doc 165)**.

New Business Name: \_\_\_\_\_

Doing Business As (DBA) Name: \_\_\_\_\_

Business Phone: \_\_\_\_\_ Email (required): \_\_\_\_\_

Business Address: \_\_\_\_\_ County: \_\_\_\_\_  
Physical street address, City, State and Zip Code

Mailing Address (if different from above): \_\_\_\_\_

Website: \_\_\_\_\_

**Type of Business:**

Corporations, LLCs, LLPs, or LPs must submit a Federal Tax ID number and a SC Secretary of State Certificate of Existence.

☐ Sole Proprietorship☐ Domestic/Foreign Corporation☐ Partnership☐ Limited Liability Partnership☒ Limited Liability CompanyState of incorporation or organization: SC**SECTION C****CHANGE OF OWNERS OR OFFICERS**

**ONLY** complete this section if there has been a change in the Licensee's ownership or corporate leadership. Provide the name, title, and date of birth and percent of business ownership of each owner, officer, partner, and/or member of the Licensee. Attach a separate sheet if necessary.

Name: \_\_\_\_\_ Title: \_\_\_\_\_

% Ownership: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

% Ownership: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

% Ownership: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

% Ownership: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

% Ownership: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

## SECTION D

### CHANGE OF LICENSING GROUP

**ONLY** complete this section if you wish to change your licensing group limit. Select the group for increase and attach the appropriate financial documentation or surety bond. Please indicate the method for which you are qualifying for the new licensing group limit. Additional information about financial group limits can be found on the Board's website.

**Groups 1 and 2 – (submit one)**

- Owner Prepared financial statement with an affidavit of accuracy, Document #172; or
- Surety Bond Form for General Contractors / Surety Bond Form for Mechanical Contractors

**Groups 3 and 4 – (submit one)**

- Financial statement compiled by a licensed CPA in accordance with GAAP, including all disclosures required by GAAP or
- Surety Bond Form for General Contractors / Surety Bond Form for Mechanical Contractors

**Group 5 – (submit one)**

- An audited balance sheet prepared by a licensed CPA in accordance with GAAP, including all disclosures required by GAAP; or
- Surety Bond Form for General Contractors / Surety Bond Form for Mechanical Contractors

**Requested Group Limit:**

☐ Group 1   ☐ Group 2   ☐ Group 3   ☐ Group 4   ☒ Group 5

**Qualifying for Requested Group Limit by:**

☐ Net Worth   ☐ Working Capital   ☒ Surety Bond

**What type of financial documentation are you submitting with your application?**

☐ Audited Balance Sheet   ☐ Reviewed Financial Statement   ☐ Compiled Financial Statement  
☐ Owner Prepared Financial Statement (Doc 172)   ☐ Surety Bond

## SECTION E

### BACKGROUND QUESTIONS

**ALL** applicants must complete this section. Answer all questions below. If you answer "Yes" to any of the questions, you are required to complete and submit the Explanatory Statement of Yes Answers - Doc. 142.

1. Since your last renewal or application with the Board, has this entity or any owner, officer, partner, or member been convicted, pled guilty or nolo contendere in the US or foreign country of a felony or the offense of forgery, embezzlement, obtain money under false pretenses, theft, extortion, or conspiracy to defraud or other like offense? ☐ YES   ☒ NO

If yes, in addition to Doc 142, a criminal background check must be provided from the state in which the conviction occurred along with the court disposition and any other pertinent documentation. For South Carolina criminal background reports contact SLED at [www.sled.sc.gov](http://www.sled.sc.gov). Out-of-state applicants may submit a state-issued report, or any report generated by an accredited agency on PBSA's website found here: [thepbsa.org/](http://thepbsa.org/). All criminal background reports must not be older than thirty (30) days from the date of application.



2. Since your last renewal or application with the Board, has this entity or any owner, officer, partner, or member had a professional license or certificate denied, suspended, revoked or otherwise been disciplined in any state or jurisdiction, including South Carolina?

☐ YES ☒ NO

If yes, in addition to Doc 142, official documentation related to the relevant disciplinary action must be provided.

3. Since your last renewal or application with the Board, does this entity or any owner, officer, partner, or member have any unresolved complaints or charges pending before any professional licensing board in South Carolina or any other state or jurisdiction?

☐ YES ☒ NO

If yes, in addition to Doc 142, official documentation related to the relevant disciplinary action must be provided.

4. Since your last renewal or application with the Board, does this entity or any owner, officer, partner, or member have any outstanding monetary judgments related to construction, or have any bankruptcies?

☐ YES ☒ NO

If yes, in addition to Doc 142, official documentation related to the monetary judgments, including the order of judgment or final disposition, and bankruptcies, as well as any payment plans that have been established to satisfy construction related monetary judgments, must be provided.

## SECTION F

### ATTESTATION

**ALL** applicants must complete this section.

I certify that the information and statements contained herein are true, accurate, and complete. I understand that the provision of false or inaccurate information may result in the cancellation or denial of a license issued pursuant to this application and may be subject to civil and criminal proceedings. I agree that all information in this application may be verified and investigated. I have read and am familiar with the South Carolina Contractor's Licensing Board Practice Act and hereby agree to abide by such laws.

Owner/Officer/Partner/Member Name (Print): Stephon Edwards

Signature: 

Title Owner

Date 8/28/2024

### PRIVACY DISCLOSURE

South Carolina Law requires that every individual who applies for an occupational or professional license provide a social security number for use in the establishment, enforcement and collection of child support obligations and for reporting to certain databanks established by law. Failure to provide your social security number for these mandatory purposes will result in the denial of your licensure application. Social security numbers may also be disclosed to other governmental regulatory agencies and for identification purposes to testing providers and organizations involved in professional regulation. Your social security number will not be released for any other purpose not provided for by law.

Other personal information collected by the Department for the licensing boards it administers is limited to such personal information as is necessary to fulfill a legitimate public purpose. The South Carolina Freedom of Information Act ensures that the public has a right to access appropriate records and information possessed by a government agency. Therefore, some personal information on the application may be subject to public scrutiny or release. The Department collects and disseminates personal information in compliance with The South Carolina Freedom of Information Act, the South Carolina Family Privacy Protection Act, and other applicable privacy laws and regulations. Additionally, the Department shares certain information on the application with other governmental agencies for various governmental purposes, including research and statistical services.



South Carolina Department of Labor, Licensing and Regulation  
**South Carolina Contractor's Licensing Board**

110 Centerview Dr. • Columbia • SC • 29210

P.O. Box 11329 • Columbia • SC • 29211

Phone: 803-896-4686 • Contact: CLB@llr.sc.gov • Fax: 803-896-4814  
llr.sc.gov/clb

## SURETY BOND FOR MECHANICAL CONTRACTORS

BOND NUMBER: L272743-2227

**KNOW ALL MEN BY THESE PRESENTS** that we

Paragon Builders

, as Principal and

Lexington National Insurance Corporation

, a Surety Company

authorized to do business in the State of South Carolina, as Surety, its successors, assigns, and legal representatives are held and firmly bound unto the South Carolina Contractor's Licensing Board, State of South Carolina and any person or business sustaining damage within the terms of this bond for payment, as Obligee in the sum of Three Hundred Thousand Dollars (\$300,000.00) lawful money of the United States of America per License Term. We bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents. This bond is in lieu of providing a financial statement showing a minimum net worth or working capital as required in S.C. Code Ann. §40-11-260.

**WHEREAS**, the above bonded Principal has applied to the South Carolina Contractor's Licensing Board pursuant to Section 40-11-10 *et seq.* of the 1976 Code of Laws of South Carolina, as amended (the Act), to be granted an authorization to engage in the following construction groups with the following bond amounts:

- ☐ Group 1 Mechanical Contractor (\$7,000)
- ☐ Group 2 Mechanical Contractor (\$15,000)
- ☐ Group 3 Mechanical Contractor (\$30,000)
- ☐ Group 4 Mechanical Contractor (\$60,000)
- ☒ Group 5 Mechanical Contractor (\$300,000)

**WHEREAS**, the above bonded Principal is required in Section 40-11-262 of the Act to furnish the Board with a good and sufficient surety as one method of complying with one of the conditions upon which the authorization is granted.

**NOW, THEREFORE**, if the Principal, in compliance with 40-11-262, does not engage in an act or omission constituting a breach of construction contract or a contract for the furnishing of labor, materials, or professional services for construction undertaken by the Principal, or does not commit any unlawful act or omission in performing construction, then this obligation shall be void; otherwise it is to remain in full force and effect.

This bond is in full force and effect as to the above statutory, regulatory and procedural obligations of the Principal from 8/22/2024 through 10/31/2025 unless renewed by continuation certificate; however, the Surety or the Principal shall have the right to cancel this bond at any time by filing written notice with the South Carolina Contractor's Licensing Board and the applicable party of its intention to so cancel, giving at least thirty (30) days' notice prior to the effective date of the cancellation. This provision, however, shall not operate to relieve, release or discharge the Surety from any liability already accrued or which shall accrue before the expiration of the thirty (30) day period.

Regardless of the number of years this bond may remain in force or the number of claims against this bond, the aggregate liability of the Surety for any and all claims, suits or actions under this bond shall not exceed the sum of Three Hundred Thousand Dollars (\$ 300 ,000.00) for any License Term. Each License Term is a twenty-four month period beginning on November 1 and ending on October 31.

The Surety shall provide the board with written notice of any payment made in good faith under the Bond within thirty (30) days of such payment. No right of action shall accrue upon or by reason of this bond to or for the use or benefit of anyone whatsoever other than the Board or any person sustaining loss or damage within the terms of this bond for payment.

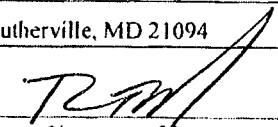
Witness our hands and seal this 22nd day of August, 20 24.

Name and Address of Surety Company (Print)

Lexington National Insurance Corporation

PO Box 6098

Lutherville, MD 21094

By: 

Signature of Surety (Attorney-in-Fact)  
Tyler Turnbull

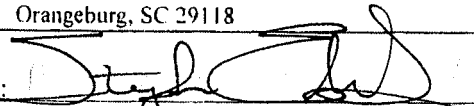
Power of Attorney (attach document)

Name and Address of Principal (Print)

Paragon Builders

2874 Columbia Road

Orangeburg, SC 29118

By: 

Signature of Principal

To report a claim with regard to this bond, submit a claim on the form approved by the Board to the claim address below:

(Print) Lexington National Insurance Corporation

PO Box 6098

Lutherville, MD 21094

IMPORTANT NOTICE – THIS POWER OF ATTORNEY IS VOID IF “LNIC Original” WATERMARK IS NOT PRESENT

## POWER OF ATTORNEY

### Lexington National Insurance Corporation

Lexington National Insurance Corporation, a corporation duly organized under the laws of the State of Florida and having its principal administrative office in Baltimore County, Maryland, does hereby make, constitute and appoint:

Tyler Turnbull, Beverly Ivey, Della Case, Brett Branton,  
Brendan Coale, Matthew Rose, Scott Pelin

as its true and lawful attorney-in-fact, each in their separate capacity, with full power and authority to execute, acknowledge, seal and deliver on its behalf as surety any bond or undertaking of \$6,000,000 or less. This Power of Attorney is void if used for any bond over that amount.

This Power of Attorney is granted under and by authority of the following resolutions adopted by the Board of Directors of the Company on February 15, 2018:

Be it Resolved, that the CEO, President or any Vice-President shall be and is hereby vested with full power and authority to appoint suitable persons as Attorney-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and on the behalf of the Company, to execute, acknowledge and deliver any and all bonds, contracts, or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any all notices and documents cancelling or terminating the Company's liability thereunder and any such instruments so executed by any Attorney-in Fact shall be binding upon the Company as if signed by the CEO, President and sealed by the Corporate Secretary.

RESOLVED further, that the signature of the CEO, President or any Vice-President of LEXINGTON NATIONAL INSURANCE CORPORATION may be affixed by facsimile to any power of attorney, and the signature of the Secretary or any Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of such power, or any such power or certificate bearing such facsimile signature or seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed with respect to any bond to which it is attached continue to be valid and binding upon the Company.

IN WITNESS WHEREOF, the Company have caused this instrument to be signed and their corporate seal to be hereto affixed.



Ronald A. Frank, CEO



State of Maryland  
County of Harford County, SS:

Before me, a notary public, personally appeared, Ronald A. Frank, CEO of Lexington National Insurance Corporation, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under the PENALTY of PERJURY under the laws of the State of Maryland that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Commission Expires: 05/23/24

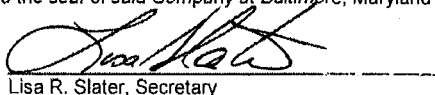


Notary



I, Lisa R. Slater, Secretary of Lexington National Insurance Corporation, do hereby certify that the above and foregoing is true and correct copy of a Power of Attorney, executed by said company, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said Company at Baltimore, Maryland this 17th day of January, 2024.

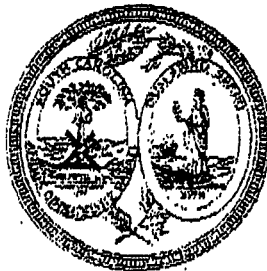


Lisa R. Slater, Secretary

Attached to bond signed this 22nd day of August, 2024

F:\LNIC\Power of Attorney form CS 2021 with Watermark Seal

# *The State of South Carolina*



*Office of Secretary of State Mark Hammond*

## **Certificate of Existence**

**I, Mark Hammond, Secretary of State of South Carolina Hereby certify that:**

**PARAGON, INC. OF SOUTH CAROLINA, LLC, A Limited Liability Company duly organized under the laws of the State of South Carolina on April 30th, 1999, with a duration that is at will, has as of this date filed all reports due this office, paid all fees, taxes and penalties owed to the Secretary of State, that the Secretary of State has not mailed notice to the company that it is subject to being dissolved by administrative action pursuant to section 33-44-809 of the South Carolina Code, and that the company has not filed articles of termination as of the date hereof.**

**Given under my Hand and the Great  
Seal of the State of South Carolina this  
27th day of December, 2007.**

A handwritten signature in cursive script that reads "Mark Hammond".

**Mark Hammond, Secretary of State**

\*\*\* THIS LICENSE EXPIRES ON 10/31/2025 \*\*\*

VERIFY the QUALIFYING PARTY ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain Active. Failure to notify the board of a qualifier loss will result in immediate license cancellation and disciplinary action.

**THIS IS A 2-PART POCKETCARD - FOLD CARD IN HALF - DO NOT CUT OR TEAR CARD IN HALF**  
BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES

CCG 1053518

CCG 1053518

LICENSE#: CLM.111816

South Carolina Department of Labor, Licensing and Regulation  
Contractor's Licensing Board

**MECHANICAL CONTRACTOR**

PAUL R GILLETTE  
DBA: GILLETTE PLUMBING

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118

licensed to practice in the 2-letter Classification(s) and Group# listed below:

Plumbing-PB2

LICENSE EXPIRATION DATE: 10/31/2025

(If this license has a "Limited Building-LB", work is limited to 3 stories in height)

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf.\*\*\*

**MECHANICAL CONTRACTOR**  
LICENSE#: CLM.111816 - EXPIRES: 10/31/2025

PAUL R GILLETTE  
DBA: GILLETTE PLUMBING

Initial Issue Date: 09/02/2011 - Expiration Date: 10/31/2025

Qualifier(s): PAUL R GILLETTE

**Group Limitations Per Job/Project (i.e. AC2 = Group 2):**

Group #1 - \$35,000 Group #2 - \$100,000

Group #3 - \$200,000 Group #4 - \$400,000

Group #5 - \$Unlimited

*Meronica W. Fulton*  
Board Executive

**DO NOT PEEL CARD FROM A CORNER**

To remove card from backing

- Bend form back from the outside edge
- Pull card off backing

*Paul R Gillette*  
*Qualifying Party*

CCG 1053518

SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION  
**CONTRACTOR'S LICENSING BOARD**

LICENSE#: CLM.111816

LICENSE#: CLM.111816

PAUL R GILLETTE  
DBA: GILLETTE PLUMBING  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**MECHANICAL CONTRACTOR**

for each Classification and Group Limitation listed below:

Plumbing-PB2

LICENSE NUMBER: .....CLM.111816

Initial License Date: .....09/02/2011

EXPIRATION DATE: .....10/31/2025

Qualifying Party(s): PAUL R GILLETTE

**Group Limitations Per Job (i.e. AC2 = Group 2):**

Group #1 - \$35,000 Group #3 - \$200,000

Group #2 - \$100,000 Group #4 - \$400,000

Group #5 - \$Unlimited

*Meronica W. Fulton*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf.\*\*\*

\*\*\* THIS LICENSE EXPIRES ON 10/31/2025 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**THIS IS A 2-PART POCKETCARD - FOLD CARD IN HALF - DO NOT CUT OR TEAR CARD IN HALF**  
BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES

**LICENSE#: CLM.111292**

CCG 1055888

South Carolina Department of Labor, Licensing and Regulation

Contractor's Licensing Board

**MECHANICAL CONTRACTOR**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:

PK5, PB5, EL5, STEPHON EDWARDS, ERIC BYRD, 121268, -74603

**LICENSE EXPIRATION DATE: 10/31/2025**

(If this license has a "Limited Building-LB", work is limited to 3 stories in height)

**MECHANICAL CONTRACTOR** 1055888

**LICENSE#: CLM.111292 - EXPIRES: 10/31/2025**

**PARAGON BUILDERS**

Initial Issue Date: 04/28/2010 - Expiration Date: 10/31/2025

Qualifier(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON

**Group Limitations Per Job/Project (i.e. AC2 = Group 2):**

|                        |                      |
|------------------------|----------------------|
| Group #1 - \$35,000    | Group #2 - \$100,000 |
| Group #3 - \$200,000   | Group #4 - \$400,000 |
| Group #5 - \$Unlimited |                      |

*M. Monica W. Fulton*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf.\*\*\*

**DO NOT PEEL CARD FROM A CORNER**

To remove card from backing

- Bend form back from the outside edge
- Pull card off backing

SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION

CCG 1055888

## CONTRACTOR'S LICENSING BOARD

**LICENSE#: CLM.111292**

**LICENSE#: CLM.111292**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**MECHANICAL CONTRACTOR**

for each Classification and Group Limitation listed below:

PK5, PB5, EL5, STEPHON EDWARDS, ERIC BYRD, 121268, -74603

**LICENSE NUMBER: .....CLM.111292**

**Initial License Date: .....04/28/2010**

**EXPIRATION DATE: .....10/31/2025**

**Group Limitations Per Job (i.e. AC2 = Group 2):**

|                        |                      |
|------------------------|----------------------|
| Group #1 - \$35,000    | Group #3 - \$200,000 |
| Group #2 - \$100,000   | Group #4 - \$400,000 |
| Group #5 - \$Unlimited |                      |

*M. Monica W. Fulton*  
Board Executive

Qualifying Party(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf.\*\*\*

\*\*\* It is at the discretion of this licensee to designate any employee or their company to pull permits and conduct business in their behalf.

\*\*\* THIS LICENSE EXPIRES ON 10/31/2026 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES. DO NOT TEAR CARD IN HALF.**

35

PARAGON BUILDERS  
PO BOX 2058  
ORANGEBURG SC 29116-2058

**LICENSE#: CLG.100190**

South Carolina Department of Labor, Licensing and Regulation  
**Contractor's Licensing Board**  
**GENERAL CONTRACTOR**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:

**Building-BD5, Nonstructural Renovation-NR5**

**INITIAL ISSUE DATE: 01/07/1999**

**LICENSE EXPIRATION DATE: 10/31/2026**

(If above license has "Limited Building-LB", work is limited to 3 stories in height)

**GENERAL CONTRACTOR**

**LICENSE#: CLG.100190**

**EXPIRATION DATE: 10/31/2026**

**PARAGON BUILDERS**

Qualifier(s): **DEQUINCEY S EDWARDS, STEPHON EDWARDS**

Licensee's Group# Limitation Per Job/Project (i.e., BD2 = Group 2):

Group #1 - \$100,000 Group #2 - \$400,000 Group #3 - \$1,000,000

Group #4 - \$3,000,000 Group #5 - \$Unlimited

*Monica W. Filton*  
Board Executive

WARNING - THIS DOCUMENT CONTAINS SECURITY FEATURES LISTED ON REVERSE SIDE

**SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION**  
**CONTRACTOR'S LICENSING BOARD**

**LICENSE#: CLG.100190**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**GENERAL CONTRACTOR**

for each Classification and Group Limitation listed below:

(If this license has a "Limited Building-LB" classification, work is limited to 3 stories in height)

**Building-BD5, Nonstructural Renovation-NR5**

**LICENSE NUMBER: CLG.100190**

**Initial License Date: 01/07/1999**

**EXPIRATION DATE: 10/31/2026**

**Qualifying Party(s): DEQUINCEY S EDWARDS, STEPHON EDWARDS**

**Group Limitation Per Job (i.e. BD2 = Group 2):**

Group #1 - \$100,000 Group #4 - \$3,000,000

Group #2 - \$400,000 Group #5 - \$Unlimited

Group #3 - \$1,000,000 *Monica W. Filton*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business on their behalf. \*\*\*



# Ex. D

Notice of Intent to Protest  
(filed October 27, 2025)



JAMES M. GRIFFIN  
ATTORNEY AT LAW

8906 Two Notch Road, Suite 200  
Columbia, South Carolina 29223  
o. 803.744.0800 f. 803.744.0805  
JGriffin@GriffinHumphries.com

October 27, 2025

**VIA ELECTRONIC MAIL (protest-ose@mmo.sc.gov)**

Office of State Engineer

**Attn: Chief Procurement Officer for Construction**

South Carolina Department of Natural Resources

1201 Main Street, Suite 600

Columbia, SC 29201

**Re: Notice of Intent to Protest by Paragon Inc. of South Carolina LLC**  
**Project Name: Beaufort-Wadell Mariculture**  
**Maturation Ponds Maintenance – Re- Bid**  
**Project Number: P24-6052-PG**

Dear Sir:

Please find attached a Notice of Intent to Protest the bid award in the above referenced project number that I am submitting on behalf of my client Paragon Inc. of South Carolina LLC.

If you require any additional information, please feel free to contact me at 803-744-0800.

Sincerely,

A handwritten signature in black ink, appearing to read 'James M. Griffin'. The signature is fluid and cursive, with a large loop at the end. Below the signature, the name 'James M. Griffin' is printed in a small, sans-serif font.

James M. Griffin

cc: Eric Byrd (eric@paragonbuilderssc.com)

## # NOTICE OF INTENT TO PROTEST

**\*\*Date:\*\*** October 27, 2025

**TO:** Chief Procurement Officer

Office of State Engineer

Construction Office

South Carolina Department of Natural Resources

Email: protest-ose@mmm.sc.gov

Physical Address: 1201 Main Street, Suite 600, Columbia, SC 29201

**FROM:** Paragon Inc. of South Carolina, LLC

2874 Columbia Road NE

Orangeburg, SC 29118-1902

Telephone: (803) 534-1900

Email: eric@paragonbuilderssc.com

Attention: Eric Byrd, Vice President

RE: Notice of Intent to Protest Award Decision

Project Name: Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid

Project Number: P24-6052-PG

Award Notice Posted: October 20, 2025

### I. NOTICE OF INTENT TO PROTEST

Pursuant to South Carolina Code Section 11-35-4210, Paragon Inc. of South Carolina, LLC ("Paragon" or "Protester") hereby submits this Notice of Intent to Protest the South Carolina Department of Natural Resources' ("SCDNR" or "Agency") decision to deem Paragon's bid non-responsive and its intent to award the above-referenced contract to Haren Construction Co. Inc.

This Notice of Intent to Protest is timely submitted within seven (7) business days of the October 20, 2025, award notice posting, as required by Section 11-35-4210.

### II. INTERESTED PARTY INFORMATION

Protester:

Paragon Inc. of South Carolina, LLC

SC Contractor's License Numbers: CLG.100190, CLM.111292

Classification(s) & Limits: Building BD5, Plumbing PB5, Electrical EL5

Contact Person:

Eric Byrd, Vice President  
2874 Columbia Road NE  
Orangeburg, SC 29118-1902  
Telephone: (803) 534-1900  
Email: eric@paragonbuilderssc.com

Legal Counsel:

James M. Griffin, Esquire  
Griffin Humphries LLC  
PO Box 999  
Columbia, SC 29202  
Telephone: 803-744-0800  
Email: jgriffin@griffinhumphries.com

III. PROCUREMENT INFORMATION

Awarding Agency: South Carolina Department of Natural Resources  
Project: Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid  
Project Number: P24-6052-PG  
Bid Opening Date: September 23, 2025  
Award Notice Date: October 20, 2025  
Intended Awardee: Haren Construction Co. Inc.  
Award Amount: \$6,207,000.00

IV. PARAGON'S BID INFORMATION

Base Bid Amount: \$5,323,800.00  
Alternate #1: \$533,600.00  
Alternate #2: \$568,200.00  
Alternate #3: \$573,350.00  
Status: Deemed "Non-Responsive" by Agency

V. GROUNDS FOR PROTEST (SUMMARY)

Paragon protests the Agency's determination that its bid was non-responsive based on alleged violations of South Carolina Code Sections 40-11-270, 40-11-340, and 40-11-370. Specifically, Paragon contends:

#### A. Paragon's Plumbing License Covers the Yard Piping Work (Section 40-11-340 Compliance)

Issue: The Agency apparently determined that Paragon's Plumbing License (PB5) does not cover the yard piping installation for non-potable water from the head tower to the fishponds, which constitutes 53% of the project scope.

Paragon's Position:

1. Statutory Coverage: The definition of "Plumbing" under Section 40-11-410(5)(f) explicitly includes:

- "installation, alteration, and repair of all piping, fixtures, and appliances related to water supply"
- "installation of a system of pipes, fittings, fixtures, drains, and all necessary component parts \*\*upon the premises or in a building\*\* to supply water to buildings"
- Work performed "\*\*\*solely within property lines\*\* and not on public easements or rights-of-way"

2. Project Characteristics Support Plumbing Classification:

- All piping is \*\*within the Beaufort-Waddell property lines
- No work is on public easements or rights-of-way
- The work involves piping systems on the premises to supply water (albeit non-potable) to the fishponds
- The statute does not distinguish between potable and non-potable water for piping within private property
- The exclusion for "municipal or related water supply systems" does not apply to this private aquaculture facility

3. Section 40-11-340 Compliance:

Because Paragon's Plumbing license (PB5) covers 53% of the work, Paragon meets the 40% threshold required under Section 40-11-340 to act as sole prime contractor. Combined with Paragon's Electrical license (EL5) (19%) and Building license BD5) (13%), work not covered under a separate License classification (15%), Paragon is licensed to perform 100% of the total project work.

#### B. Compliance with Section 40-11-270 (License Classification Requirements)

Paragon holds appropriate licenses in all required classifications:

- Building BD5 – for concrete structures and access work (13%)
- Plumbing PB5 – for yard piping from head tower to ponds (53%)

- Electrical EL5 – for electrical panel replacement and pond wiring (19%)

For the pond liner work (15%), which requires no specific license, Paragon will utilize its Building classification or engage appropriately licensed subcontractors as needed.

#### C. Compliance with Section 40-11-370 (Business Name)

Issue: The Agency cited Section 40-11-370(B) regarding engaging in construction under a name other than the exact name on the license.

#### Paragon's Position:

Paragon's bid was submitted under "Paragon Inc. of South Carolina, LLC," which matches its legal business name and contractor license. Any alleged discrepancy is a secondary issue that does not warrant bid rejection, particularly when:

- The entity is properly identified
- All license numbers are correctly provided
- The qualifying party is properly designated
- There is no indication of fraud, misrepresentation, or attempt to circumvent licensing requirements

#### VI. PREJUDICE TO PARAGON

Paragon will suffer substantial prejudice if the protest is not granted:

1. Financial Harm: Paragon submitted the lowest responsible bid. The difference between Paragon's total bid (\$5,857,400) and the intended award (\$6,207,000) is \$349,600 more than Paragon's total bid.
2. Loss of Business Opportunity: Paragon is a qualified, properly licensed contractor capable of performing this work in accordance with all applicable laws and regulations.
3. Improper Interpretation of Law: The Agency's restrictive interpretation of the Plumbing license definition would improperly exclude legitimate plumbing work from the statutory scope, contrary to legislative intent.
4. Competitive Disadvantage: If this interpretation stands, it would create uncertainty for contractors bidding on similar projects involving water piping systems on private property.

## VII. RELIEF REQUESTED

Paragon respectfully requests that the Chief Procurement Officer:

1. Reverse the determination that Paragon's bid is non-responsive.
2. Find that Paragon's Plumbing license (PB5) properly covers the yard piping installation work as defined in Section 40-11-410(5)(f);
3. Find that Paragon meets all requirements of Sections 40-11-270, 40-11-340, and 40-11-370;
4. Determine that Paragon submitted the lowest responsive and responsible bid; and
5. Award the contract to Paragon Inc. of South Carolina, LLC.

## VIII. REQUEST FOR DOCUMENTS

Pursuant to Section 11-35-410 and protest procedures, Paragon requests access to the following documents within five (5) days:

1. Complete bid tabulation showing all bids received
2. All documentation related to the responsiveness determination for Paragon's bid
3. All documentation related to the responsiveness determination for the two other bidders (Haren Construction and BRW Construction).
4. Any communications within SCDNR or between other South Carolina State Agencies, legal counsel or personnel regarding license classification interpretation for this project
5. Any legal opinions or guidance sought regarding the plumbing license scope
6. Haren Construction and BRW Construction's license documentation and classifications
7. Any protest or inquiry submitted by any other bidder
8. Complete bid documents submitted by the two other bidders including a copy of the sealed bid envelope.

## IX. FORMAL PROTEST TO FOLLOW

This Notice of Intent to Protest will be followed by a formal written protest within fifteen (15) days of the date the award notice was posted (October 20, 2025), as required by Section 11-35-4210.

#### X. CONSENT TO ELECTRONIC COMMUNICATIONS

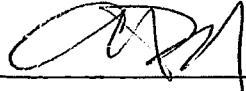
By submitting this Notice of Intent to Protest to [protest-ose@mmm.sc.gov](mailto:protest-ose@mmm.sc.gov), Paragon (and any person acting on Paragon's behalf) consents to receive communications regarding this protest (and any related protests) at the email address of Paragon's legal counsel, James M. Griffin at [jgriffin@griffinhumphries.com](mailto:jgriffin@griffinhumphries.com) with copies to [eric@paragonbuilderssc.com](mailto:eric@paragonbuilderssc.com).

#### XI. CERTIFICATION

The undersigned certifies that the statements contained in this Notice of Intent to Protest are true and accurate to the best of knowledge and belief.

Respectfully submitted this 27th day of October 2025.

PARAGON INC. OF SOUTH CAROLINA, LLC

By:  \_\_\_\_\_

Eric Byrd, Vice President

2874 Columbia Road NE  
Orangeburg, SC 29118-1902  
Telephone: (803) 534-1900  
Email: [eric@paragonbuilderssc.com](mailto:eric@paragonbuilderssc.com)



**## XII. CERTIFICATE OF SERVICE**

I hereby certify that a copy of this Notice of Intent to Protest has been served via email on this 27th day of October, 2025, to:

**\*\*Chief Procurement Officer\*\***

Office of State Engineer

Email: [protest-ose@mmm.sc.gov](mailto:protest-ose@mmm.sc.gov)

**\*\*South Carolina Department of Natural Resources\*\***

Attention: Jeff Boyer, Engineer III

Email: [boyerj@dnr.sc.gov](mailto:boyerj@dnr.sc.gov)

**\*\*Intended Awardee:\*\***

Haren Construction Co. Inc.

[Address and contact information to be obtained from public records]

**\*\*Legal Counsel for Protester: \*\***

James M. Griffin, Esquire

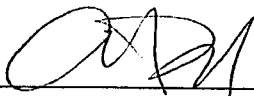
Griffin Humphries LLC

PO Box 999

Columbia, SC 29202

Email: [jgriffin@griffinhumphries.com](mailto:jgriffin@griffinhumphries.com)

---

By: 

Eric Byrd, Vice President

11/18/25, 5:51 PM

Advertisement Print Page | [scbo.sc.gov](https://scbo.sc.gov)

# Exhibit B

## South Carolina Business Opportunities

Published by Division of Procurement Services - Delbert H. Singleton, Jr., Division Director

**Ad Category:** Construction

**Ad Start Date:** August 12, 2025

**Agency/Owner:** Department of Natural Resources

**Project Name:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance \*RE-BID\*

**Project Number:** P24-6052-PG

**Construction Cost Range:** \$4,500,000 to \$7,000,000

**Project Location:** Waddell Mariculture Center

**Description of Project/Services:**

REBID \* Revised Scope \* - Rehabilitation of rearing ponds, replacement of yard piping and electrical

**Bid/Submittal Due Date & Time:** September 18, 2025 - 2:00pm

**Number of Bid/Submittal Copies:** 1

**Project Delivery Method:** Design-Bid-Build

**Agency Project Coordinator:** Jeff Boyer

**Email:** [Boyerj@dnr.sc.gov](mailto:Boyerj@dnr.sc.gov)

**Telephone:** (803) 360-0042

**Documents May Be Obtained From:** Karen Jones via email: [Jonesk@dnr.sc.gov](mailto:Jonesk@dnr.sc.gov) or phone 803-360-0042

**Project Details:** [https://scbo.sc.gov/files/scbo/SE-310\\_2nd\\_Rebid\\_P24-6052-PG.pdf](https://scbo.sc.gov/files/scbo/SE-310_2nd_Rebid_P24-6052-PG.pdf)

South Carolina Business Opportunities • SCBO Team • 1333 Main Street, Suite 700 • Columbia, SC 29201  
803-737-0600 • [scbo@mno.sc.gov](mailto:scbo@mno.sc.gov) • <https://scbo.sc.gov> • <https://procurement.sc.gov>



# Exhibit C

Addendums: 2

**Bid Due Date: 9/23/2025**

[illegible]

South Carolina Code of Laws SECTION 40-11-200, 270, 340, & 370. 40% or more of the work as measured by the total cost of construction does not fall under one or more of the licensee's license classifications or subclassifications.

**The above information is certified to be true and correct to the best of my knowledge:**

Karen Jones

Date: 10/15/23

11/7/25, 10:13 AM

Contractors

## Exhibit D

[Print this page](#)**Board: Commercial Contractors**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG, SC 29118-1902  
(803) 534-1900

**License number:** 100190  
**License type:** GENERAL CONTRACTOR  
**Status:** ACTIVE  
**Expiration:** 10/31/2026  
**First Issuance Date:** 01/07/1999  
**Classification:**  
Building-BD5  
Nonstructural Renovation-NR5

**Qualified By:** Surety Bond  
**President / Owner:** STEPHON EDWARDS

[Click here for Classification definitions and licensee's contract dollar limit](#)

**Supervised By**  
**EDWARDS DEQUINCEY (CQG)**  
**EDWARDS STEPHON (CQG)**

[File a Complaint against this licensee](#)

**Board Public Action History:**

| <a href="#">View Orders</a> |            | <a href="#">View Other License for this Person</a> |              |                |
|-----------------------------|------------|----------------------------------------------------|--------------|----------------|
|                             | Order Date | Name                                               | License Type | License Number |
| <b>View</b>                 | 8/5/2025   | PARAGON BUILDERS                                   | CLG          | 100190         |
|                             |            |                                                    |              |                |

11/7/25, 10:12 AM

Contractors

[Print this page](#)**Board: Commercial Contractors**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG, SC 29118-1902  
(803) 534-1900

**License number:** 111292  
**License type:** MECHANICAL CONTRACTOR  
**Status:** ACTIVE  
**Expiration:** 10/31/2027  
**First Issuance Date:** 04/28/2010  
**Classification:**  
Packaged Equipment-PK5  
Plumbing-PB5  
Electrical-EL5

**Qualified By:** Surety Bond  
**President / Owner:** STEPHON EDWARDS  
**Vice President:** ERIC BYRD

[Click here for Classification definitions and licensee's contract dollar limit](#)

**Supervised By**  
**GILLETTE PAUL (COM)**  
**HAMPTON RODGERS (COM)**  
**FERGUSON JONATHAN (COM)**

[File a Complaint against this licensee](#)

**Board Public Action History:**[View Orders](#)[View Other License for this Person](#)[No Orders Found](#)

# Exhibit E

State of South Carolina  
**Department of Natural Resources**



**Thomas S. Mullikin, PhD, JD, Director**  
**David Tarrant, Chief Operations Officer**

Date 10/17/2025

Re: Beaufort - Waddell Mariculture Maturation Pond Maintenance  
P24-6052-PG

Determination of non-responsibility – Paragon Inc. of South Carolina LLC.

The South Carolina Department of Natural Resources opened bids for the Beaufort - Waddell Mariculture Maturation Pond Maintenance project on 9/23/2025. Paragon Inc. of South Carolina LLC appeared to have submitted the lowest bids for the project. After careful review of the submitted bid documents and correspondence with SC LLR and OSE the following was determined:

1. Paragon Inc. of South Carolina LLC. does not have a contractor's license under that name. There is no contractor license in the SCLLR database for Paragon Inc. of South Carolina LLC., however there is a license for Paragon Builders owned by the same owner. \*
2. Paragon Builders does not have the proper license classifications or subclassifications to act as a sole prime contractor per SCLLR for this project. Paragon Builders has the following licenses BD5, NR5, PB5 and EL5. Of these licenses only EL is applicable, which comprises 17% of the work requiring a SCLLR license. \*\*

Based on the engineer's opinion, estimated cost and scope of work it is determined that the majority of the work (80%) requires licensure under a (WL) Water and Sewer Line license classification.

According to South Carolina Code of Laws:

**\*SECTION 40-11-370.** License required to use term "licensed contractor"; engaging in construction under assumed name; enforcement of contract.

(B) It is unlawful to engage in construction under a name other than the exact name which appears on the license issued pursuant to this chapter. "Engaging in construction" includes marketing, advertising, using site signs, and submitting contracts. This requirement does not include advertising on vehicles, which may use an abbreviated version of the license name so long as the advertising is not misleading.

**\*\*SECTION 40-11-340.** Qualifications for acting as sole prime contractor.

An entity licensed under the classifications or subclassifications in Sections 40-11-410(1), (2), or (3) may act as a sole prime contractor on a project if forty percent or more of the work as measured by the total cost of construction falls under one or more of the licensee's license classifications or subclassifications. An entity licensed under the classifications or subclassifications in Section 40-11-410(4) and (5) may act as sole prime contractor if fifty-one percent or more of the work falls under one or more of the licensee's license classifications or subclassifications.

See Attachment A - Email corresponded from SC LLR regarding WL classification for this project.

SE-370

## Exhibit F

## NOTICE OF INTENT TO AWARD - DESIGN-BID-BUILD CONTRACT

AGENCY: DNR - Department of Natural ResourcesPROJECT NAME: Beaufort-Waddell Mariculture Maturation Ponds MaintenancePROJECT NUMBER: P24-6052-CBPOSTING DATE: 10/20/2025**TO ALL BIDDERS**

Unless stayed by protest or canceled, the Agency intends to enter into a contract as noted below. The successful bid will be accepted and the contract formed by execution of the contract documents. All bid bonds remain in effect for the bid acceptance period as provided in Section 4 of the Bid Form, except as otherwise provided in the Instructions to Bidders.

NAME OF BIDDER: Haren Construction Co. IncDATE BIDS WERE OPENED: 09/23/2025**BID INFORMATION:****BASE BID AMOUNT:**\$5,682,000.00

|             |    |          |                                     |                     |
|-------------|----|----------|-------------------------------------|---------------------|
| ALTERNATES: | #1 | ACCEPTED | <input checked="" type="checkbox"/> | <u>\$525,000.00</u> |
|             | #2 | ACCEPTED | <input type="checkbox"/>            | <u>\$540,000.00</u> |
|             | #3 | ACCEPTED | <input type="checkbox"/>            | <u>\$600,000.00</u> |

**TOTAL BID AMOUNT:**\$6,207,000.00**TOTAL CONTRACT AWARD:**\$6,207,000.00

(If the Total Contract Award is different from the Total Bid Amount, explain any negotiations that resulted in the change.)

N/A**REMARKS:** (If "No Contract to be Awarded" was entered above, indicate the reason.)N/A

Contractor should not incur any costs associated with the contract prior to receipt of a contract from the Agency for execution. Contractor should not perform any work before receipt of the Agency's written Notice to Proceed.

**RIGHT TO PROTEST (SC Code 11-35-4210)**

Any actual bidder, offeror, contractor, or subcontractor who is aggrieved in connection with the intended award or award of this contract may be entitled to protest. To protest an award, you must (i) submit notice of your intent to protest within seven (7) business days of the date the award notice is posted, and (ii) submit your actual protest within fifteen (15) days of the date the award notice is posted. Days are calculated as provided in Section 11-35-310(13). Both protests and notices of intent to protest must be in writing and must be received by the appropriate Chief Procurement Officer within the time provided.

PROTEST - CPO ADDRESS - OSE: Any protest must be addressed to the Chief Procurement Officer for Construction, Office of State Engineer, and submitted in writing (a) by email to: [protest-ose@mmo.sc.gov](mailto:protest-ose@mmo.sc.gov), or (b) by post or delivery to 1201 Main Street, Suite 600, Columbia, SC 29201. By submitting a protest to the foregoing email address, you (and any person acting on your behalf) consent to receive communications regarding your protest (and any related protests) at the email address from which you sent your protest.

Pursuant to Section 11-35-410, documents directly connected to a procurement activity may be available within five days after request. All document requests should be directed to the procuring agency project coordinator. If a protest is pending, the protestant's lawyer may access otherwise unavailable information by applying to the CPO for the issuance of a protective order. Additional information is available at [www.procurement.sc.gov/legal](http://www.procurement.sc.gov/legal).

BY: Jeff BoyerTITLE: Engineer IIIDATE: 10/17/2025ACKNOWLEDGED BY OSE PROJECT MANAGER: Perry DerrickDATE: 10/20/2025 ~~10/20/2025~~ **Motion to Dismiss 054**

ROA 588

# Exhibit G

State of South Carolina  
**Department of Natural Resources**



**Thomas S. Mullikin, PhD, JD, Director**  
**David Tarrant, Chief Operations Officer**

Date 10/30/2025

Re: Beaufort - Waddell Mariculture Maturation Pond Maintenance  
P24-6052-PG

Determination of non-responsibility – Paragon Inc. of South Carolina LLC.

Dear Mr. White,

In response to Paragon Inc. of South Carolina LLC. ( herein after referred to as Paragon Inc.) notice of intent to protest the bid award for the Beaufort – Waddell Mariculture Maturation Pond Maintenance – Re-Bid I offer SCDNR's reasoning for our decision to deem Paragon Inc. Non- Responsible.

Just to clarify, SCDNR deemed Paragon Inc. "Non- Responsible" and not Non-Responsive as noted in their notice of intent to protest. A copy of the bid tabulation sent to all bidders is attached.

#### Background.

The Beaufort – Waddell Mariculture Maturation Pond Maintenance – Re-Bid project involves the renovation of SCDNR's marine fish hatchery in Bluffton, SC. This facility basically works by pumping seawater into an elevated concrete tower where is then released, by a series of valves, to flow by gravity to several in ground ponds via a network of underground pipes and valves ranging from 8" to 12". The seawater is held in the ponds for a period needed for fish production and then drained into a concrete outlet structure where the fish are harvested. The drained seawater is discharged into a drainage ditch and returned to the saltmarsh. Each pond also has electrical components needed to service the ponds.

#### Scope of Work

Renovation of the hatchery involves the replacement of the main line piping network from the elevated holding tower to the ponds, electrical network, rehabbing the concrete water tower (cleaning, coating and replacement of all piping), replacement of concrete outlet structures in the ponds, replacement of pond liners and associated minor grading. No buildings are being constructed or renovated in this project.

#### SCDNR determination of non-responsible

SCDNR determined that Paragon Inc. was Non Responsible based on correspondence with South Carolina Department of Labor, Licensing and Regulation (SCLLR) the S.C. Code of Laws Section 40-11-340 and 370 and OSE project manager Clint Burdett.

In accordance with OSE manual policies and guidance for establishment and maintenance of permanent improvement projects, section 6.11 Determination of Bidders Responsibility, SCDNR carefully reviewed the documentation provided by each of the 3 bidders on this project. Investigation of Paragon Inc. licensure with SCLLR found no SCLLR license under the name of Paragon Inc. of South Carolina, LLC. A search on the SC Contractors License Numbers provided in the SE-330 Bid Form, CLG 100190 and CML 111292 did find active General and Mechanical Contractors license for Paragon Builders with classifications of BD5, NR5, EL5, PK5 and PB5. Also noted on the General Contractors license page was a SCLLR Citation and Notification of Penalty for General and/or Mechanical Contracting for engaging in contracting work or submitting a bid when not properly licensed issued 8/4/2025.

Since the name on the bid documents did not have a license according to the SCLLR website, we contacted SCLLR for further clarification. SCLLR responded, citing:



S.C. Code of Laws Title 40 Chapter 11:

SECTION 40-11-370. License required to use term "licensed contractor"; engaging in construction under assumed name; enforcement of contract.

(B) It is unlawful to engage in construction under a name other than the exact name which appears on the license issued pursuant to this chapter. "Engaging in construction" includes marketing, advertising, using site signs, and submitting contracts. This requirement does not include advertising on vehicles, which may use an abbreviated version of the license name so long as the advertising is not misleading.

SECTION 40-11-420. Requirements for obtaining building permit; list of licensed contractors performing work on project.

(A) Building permits, when required by law, must be obtained by the sole prime contractor in the name appearing on that entity's contractor's license.

Subsequent correspondence with SCLLR regarding the proper license required for the major portion of work confirmed that a Water and Sewer Line (WL) classification was appropriate. Based on the EOR opinion of cost, over 40% of the work requires a SCLLR General Contractors license WL classification, see Bold sections below. Paragon Builders does not have a WL license.

SECTION 40-11-410. License classifications and subclassifications.

(c) "Water and Sewer Lines" which **includes construction work on water mains, water service lines, water storage tanks, sewer mains, sewer lines, lift stations, pumping stations and appurtenances to water storage tanks, lift stations, pumping stations, pavement patching, backfill, and erosion control as a part of construction, and which includes connection at the building of all lines to the appropriate lines contained in commercial structures, installation and repair of a project involving manholes, the laying of pipe for storm drains and sewer mains, all necessary connections, and excavation and backfilling, and concrete work incidental thereto.**

Paragon Inc. stance that a Plumbing License (PB) is appropriate for 53% of the work in our determination is not valid. SCDNR's interpretation of the work that can be performed under a PB license is limited to "Supply water to buildings and convey sewage or other waste products from buildings". Please note that in Paragons Inc.'s Notice of Intent page 3 of 7, excerpt below, further supports our determination.

- "installation of a system of pipes, fittings, fixtures, drains, and all necessary component parts \*\*upon the premises or in a building\*\* to supply water to buildings".

There are no buildings being built or renovated in this project, therefore the PB classification is not appropriate for the work.

The bids were submitted on September 23, 2025, and are good for 60 days (November 22, 2025) If at all possible, we would like to have a determination prior to this date so we can proceed with the project. This is our 3rd advertisement, so we very much need to make an award.

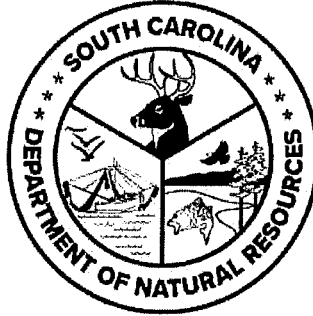
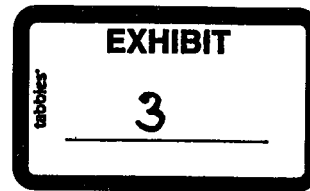
Please let me know if you have any questions or need any information.

Jeff Boyer  
Engineer III

Attachments. Attachment A - SCDNR & SCLLR email correspondence  
EOR opinion of cost with License %

CC Andy Wicker PE SCDNR  
Clint Burdett, OSE





**BEAUFORT-WADDELL MARICULTURE  
MATURATION PONDS MAINTENANCE – RE-BID  
P24-6052-PG**

**BID-READY**

**AUGUST 8, 2025**



Schnabel Engineering  
348 W Parkcenter Blvd, Suite 200  
Boise, ID 83706  
Phone: (208) 331-9736

**TABLE OF CONTENTS****PROJECT NAME:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid**PROJECT NUMBER:** P24-6052-PG**SECTION****NUMBER  
OF PAGES**

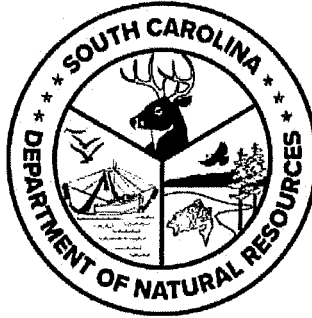
|                                                                                                                                                                                               |    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| Table of Contents .....                                                                                                                                                                       | 3  |
| SE-310, Invitation for Design-Bid-Build Construction Services .....                                                                                                                           | 1  |
| AIA Document A701 Instructions to Bidders<br>South Carolina Division of Procurement Services, Office of State Engineer Version .....                                                          | 14 |
| Bid Bond (AIA A310 reference) .....                                                                                                                                                           | 1  |
| SE-330, Lump Sum Bid Form .....                                                                                                                                                               | 6  |
| AIA Document A101 Standard Form of Agreement between Owner and Contractor (Including<br>Exhibit A)<br>South Carolina Division of Procurement Services, Office of State Engineer Version ..... | 16 |
| AIA Document A201 General Conditions of the Contract for Construction<br>South Carolina Division of Procurement Services, Office of State Engineer Version .....                              | 47 |
| SE-355, Performance Bond.....                                                                                                                                                                 | 2  |
| SE-357, Labor & Material Payment Bond.....                                                                                                                                                    | 2  |
| SE-380, Change Order to Design-Bid-Build Construction Contract.....                                                                                                                           | 2  |

**TECHNICAL SPECIFICATIONS**

|                                                                |    |
|----------------------------------------------------------------|----|
| Section 011000 Summary .....                                   | 4  |
| Section 012900 Payment Procedures.....                         | 4  |
| Section 012910 Schedule of Values.....                         | 2  |
| Section 013119 Progress Management and Coordination.....       | 3  |
| Section 013216 Progress Schedule.....                          | 4  |
| Section 013300 Submittal Procedures.....                       | 7  |
| Section 014000 Quality Requirements.....                       | 7  |
| Section 014150 Special Inspections and Structural Testing..... | 4  |
| Section 015000 Temporary Facilities and Controls.....          | 6  |
| Section 016500 Product Delivery and Handling.....              | 2  |
| Section 017200 Project Layout and Field Engineering.....       | 3  |
| Section 017329 Cutting and Patching.....                       | 4  |
| Section 017700 Contract Close Out Procedures.....              | 3  |
| Section 017823 Operation and Maintenance Data.....             | 7  |
| Section 017836 Warranties.....                                 | 4  |
| Section 019100 Equipment Testing and Facility Startup.....     | 4  |
| Section 024116 Structure Demolition.....                       | 3  |
| Section 030100 Maintenance of Concrete.....                    | 15 |
| Section 031000 Concrete Forming and Accessories.....           | 14 |
| Section 032000 Concrete Reinforcing.....                       | 10 |
| Section 033000 Cast-In-Place Concrete.....                     | 28 |
| Section 051200 Structural Steel Framing.....                   | 10 |
| Section 055000 Miscellaneous Metalwork.....                    | 12 |
| Section 055250 Steel Railings.....                             | 6  |

2023 Edition

|                                                                        |    |
|------------------------------------------------------------------------|----|
| Section 099600 Protective Coatings.....                                | 16 |
| Section 260500 Common Work Results for Electrical.....                 | 7  |
| Section 260501 Excavation and Backfill for Electrical Work.....        | 2  |
| Section 260503 Electrical Demolition.....                              | 3  |
| Section 260519 Low Voltage Electrical Power Conductors and Cables..... | 4  |
| Section 260526 Grounding and Bonding for Electrical Systems.....       | 3  |
| Section 260529 Hangers and Supports for Electrical Systems.....        | 3  |
| Section 260534 Conduit.....                                            | 4  |
| Section 260537 Boxes.....                                              | 3  |
| Section 260553 Identification for Electrical Systems.....              | 3  |
| Section 262416 Panelboards.....                                        | 3  |
| Section 262818 Enclosed Switches.....                                  | 2  |
| Section 312316 Excavation.....                                         | 4  |
| Section 312323 Soils and Aggregates.....                               | 7  |
| Section 317700 Geomembrane Liner.....                                  | 9  |
| Section 400507 Pipe Supports - General.....                            | 5  |
| Section 400510 General Piping Provisions.....                          | 11 |
| Section 400515 Pipe and Fitting Materials.....                         | 7  |
| Section 400551 Valves and Appurtenances.....                           | 7  |
| Section 400597 Identification, Stenciling and Tagging Systems.....     | 9  |



**BEAUFORT-WADDELL MARICULTURE  
MATURATION PONDS MAINTENANCE – RE-BID**

**SE-310 INVITATION FOR DESIGN-BID-BUILD  
CONSTRUCTION SERVICES**

**SE-310****INVITATION FOR DESIGN-BID-BUILD CONSTRUCTION SERVICES**

---

**AGENCY:** DNR - Department of Natural Resources

---

**PROJECT NAME:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance

---

**PROJECT NUMBER:** P24-6052-PG **CONSTRUCTION COST RANGE:** \$4,500,000 to \$7,000,000

---

**PROJECT LOCATION:** Waddell Mariculture Center

---

**DESCRIPTION OF PROJECT/SERVICES:** (450 character limit)

---

**REBID \* Revised Scope \* -** Rehabilitation of rearing ponds, replacement of yard piping and electrical

---

**BID/SUBMITTAL DUE DATE:** 09/18/2025 **TIME:** 02:00 PM **NUMBER OF COPIES:** 1

---

**PROJECT DELIVERY METHOD:** Design-Bid-Build

---

**AGENCY PROJECT COORDINATOR:** Jeff Boyer

---

**EMAIL:** Boyerj@dnr.sc.gov

---

**TELEPHONE:** (803) 360-0042

---

**DOCUMENTS OBTAINED FROM:** Karen Jones via email: Jonesk@dnr.sc.gov or phone 803-360-0042

---

**BID SECURITY IS REQUIRED IN AN AMOUNT NOT LESS THAN 5% OF THE BASE BID.****PERFORMANCE AND LABOR & MATERIAL PAYMENT BONDS:** The successful Contractor will be required to provide Performance and Labor and Material Payment Bonds, each in the amount of 100% of the Contract Price.**DOCUMENT DEPOSIT AMOUNT:** \$0.00 **IS DEPOSIT REFUNDABLE:** ☐ Yes ☐ No ☒ N/A

Bidders must obtain Bidding Documents/Plans from the above listed sources(s) to be listed as an official plan holder. Bidders that rely on copies obtained from any other source do so at their own risk. All written communications with official plan holders &amp; bidders will be via email or website posting.

Agency **WILL NOT** accept Bids sent via email.

---

*All questions & correspondence concerning this Invitation shall be addressed to the A/E.***A/E NAME:** Schnabel Engineering

---

**A/E CONTACT:** Bryant Charlo, PE

---

**EMAIL:** bcharlo@schnabel-eng.com

---

**TELEPHONE:** (208) 331-9736

---

**PRE-BID CONFERENCE:** ☒ Yes ☐ No **MANDATORY ATTENDANCE:** ☐ Yes ☒ No**PRE-BID DATE:** 08/28/2025

---

**TIME:** 10:30 AM

---

**PRE-BID PLACE:** Waddell Mariculture 211 Sawmill Creek Road, Bluffton, SC 29910

---

**BID OPENING PLACE:** SCDNR Headquarters, 260 D. Epting Lane, Room 248 West Columbia, SC 29172

---

**BID DELIVERY ADDRESSES:****HAND-DELIVERY:****Attn:** Jeff Boyer

---

260 D. Epting Lane, Room 248

---

West Columbia, SC 29172

---

**MAIL SERVICE:****Attn:** Jeff Boyer

---

260 D. Epting Lane, Room 248

---

West Columbia, SC 29172

---

**IS PROJECT WITHIN AGENCY CONSTRUCTION CERTIFICATION?** ☐ Yes ☒ No

---

**APPROVED BY:**

---

(OSE PROJECT MANAGER)

**DATE:** 08/11/2025

---





South Carolina Department of Labor, Licensing and Regulation  
Office of Investigation and Enforcement  
P.O. Box 11329, Columbia, South Carolina 29211-1329  
(803) 896-4470

**CITATION AND NOTIFICATION OF PENALTY FOR GENERAL AND/OR MECHANICAL CONTRACTING**

PARAGON BUILDERS  
[REDACTED]

License Number: CLG. 100190

☒ General ☐ Mechanical

Issuance Date: 8/5/2025

CASE NO.: 2025-495

This citation describes alleged violation(s) of Title 40, Chapter 11 of the South Carolina Code of Laws Ann., 1976, (as amended). The penalties listed are based on these violations. You must pay the proposed penalties pursuant to §40-11-100. Any citation and/or penalty assessed by the South Carolina Department of Labor, Licensing and Regulation may be appealed without payment by requesting a hearing in writing before the Board. Such requests must be addressed to: South Carolina Contractor's Licensing Board, P. O. Box 11329, Columbia, S.C., 29211-1329, and must be mailed within 15 days of receipt of this Citation. This citation concerns application of the South Carolina Contractors Practice Act and Regulations and does not necessarily resolve all aspects of any disciplinary action currently pending before the Board or which may be filed in the future. Disciplinary action by the Board may result in you being required to pay the costs associated with the investigation and prosecution of the case. If no appeal is filed, the citation will become a final order of the South Carolina Contractor's Licensing Board and the citation penalty must be paid within 30 days of issuance of the citation. Failure to pay this citation within 30 days from the date of issuance may result in administrative suspension of your license until the citation is paid in full.

| ITEM#       | DISCIPLINARY AUTHORITY   | DESCRIPTION OF VIOLATION                                                                                                                                                                                                                                              | PENALTY AMOUNT   |
|-------------|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| 1. <u>X</u> | 1. §40-11-110(A)(5)....  | 1. Engaging or offering to engage in contracting work or submitting a bid when not properly licensed or while a license is under suspension or revocation. (§40-11-30)                                                                                                | 1. <u>500.00</u> |
| 2. _____    | 2. §40-11-110(A)(5)....  | 2. Use of the term 'licensed contractor' without being licensed. (§40-11-370)(A))                                                                                                                                                                                     | 2. _____         |
| 3. _____    | 3. §40-11-110(A)(5)....  | 3. Issuing a building permit to an unlicensed general or mechanical contractor. (§40-11-350)                                                                                                                                                                          | 3. _____         |
| 4. _____    | 4. §40-11-110(A)(5)....  | 4. Failure to immediately withdraw from a construction project after violation of licensing requirements. (§40-11-300(B))                                                                                                                                             | 4. _____         |
| 5. _____    | 5. §40-11-110(A)(5)....  | 5. Acting as a construction manager without being registered by the Department or in excess of group limitation or license classification. (§40-11-320 and Reg. 29-5)                                                                                                 | 5. _____         |
| 6. _____    | 6. §40-11-110(A)(5)....  | 6. Dividing work into portions to avoid licensing requirements or group limitations. (§40-11-300(A))                                                                                                                                                                  | 6. _____         |
| 7. _____    | 7. §40-11-110(A)(5)....  | 7. Engaging in a name other than the exact name that appears on the licensee's license. (§40-11-370)(B))                                                                                                                                                              | 7. _____         |
| 8. _____    | 8. §40-11-110(A)(5)....  | 8. Failure to obtain a building permit as required by local or state jurisdiction - First Offense. (§40-11-110(A)(13))                                                                                                                                                | 8. _____         |
| 9. _____    | 9. §40-11-110(A)(5)....  | 9. Failure to maintain a business address accessible to the public. (§40-11-110(A)(18))                                                                                                                                                                               | 9. _____         |
| 10. _____   | 10. §40-11-110(A)(5).... | 10. Failure to notify the Department of any change in current mailing address, home address, home and/or office telephone number. (Reg. 29-9)                                                                                                                         | 10. _____        |
| 11. _____   | 11. §40-11-110(A)(5).... | 11. Failure to notify the Department of changes in information required in an original or renewal application. (§40-11-110(20))                                                                                                                                       | 11. _____        |
| 12. _____   | 12. §40-11-110(A)(5).... | 12. Departure from an applicable building code of the State of South Carolina or any of its political subdivisions as determined by a court of competent jurisdiction. (§40-11-110(A)(23))                                                                            | 12. _____        |
| 13. _____   | 13. §40-11-110(A)(5).... | 13. Failure to notify the Department of a change in status of primary qualifying party within fifteen (15) days of disassociation. (§40-11-230)(B)(3))                                                                                                                | 13. _____        |
| 14. _____   | 14. §40-11-110(A)(5).... | 14. Contracting without a primary qualifying party after license suspension. (§40-11-230)(B)(3))                                                                                                                                                                      | 14. _____        |
| 15. _____   | 15. §40-11-110(A)(5).... | 15. Failure to have a certified primary qualifying party in full-time employment in a responsible management position. (§40-11-240(A)(2))                                                                                                                             | 15. _____        |
| 16. _____   | 16. §40-11-110(A)(5).... | 16. Failure to comply with joint venture bid requirements. (§40-11-340)                                                                                                                                                                                               | 16. _____        |
| 17. _____   | 17. §40-11-110(A)(9).... | 17. Aiding or abetting an unlicensed entity to evade the Practice Act, combining or conspiring with an unlicensed entity, allowing one's license to be used by an unlicensed entity, or acting as agent, partner, or associate, of an unlicensed entity. (§40-11-200) | 17. _____        |
| 18. _____   | 18. §40-11-110(A)(10)... | 18. Entering into a contract with an unlicensed contractor for work to be performed for which a license is required. (§40-11-200)(B))                                                                                                                                 | 18. _____        |
| 19. _____   | 19. §40-11-110(A)(11)... | 19. Using false, misleading, or deceptive advertising whereby a member of the public may be misled and injured. (§40-11-370)                                                                                                                                          | 19. _____        |
| 20. _____   | 20. §40-11-110(A)(21)... | 20. Contracting or offering to contract for construction work exceeding the limitations of a group or outside the classification or subclassification of a license. (§40-11-270)(A))                                                                                  | 20. _____        |

TOTAL PENALTY: \$500.00

Scott Geib, Investigator III

Copy received: \_\_\_\_\_

Signature of Respondent

Date

**CERTIFICATE OF SERVICE BY MAIL**

This is to certify that the undersigned has this date served this Citation and Notification of Penalty in the above entitled action upon all parties to this cause by depositing a copy hereof in the United States mail, certified return receipt requested, and postage paid, or in the Interagency Mail Services, addressed to the parties (or their attorneys) in the following address:

• [REDACTED]  
This 04 day of August, 2025.

By: Scott Geib, Investigator III

Please make check or money order payable to:  
South Carolina Contractor's Licensing Board

Date Fine Received: \_\_\_\_\_

Check No.: \_\_\_\_\_

Received By: \_\_\_\_\_

Revised 03/31/2023

## **Exhibit 2**

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )  
In Re: Haren Construction Co., Inc. )  
Project No. P24-6052-PG )  
Beaufort-Waddell Mariculture )  
Maturation Ponds Maintenance – Re-Bid )  
\_\_\_\_\_ )

BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL

ORDER

Case No. 2025-5

## I. INTRODUCTION

This matter comes before the South Carolina Procurement Review Panel (Panel) on the appeal by Haren Construction Co., Inc. (Haren) from the November 19, 2025, decision of the Chief Procurement Officer for Construction (CPO). The CPO sustained the protest filed by Paragon Inc. of South Carolina, LLC (Paragon) in connection with Project No. P24-6052-PG, the Beaufort-Waddell Mariculture Maturation Ponds Maintenance (Project), and remanded the procurement to the South Carolina Department of Natural Resources (DNR). PRP000015.

Although the parties raise several issues concerning licensing classifications, statutory exclusions, protest sufficiency, and scope of review, the dispositive question is whether DNR’s non-responsibility determination was clearly erroneous, arbitrary, capricious, or contrary to law under S.C. Code Ann. § 11-35-2410(A).

Upon de novo review of the administrative record, the parties’ briefs, and the applicable law, the Panel concludes that DNR’s determination was not clearly erroneous, arbitrary, capricious, or contrary to law. The CPO’s decision is therefore reversed.

Haren was represented by D. Gregory Placone, Esquire, and P. Nicholas Nybo, Esquire, of Hudson Lambert Parrott, LLC; the CPO by Manton M. Grier, Jr., Esquire, Assistant General Counsel for the State Fiscal Accountability Authority (SFAA); Paragon by

James M. Griffin, Esquire, of Griffin Humphries LLC; and DNR by Susan O. Porter, Esquire, General Counsel for DNR.

## **II. BACKGROUND**

On August 12, 2025, DNR issued an advertisement and solicitation documents for the Project, including bidder instructions, specifications, and drawings defining the scope of work. PRP000062; PRP000084; PRP000192; PRP000470.

The solicitation describes renovation of hatchery infrastructure on DNR property, including rehabilitation of rearing ponds, replacement of piping networks, modifications to an existing head tower, site electrical systems, and related improvements. PRP000062; PRP000084; PRP000192.

The solicitation did not designate a specific contractor license classification for the prime contractor. However, the bid form required bidders to identify the entity performing electrical work under the Electrical (EL) license designation pursuant to the subcontractor listing requirements. PRP000105-106.

Paragon, which holds a Mechanical Contractor license with a Plumbing (PB) subclassification, submitted the apparent low responsive bid. PRP000063. During its responsibility review, DNR contacted personnel associated with the Contractor's Licensing Board within the South Carolina Department of Labor, Licensing and Regulation (LLR), who declined to provide a classification determination and advised that licensing questions should be directed to the local building official responsible for reviewing the Project's plans. PRP000070-73. DNR also reviewed contractor licensure information associated with Paragon's bid and noted that the bid was submitted under the name Paragon Inc. of South Carolina, LLC, while the contractor license in the LLR database was issued to Paragon

Builders. PRP000066. DNR relied on the engineer of record's opinion of cost and allocation of project costs by license classification contained in the administrative record. The estimate separated licensed construction work from non-licensed project costs, including contractor overhead and profit, insurance and bonds, engineering during construction, and third-party inspections. PRP000074. Based on that review, DNR issued a written determination dated October 17, 2025, concluding that Paragon was non-responsible – and therefore ineligible for award – because it did not satisfy the contractor licensing requirements of Title 40 of the South Carolina Code. PRP000066.

Paragon protested the determination, asserting that most of the Project fell within its PB subclassification, that the Project was not a municipal water supply system, that DNR had not properly quantified work outside its classification, and that the discrepancy between its legal and trade names was a mere ministerial variance. PRP000024. The CPO reviewed the protest.

On November 19, 2025, the CPO sustained the protest, concluding that the licensing issue presented a legal question, that the PB subclassification encompassed the work described in the solicitation, and that DNR had not sufficiently supported its sole prime determination. PRP000015.

Haren, which holds a General Contractors-Public Utility license with a Water and Sewer Lines (WL) subclassification, timely appealed. PRP000001. The parties initially agreed that the appeal could be resolved on the written record. After DNR raised jurisdictional and procedural issues in its response brief and limited reply briefing was permitted, no party requested a hearing, and the Panel proceeded on the written record.

On February 25, 2026, the Panel deliberated and reached its decision in this matter. Due to the unique technical nature of mariculture infrastructure and the difficulty of applying specialized Title 40 contractor subclassifications to the Project's scope, the Panel designated this matter as complex pursuant to S.C. Code Ann. § 11-35-4410(5), which requires the Panel to record its determination within thirty days.

### **III. FINDINGS OF FACT**

After consideration of the entire record, the Panel finds the following facts:

1. DNR issued the solicitation for the Project. PRP000062; PRP000079.
2. Paragon submitted the apparent low responsive bid. PRP000063.
3. DNR's written determination stated that Paragon Inc. of South Carolina, LLC did not hold a contractor license under that name in the LLR database and that a contractor license was issued to Paragon Builders, identified by DNR as being "owned by the same owner." PRP000066. The administrative record also includes applications submitted to LLR that identify Paragon Inc. of South Carolina, LLC, doing business as Paragon Builders. PRP000040; PRP000042.
4. DNR's written determination relied upon the engineer's opinion of cost and allocation of project costs by license classification in concluding that eighty percent of the Project required WL licensure. PRP000066. The administrative record also includes the engineer's allocation supporting that conclusion. PRP000074.
5. Although Paragon asserted a different percentage allocation in its protest, the administrative record contains no competing engineering estimate or line-item cost analysis demonstrating that DNR's allocation was factually unsupported or artificially structured. PRP000026; PRP000074.

## IV. APPLICABLE LAW

### A. Standard of Review

Responsibility determinations under the Procurement Code are “final and conclusive, unless clearly erroneous, arbitrary, capricious, or contrary to law.” S.C. Code Ann. § 11-35-2410(A). Although appeals to the Panel are conducted de novo – allowing the Panel to make its own findings of fact and conclusions of law – its review of such determinations remains subject to this statutory limitation. *See* S.C. Code Ann. § 11-35-4410(1). The Panel has recently applied this standard when reviewing procurement determinations. *See In re U.S. Facilities, Inc.*, Case No. 2025-1, at 5 (S.C. Procurement Rev. Panel May 19, 2025); *In re Schindler Elevator Corp.*, Case No. 2024-5, at 9 (S.C. Procurement Rev. Panel Sept. 19, 2024).

An administrative decision is arbitrary and capricious if it lacks a rational basis or is made without adequate determining principles. As the Court of Appeals has explained, a decision is arbitrary if it is “without a rational basis, is based alone on one’s will and not upon any course of reasoning and exercise of judgment, is made at pleasure, without adequate determining principles, or is governed by no fixed rules or standards.” *Blackmon v. S.C. Dep’t of Health & Envtl. Control*, 441 S.C. 342, 353, 893 S.E.2d 578, 584 (Ct. App. 2022). Courts reviewing administrative decisions do not substitute their discretion for that of the agency in matters committed to agency expertise. The South Carolina Supreme Court has cautioned that otherwise “[j]udicial discretion in a non-judicial field would be substituted for that of the appropriate administrative agency. This we cannot do.” *Guerard v. Whitner*, 276 S.C. 521, 523, 280 S.E.2d 539, 540 (1981).



In accordance with this principle of deference, judicial review of factual determinations made in the administrative process is limited. “As to factual issues, judicial review of administrative agency orders is limited to a determination of whether the order is supported by substantial evidence.” *Murphy v. S.C. Dep’t of Health & Envtl. Control*, 396 S.C. 633, 639, 723 S.E.2d 191, 194 (2012). “Substantial evidence is not a mere scintilla of evidence nor the evidence viewed blindly from one side of the case, but is evidence which, considering the record as a whole, would allow reasonable minds to reach the conclusion that the administrative agency reached or must have reached to justify its action.” *Lark v. Bi-Lo, Inc.*, 276 S.C. 130, 135, 276 S.E.2d 304, 306 (1981). Moreover, “[t]he mere possibility of drawing two inconsistent conclusions from the evidence does not prevent a finding from being supported by substantial evidence.” *Rhame v. Charleston Cnty. Sch. Dist.*, 415 S.C. 162, 167, 781 S.E.2d 151, 154 (Ct. App. 2015).

Under the substantial evidence standard, the reviewing body does not reweigh technical evidence or resolve competing expert judgments but determines only whether the agency’s decision has a rational evidentiary basis in the record. Courts reviewing administrative decisions “need only find, looking at the entire record on appeal, evidence from which reasonable minds could reach the same conclusion.” *Schwiers v. S.C. Dep’t of Health & Envtl. Control*, 429 S.C. 43, 49, 837 S.E.2d 730, 733 (Ct. App. 2019).

Panel precedent likewise recognizes that responsibility determinations are made by the procuring agency. The Panel has explained that “[t]he responsibility inquiry is delegated to the procuring agency and the Panel takes the position that review of this issue is limited to whether the procuring officer’s determination was clearly erroneous, arbitrary, capricious, or contrary to law.” *In re Value Options*, Case No. 2001-7, at 7 (S.C. Procurement Rev. Panel

Aug. 3, 2001). The Panel has further recognized that the party challenging such determinations bears the burden of proof. *Id.* at 7; *see also U.S. Facilities, Inc.*, at 5; *Schindler Elevator Corp.*, at 9.

## **B. Statutory Interpretation**

When interpreting a statute, “[courts] must give the words in a statute their plain and ordinary meaning, without resort to subtle or forced construction to limit or expand the statute’s operation, and when the words are unambiguous, [courts] must apply their literal meaning.” *Davis v. S.C. Dep’t of Corr.*, 444 S.C. 138, 150, 906 S.E.2d 569, 575 (2024). If the language is clear, courts apply the statute according to its plain meaning.

Where statutory language does not resolve the issue presented, courts may defer to an agency’s interpretation when the statute is ambiguous. As the South Carolina Supreme Court explained, “[i]f the statute or regulation is silent or ambiguous with respect to the specific issue, the court then must give deference to the agency’s interpretation of the statute or regulation, assuming the interpretation is worthy of deference.” *Kiawah Dev. Partners II v. S.C. Dep’t of Health & Envtl. Control*, 411 S.C. 16, 33, 766 S.E.2d 707, 717 (2014).

This deference reflects the institutional role of administrative agencies. Courts defer to agencies “because they have been entrusted with administering their statutes and regulations and because they have unique skill and expertise in administering those statutes and regulations.” *Kiawah Dev. Partners II*, 411 S.C. at 34. At the same time, agency deference does not permit an interpretation that conflicts with the statute itself. The Supreme Court has explained that courts will reject an agency’s interpretation “where the plain language of a statute is contrary to the agency’s interpretation.” *Davis*, 444 S.C. at 150.

### **C. Responsibility Determinations**

Under the South Carolina Consolidated Procurement Code, the State must determine the responsibility of bidders and offerors before awarding a contract. Section 11-35-1810(1) provides that “[r]esponsibility of the bidder or offeror shall be ascertained for each contract let by the State based upon full disclosure to the procurement officer concerning capacity to meet the terms of the contracts and based upon past record of performance for similar contracts.” Section 11-35-1410(8) defines a “responsible bidder or offeror” as “a person who has the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance.”

When a protest challenges a bidder’s ability to perform work required by the solicitation, the issue concerns responsibility rather than responsiveness. As the Panel explained, when the State examines “the bidder’s ability to perform, the state is no longer determining responsiveness of the bid, but deciding the responsibility of the bidder.” *In re Brantley Constr. Co.*, Case No. 1999-3, at 3 (S.C. Procurement Rev. Panel June 25, 1999). Because the ability to lawfully perform the work required by the solicitation is part of a bidder’s legal capacity to perform the contract, questions concerning applicable contractor licensing requirements may properly arise during a procuring agency’s responsibility determination.

When a responsibility determination requires application of a statute administered by another state agency, the procuring agency must apply that statute in evaluating bidder responsibility. In a procurement protest, however, the relevant inquiry is not whether the reviewing body would independently interpret that statute, but whether the procuring agency’s

application of the statute lacked a rational basis or was contrary to law under § 11-35-2410(A).

#### **D. Sole Prime Contractor Requirements**

South Carolina law establishes specific licensing requirements for entities acting as sole prime contractors on construction projects. Section 40-11-340 provides:

An entity licensed under the classifications or subclassifications in Sections 40-11-410(1), (2), or (3) may act as a sole prime contractor on a project if forty percent or more of the work as measured by the total cost of construction falls under one or more of the licensee's license classifications or subclassifications. An entity licensed under the classifications or subclassifications in Section 40-11-410(4) and (5) may act as sole prime contractor if fifty-one percent or more of the work falls under one or more of the licensee's license classifications or subclassifications.  
S.C. Code Ann. § 40-11-340.

Because sole prime eligibility under § 40-11-340 depends on the portion of a project's total construction cost falling within a contractor's license classifications, the categorization of project work for licensing purposes bears directly on a bidder's legal capacity to perform the contract. Under the Procurement Code, responsibility determinations must be based on a bidder's capacity to meet the terms of the contract. S.C. Code Ann. § 11-35-1810.

Accordingly, determining whether the work required by a solicitation falls within a particular contractor license classification is part of the procuring agency's responsibility determination. Such determinations are "final and conclusive, unless clearly erroneous, arbitrary, capricious, or contrary to law." S.C. Code Ann. § 11-35-2410(A).

#### **E. Relevant License Subclassifications**

Section 40-11-410 identifies numerous classifications and subclassifications of construction work. Two subclassifications are relevant here. Section 40-11-410(3)(c) describes the WL subclassification as:

“Water and Sewer Lines” which includes construction work on water mains, water service lines, water storage tanks, sewer mains, sewer lines, lift stations, pumping stations and appurtenances to water storage tanks, lift stations, pumping stations, pavement patching, backfill, and erosion control as a part of construction, and which includes connection at the building of all lines to the appropriate lines contained in commercial structures, installation and repair of a project involving manholes, the laying of pipe for storm drains and sewer mains, all necessary connections, and excavation and backfilling, and concrete work incidental thereto.

Contractors in this license subclassification in license groups three, four, and five may install fire protection sprinkler system underground mains to a flanged outlet 1’-0” above the finished floor in compliance with National Fire Protection Association Standard 24. However, shop drawings must be submitted and approved by the State Fire Marshal with a copy of the approved drawings going to the licensed fire sprinkler contractor. Flushing and testing certificates must be delivered to the authority having jurisdiction and the performing licensed fire sprinkler contractor performing. General contractors in this license subclassification may not engage in water and sewer line work from the right-of-way to a residential structure unless the entity is a subcontractor to a licensee holding a plumbing subclassification. S.C. Code Ann. § 40-11-410(3)(c).

Section 40-11-410(5)(f) describes the PB subclassification as:

“Plumbing” which includes the installation, replacement, alteration, and repair of all plumbing including solar water heating when performed solely within property lines and not on public easements or rights-of-way except to make connections to water meters or sewer taps as allowed by the utility owner; and the installation, alteration, and repair of all piping, fixtures, and appliances related to water supply, including pressure vessels and tanks, and excluding municipal or related water supply systems; venting and sanitary drainage systems for all fluid and semi-fluid and organic wastes; roof leaders; water-conditioning equipment; piping and equipment for swimming pools; and installation of a system of pipes, fittings, fixtures, drains, and all necessary component parts upon the premises or in a building to supply water to buildings and to convey sewage or other waste products from buildings. If this equipment is gas-fired, the necessary gas lines may be installed under this subclassification used in connection with this subclassification. Plumbing contractors in license groups three, four, and five are not required to be licensed under Chapter 45, Title 23 to install standpipe systems, including water hose connections, water hose cabinets, and related branch lines if the water hoses do not supply water to automatic fire protection sprinklers. S.C. Code Ann. § 40-11-410(5)(f).

## **V. DISCUSSION AND CONCLUSIONS OF LAW**

Before addressing the parties' arguments, the Panel begins by noting the scope of its review. Although appeals to the Panel are conducted de novo, responsibility determinations remain subject to the standard of review set forth in § 11-35-2410(A). The Panel therefore does not decide which contractor license classification it would independently select, but whether DNR's determination lacked a rational basis or was contrary to law. With that framework in mind, the Panel addresses the issues presented.

### **A. Licensing**

DNR determined that Paragon was non-responsible under the contractor licensing requirements applicable to the Project. DNR's determination referenced a discrepancy between the name appearing on Paragon's bid and the contractor license listed in the LLR database. PRP000066. The administrative record includes applications submitted to LLR that identify Paragon Inc. of South Carolina, LLC, doing business as Paragon Builders. The Panel therefore does not treat the name variation as affecting bidder responsibility. PRP000040; PRP000042.

The central dispute, however, concerns whether the Project could be performed under the PB subclassification or the WL subclassification. The contractor license subclassifications identified in § 40-11-410 describe broad categories of construction work and do not, as applied to this mariculture infrastructure, compel a single classification as a matter of law. The administrative record reflects that applying these subclassifications to specialized facilities is not always straightforward.

The Project involves an integrated seawater distribution system serving the hatchery facility, including a head tower, underground distribution piping, and outlet structures

connecting multiple ponds. PRP000062; PRP000068; PRP000192. Although some components resemble work typically performed under a PB subclassification, DNR determined that the Project concerns the installation and rehabilitation of a broader water distribution system supporting the facility's operations. Notably, S.C. Code Ann. § 40-11-410(3)(c) provides that the WL subclassification includes construction work involving water and sewer lines, pumping stations, pipe laying, manholes, necessary connections, and incidental concrete work. The Project plans reflect a complex piping network and integrated pumping components, along with manholes and utility vault structures connecting the maturation ponds' distribution system. PRP000068; PRP000301; PRP000413; PRP000470; PRP000476. DNR reasonably concluded that these functional infrastructure elements correspond to the pumping stations, water lines, and manholes contemplated by the WL subclassification. Because the Project's core utility involves the distribution of seawater through these components, DNR's selection of the WL classification is supported by the statute's plain language.

The CPO concluded that § 40-11-410 permits the Project to be performed under a PB subclassification, but the statute does not require that classification. Courts interpret statutes according to their plain language, and where the language does not definitively resolve the issue, agencies may apply the statute to the facts before them. *See Davis*, 444 S.C. at 145; *Kiawah Dev. Partners II*, 411 S.C. at 33.

Deference is warranted where the dispute concerns the technical application of licensing categories to specialized mariculture infrastructure. Under *Kiawah*, the Panel recognizes that DNR possesses the expertise necessary to evaluate the technical nature of the Project's intake and distribution systems. The mere possibility that the PB subclassification

could have been selected does not render DNR's actual determination clearly erroneous under § 11-35-2410(A). The relevant inquiry is not whether the Panel would have selected the same classification, but whether DNR's determination had a rational basis. Because DNR's determination that eighty percent of the Project required WL licensure aligns with the components described in § 40-11-410(3)(c) and reflects the agency's technical expertise, it had a rational basis and was not clearly erroneous, arbitrary, capricious, or contrary to law.

#### **B. Sole Prime Contractor Determination**

DNR further determined that Paragon could not serve as the sole prime contractor because the predominant portion of the Project required WL licensure for sole prime eligibility. Section 40-11-340 establishes the percentage thresholds governing sole prime eligibility. A contractor may serve as sole prime only if the applicable percentage threshold is satisfied – forty percent of the project's total construction cost for WL work and fifty-one percent for PB work. The statute ensures that the prime contractor holds licensure covering the predominant portion of the project's construction work. Because Paragon holds a PB license and not a WL license, its eligibility turns on whether DNR reasonably classified the Project as predominantly WL.

Responsibility determinations fall within the discretion of the procuring agency, and state agencies possess broad authority to make such procurement judgments. *Value Options*, at 6. The party challenging such a determination bears the burden of proving it was clearly erroneous, arbitrary, capricious, or contrary to law. *Id.* at 7; *see also U.S. Facilities, Inc.*, at 7; *Schindler Elevator Corp.*, at 9.

In evaluating Paragon's eligibility to serve as sole prime contractor, DNR relied on the engineer's design estimate and itemized cost allocation indicating that eighty percent of the



Project required WL licensure. PRP000066; PRP000074. This allocation significantly exceeds both the forty percent threshold applicable to WL work and the fifty-one percent threshold applicable to PB work. The administrative record contains no competing engineering estimate or technical analysis demonstrating that DNR's allocation lacked a rational basis or was artificially structured. Although Paragon asserted a different percentage allocation in its protest, it did not submit independent engineering analysis contradicting the agency's estimate. PRP000026. The engineer's estimate therefore provides a rational evidentiary basis for DNR's determination.

Under the substantial evidence standard governing administrative review, a reviewing body does not reweigh technical evidence or substitute its judgment for competing expert evaluations. *See Murphy*, 396 S.C. at 639; *Lark*, 276 S.C. at 135; *Rhame*, 415 S.C. at 167. The inquiry is whether the agency's determination is supported by evidence from which reasonable minds could reach the same conclusion. Because DNR relied on a professional engineering estimate contained in the administrative record, its determination that Paragon did not satisfy the statutory requirements for sole prime eligibility is supported by substantial evidence.

### **C. Substitution of Judgment by the CPO**

By selecting a different licensing classification, the CPO substituted his judgment for that of the procuring agency. The Procurement Code does not permit such substitution. Because DNR's determination was supported by substantial evidence and reflected a reasoned application of the governing statutes, the CPO exceeded his scope of review.

#### **D. Scope of Holding**

Because the Panel resolves the appeal based on the merits of DNR's determination that the portion of the Project requiring WL licensure exceeded the statutory thresholds for sole prime eligibility, it need not address additional arguments raised by the parties. The Panel emphasizes the limited nature of its holding. This Order does not determine that WL licensure was the only possible classification for the Project. Rather, the Panel holds only that DNR's determination was not clearly erroneous, arbitrary, capricious, or contrary to law.

#### **VI. ORDER**

For the foregoing reasons:

1. The CPO's November 19, 2025, protest decision is **REVERSED**.
2. DNR's determination that Paragon is non-responsible is **REINSTATED**.
3. This matter is **REMANDED** to DNR for further action consistent with this

Order and the South Carolina Consolidated Procurement Code.

**IT IS SO ORDERED.**

**SOUTH CAROLINA PROCUREMENT REVIEW PANEL**

BY: \_\_\_\_\_

*Willie D. Franks*

Willie D. Franks, Chairman

March 13, 2026  
Columbia, South Carolina

### **Exhibit 3**

|                                              |   |                                  |
|----------------------------------------------|---|----------------------------------|
| <b>STATE OF SOUTH CAROLINA</b>               | ) | <b>BEFORE THE SOUTH CAROLINA</b> |
| <b>COUNTY OF RICHLAND</b>                    | ) | <b>PROCUREMENT REVIEW PANEL</b>  |
|                                              | ) |                                  |
| <b>In Re: Haren Construction Co., Inc.</b>   | ) | <b>ORDER DENYING</b>             |
|                                              | ) | <b>MOTIONS TO RECONSIDER</b>     |
| <b>Project No. P24-6052-PG</b>               | ) |                                  |
| <b>Beaufort-Waddell Mariculture</b>          | ) | <b>Case No. 2025-5</b>           |
| <b>Maturation Ponds Maintenance – Re-Bid</b> | ) |                                  |
| <hr/>                                        | ) |                                  |

## **I. INTRODUCTION**

This matter is before the Panel on the following post-order filings: Motions to Reconsider filed by the Chief Procurement Officer for Construction (CPO), Paragon Inc. of South Carolina, LLC (Paragon), and the South Carolina Department of Natural Resources (DNR), and an Objection to Motions to Reconsider filed by Haren Construction Co., Inc. (Haren).

Because the motions fail on their merits, the Panel need not decide whether it possesses authority to reconsider its Order, and the motions are denied.

## **II. BACKGROUND AND PROCEDURAL HISTORY**

The Panel issued its Order on March 13, 2026, reversing the CPO’s November 19, 2025, decision, and affirming DNR’s determination that Paragon was non-responsible.

On March 23, 2026, the parties filed the post-order motions and objection. On March 25, 2026, the Panel issued a procedural order permitting responses. The CPO, DNR, and Haren filed responses on April 1, 2026. Paragon filed no response. The Panel has considered all timely submissions.

The motions challenge the Panel’s application of the standard of review and its treatment of the licensing issues, and the responses do not materially expand or alter those issues. DNR’s motion does not challenge the outcome but raises arguments concerning the scope of review and issue preservation.

### **III. DISCUSSION**

The Panel has considered the arguments in the post-order filings. Those filings do not establish that the Panel's Order dated March 13, 2026, was contrary to law or reflects any error in the Panel's interpretation of the licensing subclassifications at issue.

The Panel first conducted a de novo review of the CPO's decision and independently determined that the relevant statutory provisions, as applied to the Project, do not mandate a single license subclassification as a matter of law. The Panel then determined that, under S.C. Code Ann. § 11-35-2410(A), DNR's selection among legally permissible subclassifications was not clearly erroneous, arbitrary, capricious, or contrary to law, and that the record demonstrated a rational basis for that determination. See Order dated March 13, 2026, at 11-14. To the extent the Order referenced DNR's technical expertise, that discussion pertained to DNR's selection of license subclassifications for the Project, not the Panel's interpretation of those statutes. Having concluded that DNR's determination was not contrary to law, the Panel could not and did not substitute its judgment for that of DNR. The Panel's review of DNR's determination was limited to the statutory standard. Because the governing statutes do not compel a single license subclassification, the Panel was not required to select one.

Consistent with that conclusion, the Panel recognized that the license subclassifications do not, on their face, resolve the Project's unique technical nature. In this context, those subclassifications permit more than one reasonable interpretation. The Panel's determination is supported by the absence of any competing engineering estimate or line-item cost analysis showing that DNR's cost allocation by license subclassification was factually unsupported or artificially structured (Order at 4). This analysis reflects the Panel's independent application of the governing statutes to the record rather than any deference to DNR's interpretation of law.

The arguments advanced by the CPO and Paragon largely restate positions already considered and rejected by the Panel and do not establish that the Panel misapprehended applicable law, overlooked material facts, or committed error warranting reconsideration.

DNR requested specific rulings regarding the scope of Paragon's protest and the name variation on Paragon's bid. The Panel determined that the name variation did not affect bidder responsibility, as set forth in its Order dated March 13, 2026, and did not limit the scope of its review. Even if the scope were limited, it would not alter the outcome.

The Panel has considered the motions, Haren's objection, and the responses filed. These submissions provide no basis to modify the Panel's Order dated March 13, 2026. Any argument not expressly addressed has been considered and is either redundant or without merit.

#### **IV. CONCLUSION**

The post-order motions are denied. The Panel's Order dated March 13, 2026, remains unchanged.

**IT IS SO ORDERED.**

**SOUTH CAROLINA PROCUREMENT REVIEW PANEL**

BY: Willie D. Franks  
Willie D. Franks, Chairman

April 6, 2026  
Columbia, South Carolina

## **Exhibit 4**

STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND

In Re: Appeal by Haren Construction Co.,  
Inc

Project No. P24-6052-PG

Beaufort-Waddell Mariculture Maturation  
Ponds Maintenance - Re-Bid

**BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL**

Brief of the South Carolina  
Department of Natural Resources

Case No. 2025-5

The South Carolina Department of Natural Resources (Department or SCDNR) submits this brief for the Administrative Review on the Written Record in the above-captioned matter.<sup>1</sup> This matter generally arises from the Department's solicitation of construction to which Haren Construction Co., Inc. (Haren) and Paragon Inc. of South Carolina, LLC (Paragon) submitted bids. Upon the Department determining that Paragon was non-responsible and issuing an Intent to Award to Haren, Paragon submitted a protest for review by the Chief Procurement Officer for Construction (CPOC). The CPOC rendered a decision on November 19, 2025 granting Paragon's protest and remanding the matter to the Department. Haren timely sought further administrative review, and this matter is now pending before the Procurement Review Panel. For the reasons expressed more fully herein, the Department believes it correctly determined Paragon to be non-responsible and on procedural and, alternatively, substantive grounds that decision should stand.

**FACTUAL AND PROCEDURAL BACKGROUND**

The Department adopts and incorporates by reference the factual and procedural background set forth in Haren's Request for Further Administrative Review.

---

<sup>1</sup> Pursuant to S.C. Code Ann. § 11-35-4410(4)(i)(1976 and Supp. 2025), the Procurement Review Panel may "establish its own rules and procedures for the conduct of its business and holding of its hearings." Furthermore, the Panel's adopted procedures (<https://prp.sc.gov/procedures> - last visited December 31, 2025), establish specific procedures for Administrative Review on the Written Record that provide in part: "the Panel will establish or approve a briefing schedule for the submission of response and reply briefs. No oral argument or presentation of evidence will occur unless otherwise ordered by the Panel." In contrast, Administrative Review with a Hearing allows for the "the submission of prehearing statements identifying the issues to be addressed, witnesses to be called, and evidence to be presented. Oral argument and the presentation of evidence will occur at the hearing." Therefore, although statutorily conducting a *de novo* review of the SCDNR non-responsibility determination, the posture of this matter is potentially a hybrid of a trial or an appellate review upon a fixed record. S.C. Code Ann. § 11-35-4410(1)(1976 and Supp. 2025).



## ARGUMENTS

The Department largely joins and adopts the arguments set forth by Haren in its request for Further Administrative Review and provides further arguments as provided below.

### **I. Paragon Failed to Adequately Protest the Department's Non-responsibility Determination and the Issue is not Properly before the Panel**

Upon review of the bid submission of Paragon, the Department determined Paragon was non-responsible. The term “non-responsible” is a term of art in the context of the South Carolina Procurement Code and is not interchangeable with “non-responsive.” However, in its October 27, 2025 Notice of Intent to Protest (PRP 54 – 61) and November 4, 2025 Formal Protest (PRP 24-32), Paragon consistently asserted it was appealing the Department’s decision that Paragon’s bid was “non-responsive.” (PRP 24, 25, 28, 29, 31, 55, 59). As addressed more fully herein, Paragon has not properly raised the “non-responsible” issue in a manner by which it can be addressed by the Panel because the CPOC should not even have considered it.

In the context of the South Carolina Procurement Code, the terms responsible and responsive are frequently stated as dual requirements and have specific meanings. For example, “Responsible bidder or offeror” is defined as “a person who has the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance which may be substantiated by past performance.” S.C. Code Ann. § 11-35-1410(8). In contrast, “Responsive bidder or offeror” is “a person who has submitted a bid or proposal which conforms in all material aspects to the invitation for bids or request for proposals.” S.C. Code Ann. § 11-35-1410(9). The Department is specifically charged by statute to make a determination of responsibility. S.C. Code Ann. §11-35-1810; S.C. Regs. 19-445.2125(D)(“the procurement must be satisfied that the prospective contractor is responsible”); *see also* S.C. Regs. 19-445.2145(F) and Office of State Engineer OSE Manual “MANUAL FOR PLANNING AND EXECUTION OF STATE PERMANENT IMPROVEMENTS” (2023)(<https://procurement.sc.gov/manual> - last visited December 31, 2025) – Section 6.11 Determination of Bidder’s Responsibility(“the Agency must satisfy itself that the apparent low Bidder meets the State’s Standards of Responsibility”).

A bid is only to be awarded to a party that is both responsive and responsible. S.C. Code Ann. § 11-35-1810; *see e.g.* S.C. Code Ann. §11-35-1520(10)(“Unless there is a compelling reason

to reject bids as prescribed by regulation of the board, notice of an award or an intended award of a contract to the lowest responsive and responsible bidders whose bid meets the requirements set forth in the invitation for bids must be given by posting the notice on the date and at a location specified in the invitation for bids.”). Therefore, there is a material legal distinction between challenging responsiveness and responsibility. In this instance, Paragon’s protests pursued the legal theory of responsiveness and did not adequately raise a challenge to the Department’s non-responsibility determination.

Building upon this foundation, the Panel is statutorily mandated to conduct a *de novo* review of a challenged procurement decision. S.C. Code Ann. § 11-35-4410(1)(1976 and Supp. 2025)(“There is created the South Carolina Procurement Review Panel which is charged with the responsibility to review and determine *de novo*: (a) requests for review of written determinations of the chief procurement officers pursuant to Sections 11-35-4210(6), ...); *see generally Unisys Corp. v. S.C. Budget & Control Bd. Div. of Gen. Servs. Info. Tech. Mgmt. Off.*, 346 S.C. 158, 551 S.E.2d 263 (2001). As such, the Panel is generally disregarding the decision of CPOC and making a new decision as to the propriety of the Department’s procurement decision. *See generally Nat’l Health Corp. v. S.C. Dep’t of Health and Envtl. Control*, 298 S.C. 373, 378, fn. 1, 380 S.E.2d 841, 844, fn. 1 (Ct.App.1989)(trial *de novo* is defined as “a new trial or retrial had in which the whole case is tried as if no trial whatsoever had been had in the first instance.”)(citation omitted). However, as the South Carolina Court of Appeals recognized in *National Health Corporation*, some administrative reviews are “quasi-*de novo*, quasi-appellant.” *Id.*, 298 S.C. 378, fn. 1, 380 S.E.2d 844, fn. 1; *see also Richards v. Spicer*, \_\_\_ S.C. \_\_\_, 915 S.E.2d 486, 520 (2025)(“the circuit court also ruled that ... the Procurement Code gives appellate review of the CPO’s decision to the Procurement Review Panel”); *Milliken and Co. v. S.C. Dept. of Labor*, 275 S.C. 264, 266, 269 S.E.2d 763, 764 (1980)(“In our view, administrative review of the issuance of [an OSHA] citation is intended to be essentially appellate in nature: it should be undertaken only upon information which was available to the officer or examiner responsible for issuing the citation in the first place.”). Furthermore, the Panel has previously explained that a protestant is limited by section 11-35-4210 to the established issues in its protest letter. *In re: Protest of Volume Services*, Panel Case No. 1994-8, p. 4. In discussing this point, Panel Order explained:

Section 11-35-4210 provides the right to protest. Subsections (1) and (2) require a protestant to state its grounds for protest in writing to the CPO within a time limit. Thus, the issues in the case are established in the protest letter. The letter appealing

to the Panel cannot add issues. If new issues were allowed to be included in the appeal letter to the Panel, no effect would be given to the requirements of subsection (1) and (2). Although, the Panel hearing is a *de novo* hearing under Code Section 11-35-441 0(1 ), it is only new as to evidence. The Panel may allow new evidence to be admitted, but only evidence concerning the established issues.

*Id. See also In re: Appeal by United Way Assoc. of South Carolina, Inc.*, Panel Case No. 2017-2, p. 10 and fn 7. Therefore, the Department believes that whether framed as an administrative *de novo* review or appellate review, Paragon failed to properly raise the non-responsibility issue for the CPOC or Panel to consider.

To initiate a timely protest, Paragon was statutorily required to “set forth both the grounds of the protest and the relief requested with enough particularity to give notice of the issues to be decided.” S.C. Code Ann. § 11-35-4210(2)(b). Here, the Department very clearly gave notice of its non-responsibility determination to Paragon in the October 17, 2025 memorandum (PRP 66). Thereafter and prior to Paragon submitting its formal protest, the Department stated in its October 30, 2025 memorandum: “Just to clarify, SCDNR deemed Paragon Inc. "Non- Responsible" and not Non-Responsive as noted in their notice of intent to protest.” (PRP 68). However, in its November 4, 2025 formal protest, Paragon declared the grounds for protest to be:

Paragon protests the Agency’s determination that its bid was non-responsive based on alleged violations of South Carolina Code Sections 40-11-270, 40-11-340, and 40-11-370. The Agency’s determination is erroneous, arbitrary, and contrary to law. Specifically, Paragon contends:

...

Issue: The Agency allegedly found Paragon’s bid non-responsive due to licensing deficiencies.

...

Issue: The Agency may have concerns regarding Paragon’s ability to properly subcontract portions of the work.

...

Issue: The Agency cited Section 40-11-370(B) regarding engaging in construction under a name other than the exact name on the license.

(PRP 25-26). In its own words, Paragon only challenged the issue of non-responsiveness. Paragon’s protest issues do not identify non-responsibility or the legal standard for such adopted under the South Carolina Procurement Code. *See* S.C. Code Ann. §11-35-1810; S.C. Regs. 19-445.2125(D)(“the procurement officer must be satisfied that the prospective contractor is responsible”); *see also* S.C. Regs. 19-445.2145(F) and Office of Sate Engineer OSE Manual

“MANUAL FOR PLANNING AND EXECUTION OF STATE PERMANENT IMPROVEMENTS” (2023)(<https://procurement.sc.gov/manual> - last visited December 31, 2025) – Section 6.11 Determination of Bidder’s Responsibility. Therefore, Paragon failed to meet that statutory standard for stating the grounds for appeal with its initial and final protests as to the non-responsible determination. This flaw is fatal to Paragon’s protest and remains a basis for the Panel to summarily dispose of the instant matter under either a *de novo* or appellate standard of review.<sup>2</sup>

Under a *de novo* standard, Paragon failed to exhaust a statutory administrative prerequisite to CPOC or Panel review. As the United States Supreme Court explained in the *Woodford v. Ngo*:

Because exhaustion requirements are designed to deal with parties who do not want to exhaust, administrative law creates an incentive for these parties to do what they would otherwise prefer not to do, namely, to give the agency a fair and full opportunity to adjudicate their claims. Administrative law does this by requiring proper exhaustion of administrative remedies, which “means using all steps that the agency holds out, and doing so *properly* (so that the agency addresses the issues on the merits).” *Pozo*, 286 F.3d, at 1024 (emphasis in original). This Court has described the doctrine as follows: “[A]s a general rule ... courts should not topple over administrative decisions unless the administrative body not only has erred, *but has erred against objection made at the time appropriate under its practice.*” *United States v. L.A. Tucker Truck Lines, Inc.*, 344 U.S. 33, 37, 73 S.Ct. 67, 97 L.Ed. 54 (1952) (emphasis added in *Woodford*). See also *Sims v. Apfel*, 530 U.S. 103, 108, 120 S.Ct. 2080, 147 L.Ed.2d 80 (2000); *id.*, at 112, 120 S.Ct. 2080 (O’Connor, J., concurring in part and concurring in judgment) (“On this underlying principle of administrative law, the Court is unanimous”); *id.*, at 114-115, 120 S.Ct. 2080 (BREYER, J., dissenting); *Unemployment Compensation Comm’n of Alaska v. Aragon*, 329 U.S. 143, 155, 67 S.Ct. 245, 91 L.Ed. 136 (1946); *Hormel v. Helvering*, 312 U.S. 552, 556-557, 61 S.Ct. 719, 85 L.Ed. 1037 (1941); 2 K. Davis & R. Pierce, *Administrative Law Treatise* § 15:8, pp. 341-344 (3d ed.1994). Proper exhaustion demands compliance with an agency’s deadlines and other critical procedural rules because no adjudicative system can function effectively without imposing some orderly structure on the course of its proceedings.

*Woodford v. Ngo*, 548 U.S. 81, 90-92 (2006); accord *Brown v. James*, 389 S.C. 41, 48, 697 S.E.2d 604, 608 (Ct. App. 2010). Furthermore, in administrative law, procedural prerequisites can become jurisdictional. The United States Court of Appeals for the District of Columbia has explained in addressing exhaustion of administrative remedies under federal administrative law that:

---

<sup>2</sup> The Panel has summarized precedent for summary dismissal in other instances: “dismissed protests that were not timely filed, that raised an issue for the first time on appeal, and that failed to state a claim upon which relief could be granted.” *In re: Appeal by United Way Assoc. of South Carolina, Inc.*, Panel Case No. 2017-2, p. 10 and fn 6-8.

the word “exhaustion” now describes two distinct legal concepts. The first is a judicially created doctrine requiring parties who seek to challenge agency action to exhaust available administrative remedies before bringing their case to court. We will call this doctrine “non-jurisdictional exhaustion.” ...

The second form of exhaustion arises when Congress requires resort to the administrative process as a predicate to judicial review. This “jurisdictional exhaustion” is rooted, not in prudential principles, but in Congress' power to control the jurisdiction of the federal courts. Whether a statute requires exhaustion is purely a question of statutory interpretation.

*Avocados Plus Inc. v. Veneman*, 370 F.3d 1243, 1247-48 (D.C. Cir. 2004) (internal citations omitted). “[T]he avenue of written protest remains the sole procedure by which a matter is brought before the Panel for consideration.” *Hitachi Data Systems Corp. v. Leatherman*, 309 S.C. 174, 179, 420 S.E.2d 843, 846(1992)(discussing statutory limitations on Panel’s authority); *accord Amisub of S.C., Inc. v. S.C. Dep't of Health & Env't Control*, 403 S.C. 576, 585, 743 S.E.2d 786, 791 (2013)(“The General Assembly has the authority to limit the subject matter jurisdiction of a court it has created; therefore, it can prescribe the parameters of the ALC's powers.”). Applying these principles to the instant matter, the CPOC and Panel, as administrative agents outside of the judiciary, are likewise creatures of statute and subject to legislative limitations on jurisdiction. Where Paragon failed to timely raise the issue of non-responsibility pursuant to section 11-35-4210, it cannot maintain a challenge on that issue before the CPOC or the Panel.

Alternatively, under an appellate standard, Paragon both failed the statutory prerequisite and did not properly preserve the non-responsibility determination.<sup>3</sup> As in other appellate matters, the requirements of issue preservation apply in administrative appeals. *See Carson v. South Carolina Dep't of Natural Res.*, 371 S.C. 114, 120, 638 S.E.2d 45, 48 (2002) (court sitting in appellate capacity may not consider issues not raised or ruled on by administrative agency); *Gatewood v. S.C. Dep't of Corr.*, 416 S.C. 304, 324, 785 S.E.2d 600, 611 (Ct. App. 2016) (“An issue that is not raised to an administrative agency is not preserved for appellate review by the ALC.”). Here, Paragon raised responsiveness that, as discussed above, is materially distinct from the non-responsibility determination. To preserve a matter for appellate review, it must both be

---

<sup>3</sup> “The appellate court must always take notice of the lack of subject matter jurisdiction.” *Town of Hilton Head Island v. Godwin*, 370 S.C. 221, 223, 634 S.E.2d 59, 60 (Ct.App.2006).

raised to and ruled upon by the trial court, or here the CPOC. The issue was not adequately raised to the CPOC and therefore cannot be revived before the Panel.<sup>4</sup>

In summary, under the administrative challenge / appeal framework of the South Carolina Procurement Code, Paragon did not timely or appropriately raise a challenge to the Department's non-responsibility determination thereby precluding the CPOC and Panel from reviewing or modifying the Department's determination. That failure to comply with statutory prerequisites is a jurisdictional defect.

**II. The Department did not clearly err in determining that Paragon is non-responsible because more than 51% of the work does not fall under Paragon's PB License.**

The Department, in the alternative and assuming *arguendo* that Paragon is not procedurally barred from challenging the Department's non-responsibility determination, adopts and incorporates by reference the arguments on this issue as set forth in Haren's Request for Further Administrative Review. In that regard, the Department's view is that the nature of the Work aligns more with the scope of the WL License held by Haren than the licenses that Paragon represents itself to hold.<sup>5</sup> Additionally, assuming *arguendo* that the PB License, or other licenses, held by Paragon Builders<sup>6</sup> were applicable to the Work, under the "sole prime contractor" solicitation at issue Paragon fails to pass either of the thresholds (40% or 51%) for the Work as prescribed by S.C. Code Ann. §§ 40-11-340 and 410. Specifically, the Department explained that:

- "Based on the engineer's opinion, estimated cost and scope of work it is determined that the majority of the work (80%) requires licensure under a WL Water and Sewer license classification."
- Paragon "does not have the proper license classifications or subclassifications to act as a sole prime contractor per SCLLR for this project."
- "correspondence with SCLLR regarding the proper license required for the major portion of work confirmed that a Water and Sewer Line(WL) classification was

---

<sup>4</sup> To the extent the CPOC's decision rules on non-responsibility, the issue was not properly presented by Paragon in compliance with S.C. Code Ann. § 11-35-4210(2)(b) as discussed above.

<sup>5</sup> See Section III(A) below discussing "exact name" requirement for licenses.

<sup>6</sup> The Department does not concede that Paragon Inc. of South Carolina, LLC holds any contractor licenses as discussed in Section III(A) below.

appropriate. Based on the [Engineer of Record] opinion of cost, over 40% of the work requires a SCLLR General Contractors license WL classification.”

- Paragon “does not have a WL license.”

(PRP 66, 69, 74).

**III. The Department’s Determination that Paragon is Non-Responsible is Further Supported by Correspondence with the SCLLR and Citation Issued by SCLLR to Paragon.**

The Department, in the alternative and assuming *arguendo* that Paragon is not procedurally barred from challenging the Department’s non-responsibility determination, adopts and incorporates by reference the arguments on this issue as set forth in Haren’s Request for Further Administrative Review.

In addition to the argument by Haren on this issue, the Department also adopts and elaborates upon the following reasoning contained elsewhere in Haren’s brief as being supportive of the non-responsibility issue.

**A. Reasonableness of Department’s Non-Responsibility Determination**<sup>7</sup>

This matter arises under the South Carolina Procurement Code and is generally limited to the authorities and framework established by the Code. *Responsible Econ. Dev. v. S.C. Dep’t of Health & Envtl. Control*, 371 S.C. 547, 553, 641 S.E.2d 425, 428 (2007)(explaining impropriety of DHEC commingling distinct statutory framework standards absent statutory authority to do so). However, with respect to professional licensing, the statutory authority generally assigned to the Department of Labor, Licensing and Regulation, also provides in part:

**SECTION 40-11-200. Unlawful practice; penalty.**

\*\*\*

(B) It is a violation of this chapter for an *awarding authority*, owner, contractor, or an agent of an authority, owner, or contractor *to consider a bid, sign a contract, or allow a contractor to begin work unless the bidder or contractor has first obtained the licenses required by this chapter. Bids or contracts submitted by contractors may not be reconsidered or resubmitted to an awarding authority, contractor, or owner if the contractor was not properly licensed at the time the initial bid or contract was submitted.*

S.C. Code Ann. § 40-11-200(B)(1976 & Supp. 2025)(emphasis added). Although not contained within the Procurement Code, this provision directly applies to the procurement process being utilized by the Department where the Department is functioning as an “awarding authority.”

---

<sup>7</sup> See Haren Request for Further Administrative Review, p. 5, fn 11. (PRP 6).

Furthermore, the Panel previously took the “opportunity to state that the lack of a proper license to do the work solicited in a state contract will always render a bidder nonresponsible.” *In re: Protest of Roofco, Inc.*, Panel Case No. 2000-14(I), p. 3. These principles also merge under the State Standards of Responsibility: “Factors to be considered in determining whether the state standards of responsibility have been met include whether a prospective contractor has: ... (2) a satisfactory record of integrity; (3) qualified legally to contract with the State.” S.C. Regs. 19-445.2125(A).

Next, the Department explained that part of Paragon’s non-responsibility arose from Paragon not lawfully representing itself in accordance with license requirement of S.C. Code Ann. § 40-11-370(B). (PRP 66 &68). That provision establishes:

**SECTION 40-11-370. License required to use term "licensed contractor"; engaging in construction under assumed name; enforcement of contract.**

(A) It is unlawful to use the term "licensed contractor" or to perform or *offer to perform general or mechanical construction without first obtaining a license as required by this chapter.*

(B) *It is unlawful to engage in construction under a name other than the exact name which appears on the license issued pursuant to this chapter. "Engaging in construction" includes marketing, advertising, using site signs, and submitting contracts.* This requirement does not include advertising on vehicles, which may use an abbreviated version of the license name so long as the advertising is not misleading.

(C) An entity which does not have a valid license as required by this chapter may not bring an action either at law or in equity to enforce the provisions of a contract. *An entity that enters into a contract to engage in construction in a name other than the name that appears on its license may not bring an action either at law or in equity to enforce the provisions of the contract.*

S.C. Code Ann. § 40-11-370(1976 & Supp. 2025)(emphasis added). Therefore, the requirement of section 40-11-370 unequivocally requires contractors to obtain license in the “exact name” in which it intends to “engage in construction.” *See State v. Bridgers*, 329 S.C. 11, 14, 495 S.E.2d 196, 198 (1997)(“[W]here a statute uses a term that has a well-recognized meaning in the law, the presumption is that the General Assembly intended to use the term in that sense.”). That term is further explained to include “submitting contracts” and even “marketing, advertising, using site signs.” To the extent a different trade name might be used, section 40-11-370(B) only allows such



abbreviations for “advertising on vehicles ... so long as the advertising is not misleading.” The importance of this requirement is demonstrated where the General Assembly clearly declared that “[i]t is *unlawful* to engage in construction [or market, advertise, use site signs, or submit contracts] under a name other than the exact name which appears on the license issued pursuant to this chapter.” S.C. Code Ann. §40-11-370(B).<sup>8</sup> Likewise, a further consequence of a contractor entering “into a contract to engage in construction in a name other than the name that appears on its license” is that the contractor “may not bring an action either at law or in equity to enforce the provisions of the contract.” S.C. Code Ann. §40-11-370(C). Both of these consequences are substantial and demonstrate the legislative intent that contractors obtain and utilize licenses in their correct legal name. There is no ambiguity on that legal mandate.

Turning now to the facts of this case, the Department received a bid from “Paragon Inc. of South Carolina, LLC.” (PRP 66). Paragon has not provided for the record a contractor’s license issued in the name of “Paragon Inc. of South Carolina, LLC.”<sup>9</sup> The only licenses provided to the Department are in the name of “Paragon Builders”. (PRP 51 – 52). Therefore, it does not appear that Paragon Inc. of South Carolina, LLC has obtained a license from SCLLR in that name as clearly required by statutory mandate before offering to perform general or mechanical construction. Given the statutory mandate of conducting business in the “exact name” on the license, the Department asserts it is Paragon’s responsibility to seek and obtain a license from SCLLR in the correct legal name. See generally *Smother v. United States Fid. & Guar. Co.*, 322 S.C. 207, 210–211, 470 S.E.2d 858, 860 (1996) (“Everyone is presumed to have knowledge of the law and must exercise reasonable care to protect his interests.”); *LaBruce v. City of North Charleston*, 268 S.C. 465, 234 S.E.2d 866 (1977)(“Citizens are charged with knowledge of existing law.”). In the absence of doing so, Paragon must bear the consequences of not complying with applicable law. As the Panel previously declared, “the lack of a proper license to do the work solicited in a state contract will always render a bidder nonresponsible.” *In re: Protest of Roofco, Inc.*, Panel Case No. 200-14(I), p. 3.

---

<sup>8</sup> With respect to this issue, the fact that “Paragon Builders” was cited by SCLLR on August 5, 2025 for “engaging or offering to engage in contracting work or submitting a bid when not properly licensed or while a license was under suspension or revocation” and fined \$500 by SCLLR further demonstrates the importance of this requirement. (PRP 478).

<sup>9</sup> To the extent the Panel elects to receive additional evidence in this matter or take judicial notice of public records as may be permitted, the SCLLR online license database lists no businesses by that name holding a commercial contractor’s license. See <https://verify.llronline.com/LicLookup/Contractors/Contractor.aspx?div=69> – last visited January 2, 2026.

Finally, to the extent the CPOC dismissed Paragon's lack of holding a license in the correct name upon the representation that "[i]n past years, the Contractors Licensing Board staff have advised the CPOC that this is a minor infraction not affecting a contractor's ability to perform the work." (PRP 20-21) and characterizing it as being a "minor informality" under section 11-35-1520(13), neither are sufficient legal grounds to overcome the statutory mandates of sections 40-11-200 and 40-11-370. The legislature has mandated that contractors conduct business in the exact name appearing on any license and explained this requirement is to be broadly applied with limited exception. As outlined above, the Department is legally barred by section 40-11-200 and S.C. Regs. 19-445.2125(A)(3) from considering the bid from Paragon and a staff opinion of SCLLR cannot nullify those requirements. *See Quail Hill, L.L.C. v. County of Richland*, 387 S.C. 223, 236-38, 692 S.E.2d 499, 506-07 (2010) (finding a governmental entity is not estopped from enforcing its ordinances where its employee gives erroneous information or acts in contradiction to an ordinance). Furthermore, the "minor informality" exceptions in the Procurement Code are simply inapplicable to the licensing mandates of Title 40 and cannot relieve the Department of the prohibition in section 40-11-200. *See Responsible Econ. Dev.*, 371 S.C. at 553, 641 S.E.2d at 428 (2007)(explaining impropriety of DHEC commingling distinct statutory framework standards absent statutory authority to do so).

B. Deference to Department Determination<sup>10</sup>

The Department must be afforded broad discretion with respect to responsibility determinations, which are matters of business judgment, because the Department "must bear the brunt of difficulties experienced in obtaining the required performance." *See In re: Protest of Value Options, et al.*, Panel Case No. 2001-7 at 6 (quoting *News Printing Co., Inc. v. U.S.*, 46 Fed. Cl. 740 (2000)). The Panel must not "substitute its judgment" for that of the Department or "disturb [its] findings" so long as the Department "follow[ed] the requirements of the Procurement Code, fairly consider[ed] all proposals, and [was] not actually biased." *See Protest of Coastal Rapid Public Transit Authority*, Panel Case No. 1992-16.

The Panel must affirm the Department's responsibility determination unless Paragon proves by a preponderance of the evidence that the Department's responsibility determination was

---

<sup>10</sup> See Haren Request for Further Administrative Review, pp. 6-7 (PRP 7-8).

"clearly erroneous, arbitrary, capricious, or contrary to law." See S.C. Code Ann. § 11-35-2410(A); *Protest of Brantley Construction Co., Inc.*, Panel Case No. 1999-3. Paragon bears the burden to "demonstrate a lack of reasonable or rational basis for the [Department's] decision or subjective bad faith on the part of the [Department] or clear and prejudicial violation of relevant statutes and regulations which would be tantamount to a lack of reasonable or rational basis." See *In re: Protest of Value Options, et al.*, Panel Case No. 2001-7 at 7 (quoting *Robert E. Derecktor of Rhode Island, Inc. v. Goldschmidt*, 516 F. Supp. 1085 (D. R.I. 1981)).

As discussed above, the Department closely evaluated the submission by Paragon under both the South Carolina Procurement Code and SCLLR licensing requirements and has correctly applied those in concluding Paragon is non-responsible. S.C. Code Ann. §§ 11-35-1810; 40-11-200 and 40-11-370; S.C. Regs. 19-445.2125(D) ("the procurement officer must be satisfied that the prospective contractor is responsible"); see also S.C. Regs. 19-445.2145(F) and Office of State Engineer OSE Manual "MANUAL FOR PLANNING AND EXECUTION OF STATE PERMANENT IMPROVEMENTS" (2023) (<https://procurement.sc.gov/manual> - last visited December 31, 2025) – Section 6.11 Determination of Bidder's Responsibility. (PRP 66, 68, 74). The Department is required by law to make a determination on responsibility and, under the applicable standards, Paragon was properly declared non-responsible. *Id.* The Department consulted with the Office of State Engineer Project Manager and SCLLR licensing staff, closely evaluated elements, costs, and license needs for the Work, discerned the name discrepancy related to Paragon's licenses, and found the prior citation of Paragon by SCLLR. (PRP 66 - 74). Together, the Department has documented with substantial evidence the basis for its determination that was reasonable and rational under the relevant legal standards and that Department decision should be affirmed the proper deference. Therefore, there is no basis for concluding the Department has acted in a manner that is "clearly erroneous, arbitrary, capricious, or contrary to law" and the Department's determination that Paragon was non-responsible should be affirmed in the disposition of this matter.

### **CONCLUSION**

The Department's determination that Paragon was non-responsible was statutorily mandated under the South Carolina Procurement Code, and related authorities, and supported by substantial evidence. Furthermore, the Department's determination was clearly not arbitrary or capricious given the relevant standards for responsibility and facts known to the Department about

Paragon. Paragon failed to properly challenge the Department's non-responsibility determination according to the requirements of the Procurement Code and that failing deprived both the CPOC and likewise the Panel of jurisdiction to review the Department's determination that Paragon is non-responsible. In the absence of a lawful challenge under the Procurement Code, the Department's determination should stand as a matter of law. Therefore, the Panel should confirm that neither the CPOC nor the Panel has jurisdiction to alter the Department's determination where Paragon failed to satisfy statutory prerequisites for initiating an appeal of the non-responsibility determination.

Assuming *arguendo* that Paragon's challenge is not statutorily barred, Paragon has failed to demonstrate the Department erred in determining Paragon was non-responsible given the nature of the Work and the limitations of Paragon's licenses in conjunction with Paragon's failure to observe other legal requirements relevant to the Department's non-responsibility determination. If not procedurally barred, the Panel should conclude the Department properly applied the applicable legal standards with substantial evidence supporting the Department's non-responsibility determination.

Respectfully submitted,

s/ Susan O. Porter

Susan O. Porter, General Counsel

S.C. Bar No. 68335

Van Whitehead, Deputy General Counsel

S.C. Bar No. 70446

South Carolina Department of Natural Resources

P.O. Box 167

Columbia, SC 29202

(803) 734-4006

[PorterS@dnr.sc.gov](mailto:PorterS@dnr.sc.gov)

January 5, 2026

STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND

**BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL**

In Re: Appeal by Haren Construction Co.,  
Inc

Certificate of Service

Project No. P24-6052-PG

Case No. 2025-5

Beaufort-Waddell Mariculture Maturation  
Ponds Maintenance - Re-Bid

I do hereby certify that I have caused the Brief of the South Carolina Department of Natural Resources in the above matter to be served via email on the following:

Attorney for Haren Construction Co., Inc.  
HUDSON LAMBERT PARROT, LLC  
D. Gregory Placone  
gplacone@hlpwlaw.com  
P. Nicholas ("Nick") Nybo  
nicknybo@hlpwlaw.com

Attorney for Paragon Inc. of South Carolina, LLC  
Griffin Humphries, LLC  
James M. Griffin  
jgriffin@griffinhumphries.com

Attorney for Chief Procurement Officer - Construction  
Manton Grier  
mgrier@ogc.sc.gov

Attorney for South Carolina Procurement Review Panel  
Steve O'Keefe  
Stephen.okeefe@prp.sc.gov

s/ Susan O. Porter  
Susan O. Porter, General Counsel  
S.C. Bar No. 68335  
Van Whitehead, Deputy General Counsel  
S.C. Bar No. 70446  
South Carolina Department of Natural Resources  
P.O. Box 167  
Columbia, SC 29202  
(803) 734-4006

January 5, 2026

## **Exhibit 5**

STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND

In Re: Appeal by Haren Construction Co.,  
Inc

Project No. P24-6052-PG

Beaufort-Waddell Mariculture Maturation  
Ponds Maintenance - Re-Bid

**BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL**

South Carolina  
Department of Natural Resources  
Motion to Reconsider

Case No. 2025-5

The South Carolina Department of Natural Resources submits this Motion to Reconsider<sup>1</sup> the South Carolina Procurement Review Panel's March 13, 2026 Order in the above-captioned matter. While the Department accepts and supports the Panel's conclusion in the Order, this motion is made in the interest of urging the Panel to rule upon the additional arguments presented in the Department's brief as additional grounds upon which the Panel may affirm the Department's determination. This request is made to preserve the Department's appellate rights by having the Panel make a ruling on the unaddressed arguments. *See Elam v. S.C. Dep't of Transp.*, 361 S.C. 9, 24, 602 S.E.2d 772, 780 (2004) (holding a party must file a Rule 59(e), SCRCP, motion to reconsider when an argument has been raised, but not ruled on, to preserve it for appellate review).

Jurisdictional Threshold

First, the Department requests that the Panel address the jurisdictional question as a prerequisite to reaching any substantive decision in the alternative in this matter. As stated in *Bell v. Fludd*, the South Carolina Supreme Court explained:

In the argument here a question of jurisdiction has for the first time been raised, which must first be disposed of; for, if the court below had no jurisdiction of the case, then it is manifest that no question as to the merits is properly before us, and hence it would be not only premature, but improper, for us to consider or determine any such question.

---

<sup>1</sup> The publicly available procedures of the Procurement Review Panel do not address post-order motions. *See* <https://prp.sc.gov/procedures> (last visited March 23, 2026). However, prior decisions by the Panel reflect that motions to reconsider are accepted by the Panel. *In Re: Appeal by uWork.com, Inc. d/b/a Covendis Technologies*, Panel Case No. 2023-4(II). Alternatively, the Panel has accepted a motion to alter or amend. *In Re: Protest Compusult, Inc.*, Panel Case No. 1994-20. As such, the Department files this motion alternatively under either designation upon the arguments set forth herein. Furthermore, the Department would respectfully request that the Panel instruct the parties on their opportunity and deadlines for filing responses and replies in this matter.

*Id.*, 28 S.C. 313, \_\_\_, 5 S.E. 810, 811(1888); *Riddle v. Reese*, 53 S.C. 198, 31 S.E. 222 (1898); *see also Hardie v. United States*, 367 F.3d 1288, 1290 (Fed. Cir. 2004) (explaining jurisdiction is a threshold issue that a court must resolve before proceeding to the merits).<sup>2</sup>

#### “Name Variation” Error

Next and in the alternative, the Department asks that the Panel reconsider that portion of its Order in Section V(A) concluding “[t]he Panel therefore does not treat the name variation as affecting bidder responsibility.” Order, p. 11. The Department asserts the Panel’s conclusion on that point is erroneous in several respects.

As discussed in Section III(A) of the Department’s brief<sup>3</sup>, statutory law makes it clearly illegal for a contractor to bid on a project except in the “exact name which appears on the license issued.” S.C. Code Ann. § 40-11-370 (1976 & Supp. 2025). In essence, any bid submitted that is not in the exact name is illegal and should be deemed void *ab initio* for failing this most basic legal prerequisite. Although the Panel acknowledges the “name variation,” it then disregards the foregoing statutory provision. Likewise, under the Office of State Engineer’s “MANUAL FOR PLANNING AND EXECUTION OF STATE PERMANENT IMPROVEMENTS” it provides:

#### **6.11 DETERMINATION OF BIDDER’S RESPONSIBILITY**

Before posting the SE-370, the Agency must satisfy itself that the apparent low Bidder meets the State’s Standards of Responsibility.

##### **6.11.1 Criteria for Determining Responsibility**

Criteria the Agency should use in determining whether the Bidder meets the State’s Standards of Responsibility include whether the Bidder has:

- A. The appropriate financial, material, equipment, facility, and personnel resources and expertise (or the ability to obtain them) necessary to meet all contractual requirements.
- B. A satisfactory record of performance.
- C. A satisfactory record of integrity.
- D. *The necessary legal qualifications to contract with the State (includes being properly licensed).*

---

<sup>2</sup> Consistent with the mandate in *Bell*, it is the Department’s position that if the Panel and CPOC lacked jurisdiction in this matter, the Panel need not reach the merits other than vacating the CPOC decision and remanding the matter to the Department to proceed with the procurement action.

<sup>3</sup> Rather than restating these arguments in full here, the Department incorporates by reference the arguments and authority of Section III(A) in its brief.



E. Supplied all necessary information in connection with the inquiry concerning responsibility; and

F. No record of debarment from participation in construction projects in past 3 years from any state or Federal agency as recorded in the federal government's System for Award Management (SAM). This can be found at <https://www.SAM.gov> .

**6.11.2 Verify Proper Contractor Licensing and License Limitations:**

A. Before posting the SE-370, the Agency must verify that the Bidder and its listed Subcontractors have the proper contractor's license and license limitations, and they were in effect at the time of bidding.

B. If the Agency determines that a Bidder or one of its listed Subcontractors does not have the proper license and license limitations, the Agency must declare the Bidder is non-responsible. The Agency should notify the SC Contractors' Licensing Board that the Bidder or Subcontractor is offering to perform work without a proper license. The Agency may contact the Contractors' Licensing Board at: <https://llr.sc.gov/clb/> .

*Id.*, (<https://procurement.sc.gov/manual> - last visited March 23, 2026)(emphasis added). Consistent with those authorities, the Panel has previously declared, "the lack of a proper license to do the work solicited in a state contract will always render a bidder nonresponsible." *In re: Protest of Roofco, Inc.*, Panel Case No. 200-14(I), p. 3.

Likewise, although not cited by the Panel, the "minor informalities" exceptions in the Procurement Code simply do not release this obligation. S.C. Code Ann. § 11-35-1520(13). In fact, exception (l) provides:

*Notwithstanding Title 40, the failure of a bidder to indicate his contractor's license number or other evidence of licensure, except that a contract must not be awarded to the bidder unless and until the bidder is properly licensed under the laws of South Carolina.*

S.C. Code Ann. § 1135-1520(13)(l)(emphasis added).

Finally, the "awarding authority" – whether viewed as the Department, CPOC, or Panel – would be acting unlawfully in considering a bid as required by Section 40-11-370. S.C. Code Ann. § 40-11-200(B). Therefore, the Panel's statement that a "name variation" does not affect responsibility would appear to be an *ultra vires* act, or potentially encouraging another state entity to do so in violation of sections 40-11-200(B) and 40-11-370. Therefore, the Panel should acknowledge Paragon was barred from submitting a bid and non-responsible when the contractor

name on the bid submittal did not exactly match the name on a contractor license issued by SCLLR, as required by the above authorities.

### Conclusion

The Department respectfully requests that the Panel grant this motion to reconsider, or alternatively to alter or amend, the March 13, 2026 Order to modify it by adopting the additional arguments presented in the Department's brief. Additionally, the Department respectfully requests guidance from the Panel as to the parties' opportunity and deadlines for filing responses and replies in this matter.<sup>4</sup> Finally, the Department requests that the Panel address the merits of this motion in an expedited manner so that the Department may proceed with its intended construction project without further delay.

Respectfully submitted,

s/ Van Whitehead

Susan O. Porter, General Counsel

S.C. Bar No. 68335

[PorterS@dnr.sc.gov](mailto:PorterS@dnr.sc.gov)

Van Whitehead, Deputy General Counsel

S.C. Bar No. 70446

[WhiteheadV@dnr.sc.gov](mailto:WhiteheadV@dnr.sc.gov)

South Carolina Department of Natural Resources

P.O. Box 167

Columbia, SC 29202

(803) 734-4006

March 23, 2026

---

<sup>4</sup> In the event the other parties file post-order motions, the Department reserves all rights to file responses separate and distinct from this Motion to Reconsider.

STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND

**BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL**

In Re: Appeal by Haren Construction Co.,  
Inc

Certificate of Service

Project No. P24-6052-PG

Case No. 2025-5

Beaufort-Waddell Mariculture Maturation  
Ponds Maintenance - Re-Bid

I do hereby certify that I have caused the SCDNR Motion to Reconsider in the above matter to be served via email on the following:

Attorney for Haren Construction Co., Inc.  
HUDSON LAMBERT PARROT, LLC  
D. Gregory Placone  
gplacone@hlpwlaw.com  
P. Nicholas ("Nick") Nybo  
nicknybo@hlpwlaw.com

Attorney for Paragon Inc. of South Carolina, LLC  
Griffin Humphries, LLC  
James M. Griffin  
jgriffin@griffinhumphries.com

Attorney for Chief Procurement Officer - Construction  
Manton Grier  
mgrier@ogc.sc.gov

Attorney for South Carolina Procurement Review Panel  
Steve O'Keefe  
Stephen.okeefe@prp.sc.gov

s/ Van Whitehead  
Susan O. Porter, General Counsel  
S.C. Bar No. 68335  
Van Whitehead, Deputy General Counsel  
S.C. Bar No. 70446  
South Carolina Department of Natural Resources  
P.O. Box 167  
Columbia, SC 29202  
(803) 734-4006

March 23, 2026

## **Exhibit 6**

STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND

**BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL**

In Re: Appeal by Haren Construction Co.,  
Inc

SCDNR Response in Opposition to  
Paragon's and CPOC's Motions to  
Reconsider

Project No. P24-6052-PG

Case No. 2025-5

Beaufort-Waddell Mariculture Maturation  
Ponds Maintenance - Re-Bid

The South Carolina Department of Natural Resources submits this Response in Opposition to Paragon's Motion to Reconsider and CPOC's Motion to Reconsider, which were filed on March 23, 2026.<sup>1</sup> Given the similarity of arguments presented by Paragon and CPOC in their respective motions, the Department provides this joint response to both.

Paragon and CPOC assert the South Carolina Procurement Review Panel's March 13, 2026 Order in the above-captioned matter should be modified to address three alleged errors: improper deference, failure to conduct a *de novo* hearing, and application of an incomplete standard of review.

Deference to Using Agency

Their first argument is that the Department "is not charged with administering" the relevant statute which the argument subsequently associates with the Contractor's Licensing Board. As a procurement matter, the primary legal framework is the South Carolina Consolidated Procurement Code, S.C. Code Ann. § 11-35-10, *et seq.* (1976 & Supp. 2025), which then links with SCLLR's licensing requirements. For the reasons stated below, the Department disagrees with Paragon's and CPOC's motions.

Although the Department is certainly cognizant and respectful of the roles of both the Chief Procurement Officer and the South Carolina Procurement Review Panel, it must disagree with Paragon's and CPOC's starting proposition. As an agency of the State of South Carolina, the

---

<sup>1</sup> The Department maintains and does not waive its position, as asserted in its prior brief and motion for reconsideration, that the CPOC and Panel lacked jurisdiction but responds in the alternative to Paragon's and the CPOC's motions to preserve the Department's rights in the course of this appeal. Similarly, the Department views the March 23, 2026 email from Greg Placone, counsel for Haren, to be a response to the pending motions. As such, the Panel's March 25, 2026 Order does not permit the submission of a reply. However, if the Haren email is deemed a motion, the Department respectfully opposes the motion only to the extent it is inconsistent with the Department's pending motion.

Department is expressly required to apply the South Carolina Consolidated Procurement Code and regularly does so under authority delegated under the Code. The following excerpts are examples from the Code, with emphasis added, which demonstrate this point.

**SECTION 11-35-20. Purpose and policies.**

(1) This code must be construed and applied to promote underlying purposes and policies.

(2) The underlying purposes and policies of this code are:

\*\*\*

(c) to develop procurement capability responsive to *appropriate user needs*;

\*\*\*

(e) to require the adoption of competitive procurement laws and practices *by units of state and local governments*;

\*\*\*

(h) to develop an efficient and effective means of *delegating roles and responsibilities to the various government procurement officers*.

\*\*\*

**SECTION 11-35-40. Application of Procurement Code.**

\*\*\*

(2) Application to State Procurement. This code applies to every procurement or expenditure of funds by this State under contract *acting through a governmental body* as herein defined .... *No state agency or subdivision thereof may sell, lease, or otherwise alienate or obligate telecommunications and information technology infrastructure of the State by temporary proviso and unless provided for in the general laws of the State.*

\*\*\*

**SECTION 11-35-45. Payment for goods and services received by State.**

\*\*\*

(B) *All agencies and institutions of the State are required to comply with the provisions of this section. ...*

(C) The Comptroller General shall issue *written instructions to the agencies to carry out the intent of this section. All offices, institutions, and agencies of state government shall fully cooperate with the Comptroller General in the implementation of this section.*

(D) The thirty-day period shall not begin *until the agency, whether or not the agency processes vouchers through the Comptroller General, certifies its satisfaction with the received goods or services and proper invoice.*

\*\*\*

**SECTION 11-35-210. Determinations; exemption.**

(A) Written determinations expressly required by the code or regulations must be retained in an *official contract file of the governmental body administering the*

*contract. These determinations must be documented in sufficient detail to satisfy the requirements of audit as provided in Section 11-35-1230.*

\*\*\*

### **SECTION 11-35-310. Definitions.**

Unless the context clearly indicates otherwise:

\*\*\*

(18) "Governmental body" means a *state government department, commission, council, board, bureau, committee, institution, college, university, technical school, agency, government corporation, or other establishment or official of the executive or judicial branch. Governmental body excludes the General Assembly or its respective branches or its committees, Legislative Council, the Legislative Services Agency, and all local political subdivisions such as counties, municipalities, school districts, or public service or special purpose districts or any entity created by act of the General Assembly for the purpose of erecting monuments or memorials or commissioning art that is being procured exclusively by private funds.*

\*\*\*

(26) "Procurement officer" means any person duly authorized by the appropriate chief procurement officer *or the head of the purchasing agency to enter into and administer contracts and make written determinations and findings with respect thereto. The term also includes an authorized representative of the governmental body within the scope of his authority.*

\*\*\*

(28) "Purchasing agency" means any governmental body other than the chief procurement officers authorized by this code or by way of delegation from the chief procurement officers to enter into contracts.

\*\*\*

(38) "Using agency" means any governmental body of the State which utilizes any supplies, services, information technology, or construction purchased under this code.

Again and more specifically applicable to this appeal, the Department is specifically charged by the Procurement Code to make a determination of responsibility. S.C. Code Ann. §11-35-1810(2) ("Determination of Nonresponsibility. A written determination of nonresponsibility of a bidder or offeror shall be made in accordance with regulations promulgated by the board."); S.C. Regs. 19-445.2125(D) ("the procurement officer must be satisfied that the prospective contractor is responsible"); *see also* S.C. Regs. 19-445.2145(F) and Office of State Engineer OSE Manual "MANUAL FOR PLANNING AND EXECUTION OF STATE PERMANENT IMPROVEMENTS" (2023) (<https://procurement.sc.gov/manual> - last visited March 23, 2026) – Section 6.11 Determination of Bidder's Responsibility ("the Agency must satisfy itself that the apparent low Bidder meets the State's Standards of Responsibility").

Going further with respect to licensing, the OSE Manual provides:

**6.11 DETERMINATION OF BIDDER'S RESPONSIBILITY**

*Before posting the SE-370, the Agency must satisfy itself that the apparent low Bidder meets the State's Standards of Responsibility.*

**6.11.1 Criteria for Determining Responsibility**

*Criteria the Agency should use in determining whether the Bidder meets the State's Standards of Responsibility include whether the Bidder has:*

- A. The appropriate financial, material, equipment, facility, and personnel resources and expertise (or the ability to obtain them) necessary to meet all contractual requirements.
- B. A satisfactory record of performance.
- C. A satisfactory record of integrity.
- D. *The necessary legal qualifications to contract with the State (includes being properly licensed).*
- E. Supplied all necessary information in connection with the inquiry concerning responsibility; and
- F. No record of debarment from participation in construction projects in past 3 years from any state or Federal agency as recorded in the federal government's System for Award Management (SAM). This can be found at <https://www.SAM.gov> .

**6.11.2 Verify Proper Contractor Licensing and License Limitations:**

A. Before posting the SE-370, the Agency must verify that the Bidder and its listed Subcontractors have the proper contractor's license and license limitations, and they were in effect at the time of bidding.

*B. If the Agency determines that a Bidder or one of its listed Subcontractors does not have the proper license and license limitations, the Agency must declare the Bidder is non-responsible. The Agency should notify the SC Contractors' Licensing Board that the Bidder or Subcontractor is offering to perform work without a proper license. The Agency may contact the Contractors' Licensing Board at: <https://lir.sc.gov/clb/> .*

(emphasis added).

Therefore, any suggestion by Paragon and CPOC that the Department lacks authority to make determinations under the Procurement Code are not supported under the above authorities. *In Re: Value Options*, Case No. 2001-7, at 3 (S.C. Procurement Rev. Panel, Aug 3, 2001)(“ The Panel finds that State agencies also have broad discretion in making responsibility determinations



for procurement contracts.”). By extension, the above authorities directly charge the Department to also make determinations and application of the SCLLR licensing authority. *See* Manual Section 6.11.2(B). Referencing federal procurement, the Panel has previously acknowledged that “[a] contracting agency has broad discretion in making responsibility determinations since it must bear the brunt of difficulties experienced in obtaining the required performance.” *In Re: Value Options* at 3.(internal citation and quotations removed).

Next, as the end user of the desired construction project – a saltwater mariculture facility – the Department does have specialized knowledge that is relevant to both the Procurement Code determinations and any necessary applications of SCLLR’s licensing requirements. *See generally*, S.C. Code Ann. § 11-35-2410(A) and *In Re: Appeal by United Way Association of South Carolina, Inc.* Case No. 2017-2, at 8 (S.C. Procurement Rev. Panel Nov. 14, 2017)(“ The Panel has consistently held that it ‘will not substitute its judgment for the judgment of the evaluators, who are often experts in their fields, or disturb their findings so long as the evaluators follow the requirements of the Procurement Code and the RFP, fairly consider all proposals, and are not actually biased.’”). Quite simply, the Department’s Mariculture staff have long operated this saltwater mariculture facility and therefore know of the design and operational requirements more than anyone within SCLLR, OSE, or the Panel. Similarly, the Department’s Engineering staff have long supported the Department’s facility and operational needs and, again, have a specialized knowledge as to the work being sought through this solicitation and how best to characterize it for procurement and licensing purposes. Finally, as a precursor to even reaching the WL versus PB licensing question, the Department asserts that Paragon failed the “exact name” requirement of S.C. Code Ann. § 40-11-200(B) and 40-11-370 (1976 & Supp. 2025), which requires no interpretation or deference to apply.

Accordingly, the level of deference given by the Panel to the Department’s determinations under the Procurement Code and associated SCLLR licensing provisions were appropriate and do not warrant modification.

#### Conduct of a *de novo* Hearing

Paragon and CPOC next argue that the Panel failed to conduct a *de novo* hearing because it “did not even attempt to interpret the statute.” The Department would counter that by pointing to the opening paragraph of the Panel’s “Discussion and Conclusions of Law.” There the Panel clearly stated the legal framework and scope by which it would address the issues presented.

Therefore, contrary to the Paragon and CPOC positions, the Panel did explain the legal basis for its decision under the relevant statutory framework. Paragon and CPOC find the Panel's brevity and outcome objectionable, but that does not render the Panel's treatment erroneous. *See generally, Pinckney v. Warren*, 344 S.C. 382, 387, 544 S.E.2d 620, 623 (2001) ("However, this broad scope of review does not require an appellate court to disregard the factual findings below or ignore the fact that the trial judge is in the better position to assess the credibility of the witnesses."); *Stoney v. Stoney*, 425 S.C. 47, 62, 819 S.E.2d. 201, 209 (Ct. App. 2018)(discussing application of *de novo* review of family court decision by appellate courts).

### Standard of Review Applied

The final argument made in the Paragon and CPOC motions are that the Panel applied an "incomplete standard of review" by not evaluating whether the decision under review was "contrary to law." As above, the Department would highlight the following sections of the Panel's March 13, 2026 Order in which it clearly expressed its application of the "contrary to law" standard:

Although the parties raise several issues concerning licensing classifications, statutory exclusions, protest sufficiency, and scope of review, the dispositive question is whether DNR's non-responsibility determination was clearly erroneous, arbitrary, capricious, or *contrary to law* under S.C. Code Ann. § 11-35-2410(A). (p.1)

\*\*\*

Upon *de novo* review of the administrative record, the parties' briefs, and the applicable law, the Panel concludes that DNR's determination was not clearly erroneous, arbitrary, capricious, or *contrary to law*. (p. 1)

\*\*\*

Responsibility determinations under the Procurement Code are "final and conclusive, unless clearly erroneous, arbitrary, capricious, or *contrary to law*." S.C. Code Ann. § 11-35-2410(A).(p.5)

\*\*\*

The Panel has explained that "[t]he responsibility inquiry is delegated to the procuring agency and the Panel takes the position that review of this issue is limited to whether the procuring officer's determination was clearly erroneous, arbitrary, capricious, or *contrary to law*." In re Value Options, Case No. 2001-7, at 7 (S.C. Procurement Rev. Panel Aug. 3, 2001).(p. 7)

\*\*\*

In a procurement protest, however, the relevant inquiry is not whether the reviewing body would independently interpret that statute, but whether the procuring agency's application of the statute lacked a rational basis or was *contrary to law* under § 11-35-2410(A). (pp.8-9)

\*\*\*

Such determinations are “final and conclusive, unless clearly erroneous, arbitrary, capricious, or *contrary to law*.” S.C. Code Ann. § 11-35-2410(A).(p.9)

\*\*\*

The Panel therefore does not decide which contractor license classification it would independently select, but whether DNR’s determination lacked a rational basis or was *contrary to law*.(p. 11)

\*\*\*

Because DNR’s determination that eighty percent of the Project required WL licensure aligns with the components described in § 40-11-410(3)(c) and reflects the agency’s technical expertise, it had a rational basis and was not clearly erroneous, arbitrary, capricious, or *contrary to law*.(p. 13)

\*\*\*

The party challenging such a determination bears the burden of proving it was clearly erroneous, arbitrary, capricious, or *contrary to law*.(p. 13)

\*\*\*

Rather, the Panel holds only that DNR’s determination was not clearly erroneous, arbitrary, capricious, or *contrary to law*. (p. 15)

(emphasis added).

Therefore, the Panel repeatedly acknowledged the “contrary to law” standard of review and clearly applied it in reaching its conclusion. As such, the assertions of error by Paragon and CPOC fall short.

#### Conclusion

The Department respectfully requests that the Panel deny the Paragon and CPOC Motions for Reconsideration and lift the Panel’s March 25, 2026 stay.

Respectfully submitted,

s/ Van Whitehead

Susan O. Porter, General Counsel

S.C. Bar No. 68335

[PorterS@dnr.sc.gov](mailto:PorterS@dnr.sc.gov)

Van Whitehead, Deputy General Counsel

S.C. Bar No. 70446

[WhiteheadV@dnr.sc.gov](mailto:WhiteheadV@dnr.sc.gov)

South Carolina Department of Natural Resources

P.O. Box 167

Columbia, SC 29202

(803) 734-4006

April 1, 2026

STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND

**BEFORE THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL**

In Re: Appeal by Haren Construction Co.,  
Inc

Certificate of Service

Project No. P24-6052-PG

Case No. 2025-5

Beaufort-Waddell Mariculture Maturation  
Ponds Maintenance - Re-Bid

I do hereby certify that I have caused the SCDNR Response to Paragon and CPOC Motions to Reconsider in the above matter to be served via email on the following:

Attorney for Haren Construction Co., Inc.  
HUDSON LAMBERT PARROT, LLC  
D. Gregory Placone  
gplacone@hlpwlaw.com  
P. Nicholas ("Nick") Nybo  
nicknybo@hlpwlaw.com

Attorney for Paragon Inc. of South Carolina, LLC  
Griffin Humphries, LLC  
James M. Griffin  
jgriffin@griffinhumphries.com

Attorney for Chief Procurement Officer - Construction  
Manton Grier  
mgrier@ogc.sc.gov

Attorney for South Carolina Procurement Review Panel  
Steve O'Keefe  
Stephen.okeefe@prp.sc.gov

s/ Van Whitehead  
Susan O. Porter, General Counsel  
S.C. Bar No. 68335  
Van Whitehead, Deputy General Counsel  
S.C. Bar No. 70446  
South Carolina Department of Natural Resources  
P.O. Box 167  
Columbia, SC 29202  
(803) 734-4006

April 1, 2026

RECEIVED

Apr 27 2026

SC Court of Appeals

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Case No. 2025-5

---

In Re: Haren Construction, Co., Inc.

South Carolina Department of Natural Resources  
Project No. P24-6052-PG  
Beaufort-Waddel Mariculture  
Maturation Ponds Maintenance – Re-Bid

---

PROOF OF SERVICE

---

I certify that I have served the SCDNR's Motion to Dismiss upon counsel for all parties and the South Carolina Procurement Review Panel in the above captioned matter by sending a copy by email to each attorney listed below on April 25, 2026.

Attorney for the South Carolina Procurement Review Panel

Stephen O'Keefe, General Counsel  
Edgar Brown Building  
1205 Pendleton Street, Suite 366  
Columbia, SC 29201  
Stephen.Keefe@prp.sc.gov

Attorney for Paragon Inc. of South Carolina, LLC

Griffin Humphries, LLC  
James M. Griffin  
8906 Two Notch Road, Suite 200  
P.O. Box 999 (29202)  
803-744-0800  
jgriffin@griffinhumphries.com

Attorney for Chief Procurement Officer - Construction

Manton M. Grier, Jr.  
Office of General Counsel

State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, SC 29201  
803-737-0600  
mgrier@ogc.sc.gov

Attorneys for Haren Construction Co., Inc.  
HUDSON LAMBERT PARROT, LLC  
D. Gregory Placone  
201 W. McBee Ave., Suite 450  
Greenville, SC 29601  
864-235-5535  
gplacone@hlpwlaw.com

HUDSON LAMBERT PARROT, LLC  
P. Nicholas ("Nick") Nybo  
176 Croghan Spur  
Charleston, SC 29407  
843-321-9970  
nicknybo@hlpwlaw.com

s/ Van Whitehead

Susan O. Porter, General Counsel  
S.C. Bar No. 68335  
PorterS@dnr.sc.gov

Van Whitehead, Deputy General Counsel  
S.C. Bar No. 70446  
WhiteheadV@dnr.sc.gov

South Carolina Department of Natural Resources  
P.O. Box 167  
Columbia, SC 29202  
(803) 734-4006

Attorneys for the South Carolina Department of  
Natural Resources

April 25, 2026

(SCDNR 25-0060)  
(Ct. App. 2026-000914)

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Appellate Case No. 2026-000914  
Panel Case No. 2025-5

---

Paragon Inc. of South Carolina, LLC d/b/a Paragon Builders, Chief Procurement Officer, State Fiscal Accountability Authority, Appellants/Respondents,

v.

Haren Construction Co., Inc., Respondent

And

South Carolina Department of Natural Resources, Appellant/Respondent.

---

**RESPONDENT HAREN CONSTRUCTION CO., INC.'S RETURN TO APPELLANT  
PARAGON INC. OF SOUTH CAROLINA, LLC D/B/A PARAGON BUILDERS'  
MOTION TO STAY AND REQUEST FOR EXPEDITED BRIEFING SCHEDULE**

---

Respondent Haren Construction Co., Inc. ("**Haren**") respectfully submits this Return to Appellant/Respondent Paragon Inc. of South Carolina, LLC d/b/a Paragon Builders' ("**Paragon**") Motion to Stay and Request for Expedited Briefing Schedule (the "**Motion**").

**INTRODUCTION**

This appeal arises from a well-reasoned order of the South Carolina Procurement Review Panel (the "**Panel**") reversing the Chief Procurement Officer's ("**CPO**") decision sustaining Paragon's bid protest in connection with a South Carolina Department of Natural Resources ("**DNR**") construction project.

Paragon now moves this Court to stay DNR’s contract award to Haren and further delay what Paragon itself has characterized as a “time-sensitive” public project.<sup>1</sup> In seeking this extraordinary relief, Paragon applies the incorrect legal standard, requests a remedy which is no longer available under the South Carolina Consolidated Procurement Code (the “**Procurement Code**”), and fails to meet its burden under both Rule 241, SCACR, and S.C. Code Ann. § 1-23-380.

This is Paragon’s second attempt to obtain relief that the Panel has already correctly determined is unnecessary to preserve appellate jurisdiction or prevent mootness. South Carolina law permits appellate review even after contract award or performance where the issues are capable of repetition yet evade review or may affect future events. Paragon’s appeal falls squarely within these exceptions because it challenges the Panel’s standard of review and contractor licensure responsibility determinations—issues that are likely to reoccur yet evade review in time-sensitive procurements.

Paragon also mistakenly contends that a stay is necessary to preserve a remedy that is no longer authorized by statute. Because the contract has already been awarded to and executed by Haren, Paragon’s potential relief is limited to the post-award remedies expressly provided by the Procurement Code. A stay cannot preserve a remedy that is unavailable as a matter of law.

Even if the Court were to assess Paragon’s Motion under S.C. Code Ann. § 1-23-380 and S.C. R. Civ. P. 65, Paragon cannot meet its burden. Paragon retains an adequate remedy at law under the Procurement Code, cannot show a likelihood of success on the merits, and cannot establish irreparable harm. The Panel independently interpreted S.C. Code Ann. § 40-11-410, appropriately deferred only to DNR’s technical expertise, and found that Paragon failed to prove that at least 51% of the work fell within its asserted licensing subclassification. Finally, the public

---

<sup>1</sup> See Ex. 13 to App. Mot. at 1.



interest strongly disfavors a stay. The Project involves sensitive coastal and wetland infrastructure, and the public has a compelling interest in allowing state procurements to proceed without disruption. For all of these reasons, Paragon’s Motion to Stay should be denied.

### **FACTUAL AND PROCEDURAL BACKGROUND<sup>2</sup>**

On August 12, 2025, the South Carolina Department of Natural Resources (“DNR”) issued an advertisement and solicitation for bids for Project No. P24-6052-PG, the Beaufort-Waddell Mariculture Maturation Ponds Maintenance Project (the “**Project**”). The Project involves renovation of hatchery infrastructure on DNR property, including rehabilitation of rearing ponds, replacement of piping networks, modifications to an existing head tower, upgrades to site electrical systems, and related improvements. The solicitation sought bids from a sole prime contractor but did not specify a required contractor license classification.<sup>3</sup>

Haren is a construction firm that specializes in engineered water improvement projects, including water and wastewater treatment plants, pumping stations, raw water impoundments, pipeline construction, and other related work.<sup>4</sup> Haren holds a South Carolina General Contractor–Public Utility license with a Water and Sewer Lines subclassification (“**WL License**”).

---

<sup>2</sup> These proffered here are set forth in the Panel’s Order dated March 13, 2026. *See In Re: Haren Construction Co., Inc.*, Panel Case No. 2025-5, 2026 WL 1091940, at \*1–2 (S.C. Procure. Rev. Panel Mar. 13, 2026) (Order granting appeal and reversing decision of the CPO).

<sup>3</sup> A prime contractor “is an entity which contracts directly with an owner to perform general or mechanical construction.” S.C. Code Ann. § 40-11-20(20). A sole prime contractor is “the prime contractor for a project on which there is only one prime contractor.” S.C. Code Ann. § 40-11-20(24).

<sup>4</sup> Homepage, HARENCONSTRUCTION.COM, <http://www.harenconstruction.com/> (last visited November 25, 2025).

Paragon markets itself as providing commercial, residential, and multi-family construction services.<sup>5</sup> Paragon does not hold a WL License but instead possesses a South Carolina Mechanical Contractor's license with subclassifications in Plumbing ("**PB License**") and Electrical ("**EL License**").

DNR received bids from both Haren and Paragon, and Paragon was the apparent low bidder. During its responsibility review, DNR sought guidance from the Contractor's Licensing Board within the South Carolina Department of Labor, Licensing and Regulation ("**LLR**") with respect to the required licensure for the Project. The LLR declined to issue a license classification determination and advised that licensing questions should be addressed by the local building official responsible for reviewing the Project plans.

DNR also relied on the engineer of record's cost opinion and allocation of project costs by license classification contained in the administrative record (the "**Design Cost Estimate**"). In the Design Cost Estimate, the engineer of record determined that eighty percent of the Project fell within the WL License.

On October 17, 2025, DNR notified Paragon that it was determined to be a non-responsible bidder under S.C. Code Ann. § 11-35-1810 because Paragon's PB License did not authorize it to act as a sole prime contractor for the Project.<sup>6</sup> On October 20, 2025, DNR posted notice of its intent to award the contract to Haren. Paragon filed a notice of intent to protest on October 27,

---

<sup>5</sup> Homepage, PARAGONBUILDERSSC.COM, <https://www.paragonbuilderssc.com/> (last visited November 25, 2025).

<sup>6</sup> A responsibility determination is a determination that the bidder has the legal and technical ability to perform. See S.C. Code Ann. Regs. 19-445.2125(A)(1). "[T]he lack of a proper license to do the work solicited in a state contract will always render a bidder nonresponsible." *Protest of Roofco, Inc.*, Panel Case No. 2000-14(I). See also S.C. Code Ann. § 40-11-200(B).

2025, followed by a formal protest on November 4, 2025, asserting that its PB License authorized it to bid the Project as a sole prime contractor.

On November 19, 2025, the Chief Procurement Officer (“CPO”) sustained Paragon’s protest, finding that the PB License encompassed the work described in the solicitation and permitted Paragon to bid the project as the sole prime contractor. Haren timely appealed, and the parties agreed to resolve the appeal on the written record.

The Panel deliberated on February 25, 2026, and issued its final decision on March 13, 2026, reversing the CPO. In doing so, the Panel independently interpreted S.C. Code Ann. § 40-11-410 and determined that DNR’s responsibility determination was not “clearly erroneous, arbitrary, capricious, or contrary to law” because Paragon failed to prove that at least 51% of the Project fell within the PB subclassification. The Panel specifically noted that Paragon failed to submit any competing engineering estimate or line-item cost analysis demonstrating that the Design Cost Estimate was factually unsupported or artificially structured.

Subsequently, Paragon and the CPO moved for reconsideration, which the Panel denied.<sup>7</sup> Paragon also moved to stay the matter pending appeal, and that motion was likewise denied. Paragon and the CPO initiated the instant appeal, and DNR cross-appealed.

### **LEGAL STANDARD**

Rule 241, SCACR directs the Court to determine whether a stay is “necessary to preserve jurisdiction of the appeal or to prevent a contested issue from becoming moot.” Rule 241(c)(2), SCACR.

---

<sup>7</sup> See *In Re: Haren Construction Co., Inc.*, Panel Case No. 2025-5(II) (S.C. Procure Rev. Panel Apr. 6, 2026) (Order denying motions to reconsider).

Paragon also grounds its request for a stay under S.C. Code Ann. § 1-23-380(B).<sup>8</sup> S.C. Code Ann. § 1-23-380 provides that, upon the filing of a petition under Rule 65 of the South Carolina Rules of Civil Procedure, the reviewing court may grant a stay upon appropriate terms. S.C. Code Ann. § 1-23-380(2). Paragon, however, without citing any authority applicable to appeals from the Panel, contends that the Panel should apply a generic four-factor test that considers: “(1) the likelihood of success on the merits of the appeal; (2) whether the movant will suffer irreparable harm absent a stay; (3) whether the stay will substantially injure other parties; and (4) where the public interest lies.” App. Mot. at 4–5. While those considerations may appear familiar,<sup>9</sup> Paragon applies the incorrect standard. Even so, Paragon is not entitled to a stay under either the correct standard or the one it advances.

As the Panel has repeatedly recognized, “[a] request for a stay pursuant to § 1-23-380(c)<sup>10</sup> is the same as a request for a temporary injunction.” *In re Protest of Gregory Electric Co.*, Panel Case No. 1989-17(III), 1990 WL 10008052, at \*1 (S.C. Procure. Rev. Panel Jan. 26, 1990) (citing *Parker v. S.C. Dairy Comm’n*, 274 S.C. 209, 262 S.E.2d 38 (1980)). Accordingly, Paragon now bears the burden of making a prima facie showing (1) that it has no adequate remedy at law, (2) that it is likely to succeed on the merits, and (3) that the conduct sought to be restrained will cause irreparable harm. *Id.* (citing *Greenwood Cnty. v. Shay*, 202 S.C. 16, 23 S.E.2d 825 (1943)).

---

<sup>8</sup> No such statutory subsection currently exists.

<sup>9</sup> The factors cited by Paragon have been applied by federal courts in evaluating motions to stay under Fed. R. Civ. P. 62(d). See *George Sink PA Inj. Laws. v. George Sink II L. Firm LLC*, No. 2:19-CV-01206-DCN, 2019 WL 6318778, at \*3 (D.S.C. Nov. 26, 2019). Any analysis under these factors likewise does not appear to materially benefit Paragon’s position.

<sup>10</sup> The applicable language is now found in section 1-23-380(2) and expressly references S.C. R. Civ. P. 65.

In administrative cases such as this, it is also appropriate to consider the effect of the requested stay on the public interest. *Id.* (citing *M. Steinthal & Co. v. Seamans*, 455 F.2d 1289, 1303 (D.D.C. 1971)). The burden of establishing entitlement to this extraordinary relief rests squarely with Paragon. *See In re Protest of Royal Bus. Machines*, Panel Case No. 1984-7C(II), 1984 WL 563609, at \*2 (S.C. Procure. Rev. Panel Nov. 15, 1984) (citing *Moss v. S.C. State Highway Dep't*, 223 S.C. 282, 75 S.E.2d 462 (1953)). Paragon is not entitled to a stay under the correct standard or the standard applied by Paragon.

### **ARGUMENT**

#### **I. A STAY IS UNNECESSARY TO PRESERVE JURISDICTION OF THE APPEAL OR PREVENT THE CONTESTED ISSUES FROM BECOMING MOOT.**

Paragon contends that a stay is necessary because its appeal will become moot once Haren commences performance of the contract. *See* App. Mot. at 5–6. That assertion ignores well-settled South Carolina law recognizing that appellate review may proceed even after contract award or performance where the issues presented are capable of repetition yet evade review. *See Sloan v. Dep't of Transp.*, 379 S.C. 160, 168, 666 S.E.2d 236, 240 (2008). An appeal is likewise not moot where a decision on the merits “may affect future events,” even if no effective relief can be granted in the present case. *Curtis v. State*, 345 S.C. 557, 568, 549 S.E.2d 591, 596 (2001). Even when an issue is otherwise moot, “an appellate court may decide questions of imperative and manifest urgency to establish a rule for future conduct in matters of important public interest.” *Id.*

In the procurement context, South Carolina courts have recognized “a keen public interest in the stewardship of public funds and a strong need to provide guidance for future procurement decisions,” holding that the inability to grant effective relief in a specific case “should not be a barrier” to review of issues of exceptional public interest. *Sloan v. Greenville Cnty.*, 356 S.C. 531, 553, 590 S.E.2d 338, 350 (Ct. App. 2003).

In *Sloan v. Dep't of Transp.*, for example, a taxpayer challenged whether SCDOT properly authorized an emergency procurement for a road project that was completed during the pendency of the litigation. 379 S.C. at 164–66, 666 S.E.2d at 238–39. Despite completion of the project, the Supreme Court rejected SCDOT's mootness argument, explaining that the issue was capable of repetition yet would usually evade review due to the accelerated nature of emergency procurements. *Id.* at 168–69, 666 S.E.2d at 240. The Court further emphasized that a decision on the merits would affect how SCDOT authorizes emergency procurements in the future, warranting appellate review notwithstanding complete performance of the contract. *Id.* Finally, the Court noted that there existed no case law specifically addressing SCDOT's authorization of an emergency procurement, *see id.* at 169, 666 S.E.2d at 240, which parallels a basis of Paragon's Motion, *see App. Mot.* at 8.

The same principles apply here. Paragon's appeal raises issues concerning the standard of review applied by the Panel and responsibility determinations involving contractor licensure under the Procurement Code. *See App. Mot.* at 6–7. These issues are capable of repetition in time-sensitive procurements and, absent review, would evade appellate consideration. As in *Sloan*, the issues raised by Paragon may affect future procurements involving contractor licensing subclassifications. And, as Paragon notes in its Motion, there exists no case law specifically addressing “the application of Title 40 contractor licensing subclassifications to specialized mariculture infrastructure.” *See App. Mot.* at 8. Applying *Sloan* here, the mere commencement of contract performance will not necessarily render Paragon's appeal moot, and a stay is not “necessary” under Rule 241 to preserve the appellate court's jurisdiction.

Paragon further contends that, if it succeeds on appeal, the “only meaningful remedy” would be an award of the contract or a rebid, and that such relief will be unavailable once Haren

commences performance. App. Mot. at 5–6. But the relief Paragon seeks is available *only* prior to contract award. See S.C. Code Ann. § 11-35-4310(2). Because the contract has already been awarded to Haren, Paragon’s potential relief is limited to the post-award remedies expressly authorized by statute. See S.C. Code Ann. §§ 11-35-4310(3), (4); *In re Appeal by Public Consulting Group, Inc.*, Panel Case No. 2018-2(II), 2018 WL 3917698, at \*3 n.1 (S.C. Procure. Rev. Panel June 18, 2018); *Protest of Business Systems of South Carolina, inc.*, Panel Case No. 2002-3, 2002 WL 31955065, at \*2 (S.C. Procure. Rev. Panel Apr. 24, 2002) (finding that the CPO exceeded his authority when he rescinded an award to one contractor and re-awarded it to another contractor because the remedy was not one allowed by section 11-35-4310(3)). Paragon cannot justify a stay based on the need to preserve relief that is unavailable to a disappointed bidder under the Procurement Code at this stage of the proceedings.

## **II. PARAGON FAILED TO CARRY ITS BURDEN IN PROVING IT HAS NO ADEQUATE REMEDY AT LAW.**

Because Paragon applies the incorrect legal standard, it fails to address, much less establish, that it lacks an adequate remedy at law. That failure *alone* is fatal to its Motion.

As the Panel has repeatedly recognized, a request for a stay pursuant to S.C. Code Ann. § 1-23-380(2) is “the same as a request for a temporary injunction,” and “injunctive relief is not the appropriate remedy for a disappointed bidder when public interest considerations are present and when a claim for damages is available, even if the bidder is limited to recovery of bid preparation costs.” *In re Protest of Gregory Electric Co.*, 1990 WL 10008052 at \*1–2. Here, Paragon plainly has an adequate remedy at law, notwithstanding its failure to request it. S.C. Code Ann. § 11-35-4310(4) expressly authorizes an award of “a reasonable reimbursement amount, including reimbursement of reasonable bid preparation costs” to a bidder who claims it should have been

awarded the contract. *Id.* Because an adequate legal remedy is available, Paragon’s Motion must be denied. See *In re Protest of Gregory Electric Co.*, 1990 WL 10008052 at \*2.

### **III. PARAGON CANNOT DEMONSTRATE A LIKELIHOOD OF SUCCESS ON APPEAL.**

Paragon’s appeal raises three “principal questions”: (1) the Panel deferred to DNR’s interpretation of S.C. Code Ann. § 40-11-410(5)(f) (PB License), rather than independently interpreting the statute itself; (2) the Panel improperly deferred to DNR’s interpretation of a statute it does not administer; and (3) DNR’s Design Cost Estimate lacked an independent licensing basis. (Paragon’s Mot. at 6–7.) These arguments merely reprise positions the Panel considered and rejected twice.<sup>11</sup>

First, the Panel expressly recognized that the subclassifications in § 40-11-410—including the PB License—“describe broad categories of construction work and do not, as applied to this mariculture infrastructure, compel a single classification as a matter of law.” *In Re: Haren Construction Co., Inc.*, 2026 WL 1091940, at \*7. The Panel even noted that certain components resemble work typically performed under a PB License. *Id.* And it made clear that its Order “does not determine that WL licensure was the only possible classification for the Project.” *Id.* at \*9. In short, the Panel independently interpreted the statute and determined that at most, the PB License could have been a *permissible* classification for some of the Project work, but not a *required* one. That conclusion reflects the Panel’s own statutory interpretation, not deference to DNR.

Second, Paragon improperly conflates interpretation of the licensing statutes and application of those statutes within a responsibility determination. The Panel did *not* afford DNR’s

---

<sup>11</sup> See *In Re: Haren Construction Co., Inc.*, 2026 WL 1091940 (Order granting appeal and reversing decision of the CPO); *In Re: Haren Construction Co., Inc.*, Panel Case No. 2025-5(II) (Order denying motions to reconsider).



interpretation of § 40-11-410 *Chevron* deference; it interpreted and evaluated the statute itself. The Panel properly deferred *only* to DNR’s technical application of how the Project’s complex piping network, integrated pumping components, manholes, and utility structures fit within the license categories. *In Re: Haren Construction Co.*, 2026 WL 1091940 at \*7–8. The Panel also noted that the Project’s “core utility” involves the distribution of seawater through these components. *Id.*

The Panel’s deference to DNR’s technical judgment, rather than statutory interpretation, supported DNR’s conclusion that WL licensure permitted Haren to bid and serve as the sole prime contractor. In other words, DNR’s determination that the WL License was *one permissible* classification for the majority of the Project was not “clearly erroneous, arbitrary, capricious, or contrary to law” under S.C. Code Ann. § 11-35-2410(A). That deference is fully consistent with the applicable standard of review and provides no recognized basis to grant Paragon’s Motion.<sup>12</sup>

Third, Paragon’s arguments misstate the Panel’s analysis and ignore the dispositive point: although some components of the Project resemble work typically performed under a PB License, Paragon failed to carry its burden to *prove* that at least 51% of the Project fell within the PB subclassification as required by law. *In Re: Haren Construction Co.*, 2026 WL 1091940 at \*8–9. Paragon’s protest asserted alternative percentage allocations without submitting the engineering or technical analysis necessary to substantiate those claims or meet its evidentiary burden. *Id.* at \*9. Paragon likewise failed to avail itself of the opportunity to present such evidence at the

---

<sup>12</sup> See S.C. Code Ann. § 11-35-2410(A); *Appeal by Coastal Rapid Public Transit Authority*, Panel Case 1992-16, 1992 WL 12005286, at \*3 (S.C. Procure. Rev. Panel Aug. 10, 1992) (“The Panel will not substitute its judgment for the judgment of the evaluators, who are often experts in their fields[.]”). See also S.C. Code Ann. Regs. 19-445.2125(B) (the procurement officer may rely on “knowledge of personnel within the using or purchasing agency.”); Daniel P. Selmi & Kenneth A. Manaster, *State Environmental Law* § 15:48 (2025-2026 ed.) (“When a court defers to an agency’s technical or scientific knowledge, in reality it is largely deferring to statements of fact and opinions of individuals within the agency.”).

appropriate stage of the proceedings before the Panel. *Id.* To the extent Paragon now attempts to challenge the sufficiency of the Design Cost Estimate, those arguments are unpreserved and untimely.<sup>13</sup> Because Paragon failed to demonstrate that at least 51% of the Project work fell within the PB subclassification, DNR’s responsibility determination was not “clearly erroneous, arbitrary, capricious, or contrary to law” under S.C. Code Ann. § 11-35-2410(A). Paragon therefore cannot demonstrate a likelihood of success on appeal, and the Motion must be denied.

Finally, Paragon’s circular argument—that the Chief Procurement Officer’s decision to appeal the Panel’s ruling somehow demonstrates Paragon’s likelihood of success on the merits—is fundamentally flawed. *See* App. Mot. at 6. The filing of an appeal, in and of itself, carries no probative weight in assessing the likelihood of success. While Haren respects the CPO’s experience and statutory role under the Procurement Code, Paragon’s logic cuts the other way: the Panel’s decision to reverse the CPO weighs against Paragon’s likelihood of success on the merits.<sup>14</sup>

#### **IV. PARAGON CANNOT SHOW THAT IT IS LIKELY TO SUFFER IRREPARABLE HARM.**

Because an adequate legal remedy is available under S.C. Code Ann. § 11-35-4310(4), Paragon cannot demonstrate irreparable harm, and its Motion must be denied. *See In re Protest of*

---

<sup>13</sup> *See Doe v. Doe*, 370 S.C. 206, 212, 634 S.E.2d 51, 54 (Ct. App. 2006) (issues must be raised to and ruled upon by the lower tribunal to be preserved for appellate review); *In Re: Protest of Logisticare Solutions, LLC*, Panel Case No. 2011-1, 2011 WL 7068066, at \*1 (S.C. Procure. Rev. Panel May 11, 2011) (“The Panel has consistently held that the issues to be decided by the CPO and the Panel are established by the protest letter, and that issues raised for the first time in an appeal letter are untimely under the time constraints of S.C. Code Ann. section 11-35-4210.”).

<sup>14</sup> The Panel is expressly vested with authority to review and overturn decisions of the Chief Procurement Officer. *See* S.C. Code Ann. § 11-35-4410. As our Supreme Court has observed, the Panel’s expertise in procurement matters exceeds that of generalist courts. *See Unisys Corp. v. S.C. Budget & Control Bd., Div. of Gen. Servs., Info. Tech. Mgmt. Off.*, 346 S.C. 158, 174, 551 S.E.2d 263, 272 (2001) (“As far as expertise, we question whether a circuit court judge would have any more expertise in the area of procurement contracts.”).

*Gregory Electric Co.*, 1990 WL 10008052 at \*2. See also *In Re: Protest By Royal Business Machines*, 1984 WL 563609, at \*3 (“Any alleged harm that might be suffered by petitioners if a stay is not granted would be monetary, and is the same as the harm that [Haren] would suffer if a stay were granted.”).

## **V. THE PUBLIC INTEREST DISFAVORS A STAY.**

The Panel has explained that “the public has a strong interest in having procurements of vital goods and services by the State proceed *without* disruption and delay.” See *In re Protest of Gregory Electric Co.*, 1990 WL 10008052 at \*2 (emphasis added). “It would be intolerable for any frustrated bidder to render uncertain for a prolonged period of time government contracts which are vital to the functions performed by the sovereign.” *Id.* (quoting *M. Steinthal & Co. v. Seamans*, 455 F.2d 1289, 1303 (D.C. Cir. 1971) (internal quotation marks omitted)).<sup>15</sup>

In addition, the Project is directly connected to sensitive saltwater marsh and wetland systems. Research conducted at the WMC is directed toward the culture and practical production of aquatic species of economic importance to the State.<sup>16</sup> Our Supreme Court has likewise described South Carolina’s tidelands as a “precious public resource.” *Kiawah Dev. Partners, II v. S.C. Dep’t of Health & Env’t Control*, 411 S.C. 16, 22, 766 S.E.2d 707, 710 (2014). Ensuring that the Project is performed by a properly qualified and licensed contractor in this sensitive wetlands environment is therefore vitally intertwined with the public interest.

## **VI. AN EXPEDITED BRIEFING SCHEDULE IS NOT WARRANTED UNDER THE CIRCUMSTANCES.**

---

<sup>15</sup> In the interest of brevity, Haren refers to and incorporates by reference DNR’s arguments regarding the public interest analysis in its Response in Opposition to Paragon’s Motion to Stay at 7–8.

<sup>16</sup> Located on the Colleton River, Beaufort County, SC, DNR.SC.Gov, <https://www.dnr.sc.gov/marine/mrri/waddell/index.html> (last visited Jan. 12, 2025).

Although South Carolina courts recognize a public interest in certain procurement matters, this appeal does not present circumstances that ordinarily justify expedited briefing. *See, e.g., Re: Expediting Appeals in Matters Involving Child Custody and Visitation*, S.C. Sup. Ct. Order filed Nov. 17, 2022 (providing for expedited consideration of appeals from termination of parental rights proceedings, adoption proceedings, Department of Social Services actions involving the custody of a minor child, and domestic relations actions involving child custody and visitation); S.C. Code Ann. § 17-27-160 (providing for expedited consideration of applications for post-conviction relief in capital cases); Rule 607(d), SCACR. Accordingly, Haren respectfully submits that expedited briefing is not warranted in this case, nor has Paragon shown that it is necessary.

### **CONCLUSION**

For the foregoing reasons, Haren respectfully submits that Paragon's Motion should be denied and no stay or expedited briefing schedule should be granted.

Respectfully submitted,

HUDSON LAMBERT PARROTT, LLC

s/D. Gregory Placone

D. Gregory Placone, SC Bar No. 100722

201 W. McBee Ave., Suite 450

Greenville, SC 29601

PH: (864) 235-5535

FX: (864) 235-6866

gplacone@hlpwlaw.com

P. Nicholas (Nick) Nybo, SC Bar No. 105825

176 Croghan Spur, Suite 220

Charleston, SC 29407

PH: (843) 321-9970

nicknybo@hlpwlaw.com

*Attorneys for Haren Construction Co., Inc.*

April 30, 2026

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Appellate Case No. 2026-000914  
Panel Case No. 2025-5

---

Paragon Inc. of South Carolina, LLC d/b/a Paragon Builders, Chief Procurement Officer, State Fiscal Accountability Authority, Appellants/Respondents,

v.

Haren Construction Co., Inc., Respondent

And

South Carolina Department of Natural Resources, Appellant/Respondent.

---

**PROOF OF SERVICE**

---

The undersigned hereby certifies that on April 30, 2026, copies of **Respondent Haren Construction Co., Inc's Return to Appellant Paragon Inc. of South Carolina, LLC d/b/a Paragon Builders' Motion to Stay and Request for Expedited Briefing Schedule** were served on all counsel of record via email to counsels' individuals AIS email addresses:

Stephen O'Keefe, General Counsel  
Edgar Brown Building  
1205 Pendleton Street, Suite 366  
Columbia, SC 29201  
[Stephen.Keefe@prp.sc.gov](mailto:Stephen.Keefe@prp.sc.gov)

*Attorney for the South Carolina Procurement  
Review Panel*

Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, South Carolina 29201  
(803) 737-0600  
[mgrier@ogc.sc.gov](mailto:mgrier@ogc.sc.gov)

*Attorneys for the Chief Procurement Officer*

Griffin Humphries, LLC  
James M. Griffin  
8906 Two Notch Road, Suite 200  
P.O. Box 999 (29202)  
803-744-0800  
[jgriffin@griffinhumphries.com](mailto:jgriffin@griffinhumphries.com)

*Attorney for Paragon Inc. of South Carolina,  
LLC*

Susan O. Porter, General Counsel  
S.C. Bar No. 68335  
[PorterS@dnr.sc.gov](mailto:PorterS@dnr.sc.gov)  
Van Whitehead, Deputy General Counsel  
S.C. Bar No. 70446  
[WhiteheadV@dnr.sc.gov](mailto:WhiteheadV@dnr.sc.gov)  
South Carolina Department of Natural  
Resources  
P.O. Box 167 Columbia, SC 29202  
(803) 734-4006

*Attorneys for the South Carolina Department  
of Natural Resources*



---

Elizabeth Herron, Legal Assistant

April 30, 2026

**RECEIVED**

**May 01 2026**

**SC Court of Appeals**

THE STATE OF SOUTH CAROLINA  
In The Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Case No. 2026-000914

---

In Re: Haren Construction Co., Inc.

Project No. P24-6052-PG  
Beaufort-Waddel Mariculture  
Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

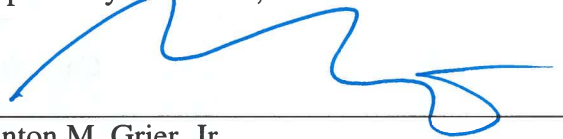
RESPONSE TO MOTION TO STAY  
AND REQUEST FOR EXPEDITED BRIEFING SCHEDULE

---

Appellant/Respondent Chief Procurement Officer (CPO) takes no position on the motion to stay filed by co-Appellant/Respondent Paragon Inc. of South Carolina, LLC (Paragon). Naturally, by filing an appeal, the CPO believes the appeals filed by Paragon and the CPO have merit. The CPO recognizes the time-sensitive nature of the project and therefore supports the request for an expedited briefing schedule. Notably, the CPO, Paragon, and the South Carolina Department of Natural Resources all support an expedited briefing schedule, while the only party

that opposes the request for an expedited briefing schedule is Respondent Haren Construction, Co., the party currently holding the contract with DNR.

Respectfully submitted,



---

Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, South Carolina 29201  
(803) 737-0600

ATTORNEYS FOR THE CHIEF  
PROCUREMENT OFFICER OF THE  
STATE FISCAL ACCOUNTABILITY  
AUTHORITY

Columbia, South Carolina

May 1, 2026



**RECEIVED**

**May 01 2026**

**SC Court of Appeals**

THE STATE OF SOUTH CAROLINA  
In The Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Case No. 2026-000914

---

In Re: Haren Construction Co., Inc.

Project No. P24-6052-PG  
Beaufort-Waddel Mariculture  
Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

PROOF OF SERVICE

---

The undersigned certifies that I have served all counsel in this action with the Chief Procurement Officer's Response to Motion to Stay and Request for Expedited Briefing Schedule by emailing a copy to each attorney listed below.

James M. Griffin  
Griffing Humphries LLC  
8906 Two Notch Rd, Suite 200  
P.O. Box 999 (29202)  
Columbia, SC 29223  
jgriffin@griffinghumphries.com

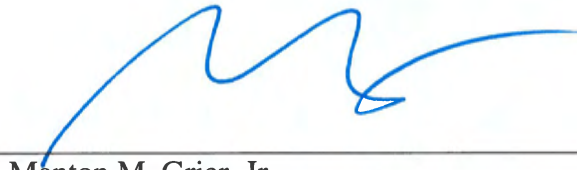
*Attorney for Appellant/Respondent Paragon  
Inc. of South Carolina, LLC*

Greg Placone  
Nick Nybo  
Hudson Lambert Parrott, LLC  
176 Croghan Spur  
Charleston, SC 29407  
gplacone@hlpwlaw.com  
nicknybo@hlpwlaw.com

*Attorneys for Respondent Haren Construction  
Co., Inc.*

Van Whitehead  
Susan O. Porter  
S.C. Department of Natural Resources  
260 D. Epting Lane  
West Columbia, SC 29172  
whiteheadv@dnr.sc.gov  
porters@dnr.sc.gov

*Attorneys for Respondent/Appellant S.C.  
Department of Natural Resources*



---

Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, South Carolina 29201  
(803) 737-0600

ATTORNEYS FOR THE CHIEF  
PROCUREMENT OFFICER

Columbia, South Carolina

May 1, 2026

**RECEIVED**

**May 05 2026**

**SC Court of Appeals**

THE STATE OF SOUTH CAROLINA  
In The Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Case No. 2026-000914

---

In Re: Haren Construction Co., Inc.

Project No. P24-6052-PG  
Beaufort-Waddel Mariculture  
Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

THE CHIEF PROCUREMENT OFFICER’S RETURN TO DNR’S MOTION TO DISMISS

---

Appellant/Respondent Chief Procurement Officer (CPO) of the State Fiscal Accountability Authority submits this Return to the Motion to Dismiss filed by Respondent/Appellant South Carolina Department of Natural Resources (DNR). Notably, DNR’s Motion is based on issues it has raised, not as the respondent, but as a cross appellant. This is an unusual posture, and it presents the Court with issues more suitable for resolution through briefing and oral argument than through motion practice.

[Note: referenced exhibits are to DNR’s exhibits attached to its Motion to Dismiss]

## BACKGROUND

This dispute arose out of DNR's disqualification of the apparent low bidder to a project for the renovation and rehabilitation of the Waddle Mariculture Center in Beaufort. After receiving bids, Appellant/Respondent Paragon Inc. of South Carolina, LLC (Paragon) was the low bidder. DNR then disqualified Paragon on the basis that it (1) lacked the proper contractor license subclassification and (2) failed to bid in its exact name. (DNR Ex. 1, PRP000066-67). DNR concluded that 80% of the project required a "General Contractors-Public Utility" license with a "Water and Sewer Lines" (WL license) subclassification, and that Paragon, which holds a "Mechanical Contractors" license with "Plumbing" subclassification (PB license), was unqualified.<sup>1</sup> DNR then issued an intent to award to the second lowest bidder, Respondent Haren Construction Co., Inc. (Haren).

Paragon protested DNR's determination to the CPO, who is the Chief Procurement Officer for Construction and the State Engineer, who oversees permanent improvement projects in South Carolina. S.C. Code Ann. § 11-35-845. The CPO granted the protest. He concluded that the scope of the project fit within the plain language of the PB license, and that a contractor holding either a PB or WL license was qualified. *Id.* at PRP000015-21. The CPO also found that Paragon's failure to bid in its exact name was a minor infraction not affecting Paragon's ability to perform the work. *Id.*

Haren then appealed to the Procurement Review Panel (Panel). While the Panel found that Paragon's failure to use its exact name did not affect its responsibility and was not a basis for disqualification, the Panel otherwise deferred to DNR and reversed the CPO. According to the Panel:

---

<sup>1</sup> See S.C. Code Ann. §§ 40-11-410(3)(c) (WL license) and -410(5)(f) (PB license).

Deference is warranted where the dispute concerns the technical application of licensing categories to specialized mariculture infrastructure. Under *Kiawah*, the Panel recognizes that DNR possesses the expertise necessary to evaluate the technical nature of the Project's intake and distribution systems. The mere possibility that the PB subclassification could have been selected does not render DNR's actual determination clearly erroneous under § 11-35-2410(A). The relevant inquiry is not whether the Panel would have selected the same classification, but whether DNR's determination lacked a rational basis.

(DNR Ex. 2, pp. 12-13).

Both the CPO and Paragon filed motions to reconsider. They argued that, not only had the Panel failed to interpret the scope of the PB license under § 40-11-410(5)(f)—an issue of law subject to de novo review—but it had also improperly applied a *Chevron* deference to an agency not charged with administering the contractor-licensing laws. They further argued that the Panel had failed to consider whether DNR's interpretation of § 40-11-410(5)(f) was contrary to law. DNR also filed a motion to reconsider, arguing that the Panel should have also upheld DNR's disqualification of Paragon for failing to bid in its exact name. The Panel denied the motions.

On April 9, Paragon filed this appeal. On April 13, the CPO filed a Notice of Appeal to join Paragon as an appellant. On April 21, DNR filed a cross appeal.

## **ARGUMENT**

### **1. None of the issues raised by DNR justify dismissing the appeal.**

DNR's Motion to Dismiss raises four arguments, each of which is discussed below.

#### *A. DNR's argument that Paragon is "statutorily barred from participating in SCDNR's Procurement Action which deprived the CPO, Panel, and this Court of Jurisdiction."*

DNR's Motion makes the remarkable claim that nobody—not even this Court—has jurisdiction to question DNR's determination when it disqualified Paragon on the basis that it failed to bid in its exact name. (DNR Mot., pp. 3-8). The CPO, however, has jurisdiction to hear and determine bid protests under § 11-35-4210(1)(B). The Panel has jurisdiction under § 11-35-

4410(a)(1) to handle appeals from the CPO. And this Court, of course, has the jurisdiction established by the Constitution to handle cases and controversies and, in particular, bid protest appeals under § 11-35-4410(6).

As to the merits of DNR's argument, DNR alleges that Paragon's failure to bid in the exact name rendered its bid void *ab initio*. However, this is not how the statute reads. Under § 40-11-370(B) a contractor may not "engage in construction" unless using the exact name which appears on the license. Under subparagraph (C), a contractor that has entered a contract under the wrong name may not bring an action to enforce the contract. The provisions, however, have no bearing on a contractor's *responsibility* to perform the work. When this issue was first protested to the CPO, the CPO found as follows:

[U]nlike other provisions in the licensing law, a violation of this Section is not a bar to the contractor performing the work on which they bid. In years past, the Contractors Licensing Board staff have advised the CPOC that this is a minor infraction not affecting a contractor's ability to perform the work. Moreover, Paragon Inc. of South Carolina, LLC, does appear on Paragon's license application as its legal name and Paragon Builders as its trade name. Additionally, Paragon provided its license number with its bid clearly identifying it as Paragon Builders. At the most, Paragon's bidding in its legal name rather than its trade name as it appears on its license is a minor informality per Section 11-35-1520(13).

(DNR's Ex. 1, PRP000020-21).

Paragon's licensing application was made in the licensee/legal name of Paragon, Inc. of South Carolina, LLC with a d/b/a name of Paragon Builders. *Id.* at PRP000040. That is its exact legal name and the same name it placed on its bid. The fact that LLR placed a different name on the physical license is outside Paragon's control and is simply a function of LLR's administrative practices. Further, Paragon's bid used its exact contractor's license number, so DNR was not confused about who was bidding on the project. But ultimately this issue does not impact Paragon's responsibility, and even the Panel—which addressed the issue despite DNR failing to

file a timely appeal—disagreed with DNR on this issue. (DNR Ex. 2, p. 11). The intent of the statute is to prevent a shady contractor from hiding its identity or its licensing status or fraudulently misappropriating another’s name. With Paragon using its legal name, with its licensing number, nobody was confused or surprised by the minor variance from the license certificate. The CPO and the Panel found the issue completely immaterial, and Haren did not even bother appealing the issue to the Panel.<sup>2</sup>

Finally, DNR’s Motion confuses the difference between an *unlicensed* contractor and a contractor that simply fails to use its exact name. DNR cites § 40-11-200(B) as an example of an unlawful practice, but that section references contractors who lack a proper license, not licensed contractors that fail to use their exact name. DNR also cites the Panel case of *Protest of Roofco*, Panel Case No. 2000-14(II), but the Panel simply found a contractor lacking the proper license is not responsible. In this case, it is undisputed that Paragon is a licensed contractor. The only dispute is whether Paragon’s PB license rendered it qualified to perform the specific type of work required for the project. There is simply no basis to dismiss the appeal at this stage.

*B. Argument that Paragon lacks standing to protest DNR’s determination of non-responsibility.*

Like the jurisdictional argument above, this argument is likewise remarkable. Under § 11-35-4210(1)(b), an actual bidder “aggrieved in connection with the intended award or award of a contract” may file a bid protest with the CPO. Paragon bid on the project and was aggrieved when,

---

<sup>2</sup> Further, this issue is not ripe. While § 40-11-370(A) makes it unlawful for an *unlicensed contractor* to bid on work, the same prohibition does not apply for contractors failing to use the correct name. Contractors using the incorrect name are prohibited from “engaging in construction” under the wrong name, and that includes “submitting contracts.” S.C. Code Ann. § 40-11-370(B) However, Paragon has neither submitted nor entered a contract in this case. It merely submitted a bid.

despite having the low bid, it was disqualified. It has met the statutory requirements for standing to challenge whether DNR's application of the law was correct.

*C. DNR's argument that Paragon failed to exhaust administrative remedies.*

DNR's argument that Paragon failed to exhaust administrative remedies rests on DNR's application of a hyper-strict pleading requirement that is neither found in the law, nor supported by Panel precedent. DNR alleges that Paragon failed to adequately protest the determination of non-responsibility because Paragon's protest used the word "responsiveness" instead of "responsibility."<sup>3</sup>

Like a pleading filed in court, a bid protest is not judged by highly technical or formal standards. Protests must set "forth the grounds of the protest and the relief requested with enough particularity to give notice of the issues to be decided." S.C. Code § 11-35-4210(2). This is consistent with the law our courts apply to pleadings, which are construed liberally.

The law requires a plaintiff to state the facts constituting his cause of action and demand the relief to which he supposes himself entitled, he is not required to characterize the facts stated, or to give his cause of action a name; that being the province of the court.

*Sandy Island Corp. v. Ragsdale*, 246 S.C. 414, 419, 143 S.E.2d 803, 806 (1965). The Panel applies the same liberal pleading standard to protests. *Protest of Oakland Janitorial Serv., Inc.*, Panel Case No. 1988-13.<sup>4</sup>

---

<sup>3</sup> A "responsive" bidder is one that submits a bid conforming in all material aspects to the solicitation. S.C. Code Ann. § 11-35-1410(9). A "responsible" bidder is one who has the capability to perform. *Id.* at § 11-35-1410(9). In the context of contractor licensing, there is a history of confusion as to whether an unlicensed contractor is considered non-responsive or non-responsible. See Footnote 5, below.

<sup>4</sup> Obviously, Panel decisions are not binding on the courts, and the CPO only cites them for historical context for how the Panel has handled certain protest appeals. They can be found in the "SCPD" database on Westlaw. A cite of "SCPD 1988-13" will display the *Oakland Janitorial* case.



Paragon's protest was more than sufficient under § 11-35-4210(2). The protest expressly challenged the DNR's determination and rebutted its conclusions that Paragon lacked a proper license and used the wrong name. (DNR Ex. 1, PRP000024-32). The protest stated its factual and legal basis and specified the relief it sought. It clearly alleged that it had been wrongfully disqualified. While it used the word "responsiveness" instead of "responsibility," these two concepts have historically been used interchangeably with regards to contractor licensing.<sup>5</sup> Nobody was confused, and all were put on notice of the issues to be decided.

*D. DNR's argument that it is "statutorily prohibited" from awarding a contract to Paragon.*

DNR argues that the appeal is moot because it cannot award a contract to Paragon unless it uses its exact name. For the reasons discussed above, this argument lacks merit. In any event, this issue is premature. No contract has been awarded. If DNR is concerned about Paragon's name, it can simply put its listed name on the contract.

**2. DNR's Motion to Dismiss should be denied because it is based on issues that it failed to raise in a timely appeal to the Procurement Review Panel.**

Under the Procurement Code, an aggrieved bidder may file a protest with the CPO, who must then conduct an administrative review and resolve the protest. S.C. Code Ann. § 11-35-4210(4). The CPO's decision is final and conclusive unless a "person adversely affected" appeals to the Panel within ten days. *Id.* at § 11-35-4210(6). Although DNR, as a state agency, lacks standing to file a bid protest, it has standing to appeal a CPO decision. Thus, "an affected

---

<sup>5</sup> For example, in *Appeal by Palmetto Pavement Maint.*, Panel Case No. 1996-7, the CPO found a bidder non-responsive for lacking the proper contracting license, and the Panel affirmed on that basis. In *Protest of Roofco*, Panel Case No. 2001-14(II), the CPO determined the contractor nonresponsive for lacking a proper license, but the Panel corrected the CPO's terminology and stated, "[t]echnically this is an issue of nonresponsibility." Nevertheless, the Panel knew what the CPO meant. In *Appeal by Midwest Maint.*, Panel Case No. 2004-3, the project manager determined a contractor non-responsive for lacking a specialty roofing license. But the project manager later testified that he "agreed the issue was one of responsibility instead of responsiveness." In short, if the Panel, CPO, and procurement staff have confused responsiveness and responsibility in the context of contractor licensing, it is hard to fault a protest that does the same.

governmental body shall have the opportunity to participate fully as a party in a matter pending before the Procurement Review Panel[.]” *Id.* at § 11-35-4420.

Although Haren appealed the CPO’s decision to the Panel, DNR did not. Haren’s appeal did not dispute the CPO’s resolution of the name-discrepancy issue; it simply argued that (1) DNR had properly disqualified Paragon for lacking a PB license and (2) the disqualification was also proper because of an alleged citation issued by LLR against Paragon. *Id.* With no party appealing the name-discrepancy, it became final and conclusive under § 11-35-4210(6).

Having failed to appeal the CPO’s decision, DNR attempted to raise the issues in a brief filed with the Panel, some 48 days after the CPO’s decision dated November 19, 2025. (DNR Ex. 1, PRP000015-21; Ex. 4). But this was too late. By failing to file an appeal within the ten-day deadline set by § 11-35-4210(6), DNR’s cross-appeal claims should be jurisdictionally barred. For the deadlines in § 11-35-4210(6) to have meaning, they should be enforced.<sup>6</sup>

---

<sup>6</sup> While in limited circumstances Panel will decide issues outside the appeal letter, *Appeal of Skanska*, Panel Case No. 2003-8, the Panel has generally limited these circumstances to contract controversies, where claims sometimes require hearing multiple issues before the Panel can afford full relief, or where a respondent raises additional sustaining grounds to a CPO decision. *Appeal by EllisDon*, Panel Case No. 2005-2(II) (contract controversy); *Appeal by PSI*, Panel Case No. 2022-5 (additional sustaining grounds). Neither of these circumstances is present here. Indeed, in *Protest of Kodak*, Panel Case No. 1988-15, the Panel declined to address an issue that an agency failed to appeal, noting that “if the time limitations on appeal are to have any meaning, DMH must be bound by its decision to accept the CPO’s findings.”

## **CONCLUSION**

For the reasons stated above, this Court should deny DNR's Motion to Dismiss.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Manton M. Grier, Jr.", is positioned above a horizontal line.

---

Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, South Carolina 29201  
(803) 737-0600

ATTORNEYS FOR THE CHIEF  
PROCUREMENT OFFICER

Columbia, South Carolina

May 5, 2026

RECEIVED

May 05 2026

SC Court of Appeals

THE STATE OF SOUTH CAROLINA  
In The Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Case No. 2026-000914

---

In Re: Haren Construction Co., Inc.

Project No. P24-6052-PG  
Beaufort-Waddel Mariculture  
Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

PROOF OF SERVICE

---

The undersigned certifies that I have served all counsel in this action with the Chief Procurement Officer's Return to DNR's Motion to Dismiss by emailing a copy to each attorney listed below.

James M. Griffin  
Griffing Humphries LLC  
8906 Two Notch Rd, Suite 200  
P.O. Box 999 (29202)  
Columbia, SC 29223  
jgriffin@griffinghumphries.com

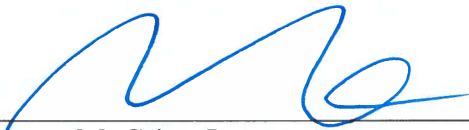
*Attorney for Appellant/Respondent Paragon  
Inc. of South Carolina, LLC*

Greg Placone  
Nick Nybo  
Hudson Lambert Parrott, LLC  
176 Croghan Spur  
Charleston, SC 29407  
gplacone@hlpwlaw.com  
nicknybo@hlpwlaw.com

*Attorneys for Respondent Haren Construction  
Co., Inc.*

Van Whitehead  
Susan O. Porter  
S.C. Department of Natural Resources  
260 D. Epting Lane  
West Columbia, SC 29172  
whiteheadv@dnr.sc.gov  
porters@dnr.sc.gov

*Attorneys for Respondent/Appellant S.C.  
Department of Natural Resources*



---

Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, South Carolina 29201  
(803) 737-0600

ATTORNEYS FOR THE CHIEF  
PROCUREMENT OFFICER

Columbia, South Carolina

May 5, 2026

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Appellate Case No. 2026-000914  
Panel Case No. 2025-5

---

In Re: Haren Construction Co., Inc.

Project No. P24-6052-PG  
Beaufort-Waddell Mariculture  
Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

**PARAGON INC. OF SOUTH CAROLINA, LLC**  
**d/b/a PARAGON BUILDERS’ REPLY IN SUPPORT OF**  
**MOTION TO STAY AND REQUEST FOR EXPEDITED BRIEFING SCHEDULE**

---

**I. INTRODUCTION**

The oppositions filed by the South Carolina Department of Natural Resources (“DNR”) and Haren Construction Co., Inc. (“Haren”) confirm rather than refute the case for a stay. Both respondents ask this Court to allow a disputed public contract to proceed to full performance before the Court has had any opportunity to review the legal questions presented—questions acknowledged by all parties to be unresolved matters of first impression. Their arguments against

a stay rely on procedural technicalities, statutory provisions whose applicability is itself contested, and a characterization of the administrative record that Paragon disputes.

Most significantly, Haren’s opposition reveals a dispositive new fact: Haren states that the contract “has already been awarded to and executed by Haren.” Haren Return at 2. Paragon’s motion specifically sought to prevent award pending this Court’s ruling. If the contract was executed after Paragon filed its Motion to Stay with this Court—and while this motion was under consideration—that award was made in the face of a pending judicial request for relief. The circumstances and timing of the contract execution are therefore directly relevant to this Court’s equitable authority and to the question of whether respondents should be heard to argue that the procurement is now too far advanced to disturb.

The stay factors continue to favor Paragon. The appeal presents substantial and unresolved legal questions. Paragon faces irreparable harm if the procurement is allowed to proceed to full performance before those questions are answered. The Respondents’ claimed prejudice from a brief stay is overstated and, in any event, is outweighed by the harm to Paragon and the public interest in correct procurement outcomes. This Court should grant the stay and further restrain performance under the disputed contract.

## **II. ARGUMENT**

### **A. The Mootness Issue Is More Complex Than Respondents Acknowledge, and the Circumstances of Contract Award Warrant Further Development.**

Both respondents invoke the “capable of repetition yet evading review” doctrine to argue that a stay is unnecessary because this Court can decide the appeal even after contract performance. See DNR Response at 1–2; Haren Return at 7–8. Paragon does not dispute that this exception to mootness exists. However, for the exception to apply, the action must be one which will truly evade review. *Sloan v. Friends of Hunley, Inc.*, 369 S.C. 20, 27, 630 S.E.2d 474, 478 (2006). For

example, the Court has applied this doctrine to permit appellate review of short-term student suspensions, because by their very nature will be completed long before an appellate court can review the issues they implicate. *Byrd v. Irmo High School*, 321 S.C. 426, 468 S.E.2d 861 (1996). But in *Sloan v. Friends of Hunley, Inc.*, 369 S.C. 20, 27, 630 S.E.2d 474, 478 (2006) the Supreme Court found the issue was capable of repetition but did not necessarily evade review in. The issue was whether Friends of Hunley, Inc. was required to produce documents under the Freedom of Information Act. Friends of the Hunley, Inc. did in fact produce the requested records and argued on appeal that the question of whether it was required to do so under the Freedom of Information Act was moot. The Court concluded that should another person bring an action against Friends for a violation of FOIA and Friends fails to produce the requested documents, the Court will have the opportunity to review the issue. *Id.*

Here it is not certain that the issues in this appeal are likely to be repeated, nor is it clear that the issues will evade review in the future. The issues raised in this appeal can preserved through the issuance of a stay, as requested in Paragon’s motion, and therefore will not necessarily evade review.

In addition, Haren’s representation that the contract has already been “awarded to and executed by Haren” raises a threshold concern that this Court should address. Paragon’s Motion to Stay was filed with this Court on April 22, 2026, and explicitly requested that DNR be directed to refrain from making any contract award pending resolution of the appeal. If DNR executed the contract after Paragon filed this motion, that execution occurred with full knowledge of the pending judicial request for relief.

Irrespective of whether Haren executed a contract with SCDNR after Paragon filed the Notice of Appeal and sought a stay, first before the administrative tribunal and now before this



Court, this Court has the equitable authority to restrain performance during the pendency of this appeal so as to preserve the issues for review. Rule 241 (c)(3), SCRAP specifically provides, “*where it appears that granting or lifting a stay...is insufficient to afford complete relief, the lower court, administrative tribunal, appellate court, or judge or justice of the appellate court may order other appropriate relief upon such terms as are deemed appropriate.*” Paragon therefore requests this Court order that performance under the disputed contract be restrained during the pendency of this appeal so that this Court can afford complete relief to Paragon should it prevail in this appeal.

**B. DNR’s Standing and Name-Discrepancy Arguments Fail Because Paragon’s Bid Was Submitted in the Exact Legal Name That Holds Its Contractor Licenses.**

DNR argues that Paragon lacked standing to bid because its bid was submitted in a name that does not match the name on its contractor’s license, invoking S.C. Code Ann. §§ 40-11-30, -200, and -370. DNR Response at 2–4. This argument rests on a factual premise that is demonstrably incorrect, and it was expressly rejected by the CPO on the administrative record.

Paragon’s bid was submitted in the name “Paragon Inc. of South Carolina, LLC.” That is the exact legal name of the business entity—and it is the identical name under which Paragon applied to LLR for its contractor’s licenses. Paragon’s license application identifies the Licensee/Legal Name as “Paragon Inc. of South Carolina, LLC,” with “Paragon Builders” listed as the trade name (DBA). Both licenses held by Paragon—General Contractor license No. CLG.100190 and Mechanical Contractor license No. CLM.111292—are legally held by and issued to Paragon Inc. of South Carolina, LLC. The fact that the physical license certificates display the trade name “Paragon Builders” rather than the full legal entity name is a function of LLR’s own administrative practices in formatting license documents, not the result of any action or misrepresentation by Paragon. See, Exhibits A, B and C to Paragon’s Formal Protest, Attached hereto as **Exhibit 1**.

Paragon's bid therefore used the exact legal entity name that holds the licenses, provided the correct license numbers, properly designated the qualifying party, and contained no misrepresentation of any kind. Under these circumstances, Section 40-11-370 is simply inapplicable. That provision prohibits a contractor from engaging in construction "in a name other than the name that appears on its license." Paragon Inc. of South Carolina, LLC is the legal name of the licensed entity, as confirmed by the license application of record. The fact that LLR chose to print the trade name on the face of the physical certificate does not alter who the licensed entity is.

Even if some technical variance were found to exist, Section 40-11-370 is directed at a specific and serious mischief: preventing unlicensed entities from fraudulently conducting business under another entity's license, or misrepresenting licensed status to procuring agencies. That concern is wholly absent here. There is no allegation—and no basis for one—that Paragon attempted to conduct business under someone else's license, concealed its identity, or misrepresented its licensing credentials. Paragon correctly identified itself as the licensed entity and provided the correct license numbers. The CPO credited these facts and concluded that any residual variance was a minor informality under the Procurement Code.

DNR's interpretation would produce an anomalous and punitive result: a contractor that submits its bid in the exact legal name under which it applied for and holds its licenses—the name appearing on its LLR license application of record—would be disqualified because LLR's own administrative formatting practices caused the physical certificate to display a different name. That would improperly elevate form over substance and penalize Paragon for a ministerial variance created by the licensing authority, not by Paragon. South Carolina courts have consistently declined to apply statutory provisions in ways that produce results inconsistent with their evident

purpose. The purpose of section 40-11-370 is to protect the integrity of the licensing system; applying it to disqualify a properly licensed contractor that correctly identified itself and its licenses subverts, rather than serves, that purpose.

DNR's standing and mootness arguments are properly addressed to the CPO's decision, which sustained Paragon's protest after reviewing the license application and record. Whether that decision was correct is one of the questions on appeal. It cannot be resolved in a stay opposition. And the existence of a genuine factual and legal dispute about those questions is itself a reason to grant the stay—not to deny it.

**C. Paragon's Likelihood of Success Is Demonstrated by the Independent Judgment of the CPO, and Haren's Contrary Arguments Go to the Merits.**

Both Respondents argue that Paragon cannot demonstrate a likelihood of success on the merits. DNR Response at 4–7; Haren Return at 10–12. Their arguments largely recapitulate the positions the Panel accepted—which is precisely what Paragon is challenging on appeal. The fact that the Panel ruled against Paragon does not establish that the Panel was correct or that Paragon's contrary arguments lack merit.

Haren argues that the Panel “independently interpreted” Section 40-11-410 and merely deferred to DNR's “technical” judgment about how the Project's work fit within the license categories. Haren Return at 10–11. But this is the precise tension that Paragon identified in its Motions to Reconsider: the Panel acknowledged conducting de novo review of the statute while simultaneously deferring to DNR's selection among “legally permissible subclassifications.” If both subclassifications are legally permissible for this type of work, then the question of which is required—and whether DNR's determination that eighty percent of the work falls under WL was adequately supported—remains a question of law that this Court reviews without deference.

Haren also argues that DNR’s Design Cost Estimate provided an adequate evidentiary basis for the eighty-percent WL allocation, and that Paragon failed to submit a counter-estimate. Haren Return at 11–12. This argument misallocates the burden at the protest stage. DNR bore the burden of demonstrating that its non-responsibility determination was legally and factually supported. The question before this Court is whether an engineer’s cost allocation—prepared for construction cost estimation purposes, not for the purpose of analyzing statutory license subclassifications—constitutes a legally sufficient basis for a non-responsibility determination. That is a question of first impression.

Paragon also notes that the CPO—a state official charged by statute with administering the Consolidated Procurement Code—independently reviewed the same record and reached the opposite conclusion. Haren’s argument that the Panel’s subsequent reversal of the CPO somehow establishes Paragon’s lack of merit, Haren Return at 12, proves too much: by the same logic, the CPO’s prior determination that Paragon was correct would equally establish likelihood of success. The better inference is that reasonable decision-makers on this record have disagreed—which is exactly the kind of genuine legal dispute that warrants appellate review before the underlying procurement is concluded.<sup>1</sup>

---

<sup>1</sup> The cost estimate breaks out the categories where DNR assigned a WL subclassification. Under the line items titled “Yard Piping” DNR assigned a cost of \$797,904 or 25.9% of the cost of work requiring a license. Under “Piping and Valves” DNR assigned \$1,260,260 or 40.9% of the work. Combined this is **66.8%** of the project. And when one combines this with Paragon’s EL license which accounts for 17%, Paragon’s license classifications and subclassifications should have accounted for 83.8% of the work. **Exhibit 2, Cost Estimate.** In addition, in the line items under “Yard Piping” and “Piping and Valves” every line item is simply a pipe, a valve, or some sort of connector – simply a series of pipes and their attachments. Under the PB subclassification, there are several categories of what qualifies as “plumbing.” One is “the installation, alteration, and repair **of all piping, fixtures, and appliances related to water supply . . .**” If the Panel wanted to rely on this cost estimate, it should have simply compared the estimate to the statute. At least 66.8% of the estimate fits within the plain language of the statute.

**D. Paragon Faces Irreparable Harm That Cannot Be Remedied by Bid Preparation Costs, and the Stay Must Now Encompass Restraint of Contract Performance.**

Haren argues that Paragon has an adequate remedy at law in the form of bid preparation costs authorized by S.C. Code Ann. § 11-35-4310(4), and therefore cannot demonstrate irreparable harm. Haren Return at 9–10, 12–13. This argument fails for two reasons.

First, the adequacy of a legal remedy for purposes of the irreparable harm analysis depends on whether that remedy makes the aggrieved party whole. Reimbursement of bid preparation costs is not an adequate remedy for the loss of a construction contract that Paragon was entitled to receive as the apparent low bidder. The opportunity to perform a public contract—and the business value of that performance—cannot be reduced to bid preparation costs. South Carolina courts have recognized that the loss of a business opportunity that cannot be quantified in monetary terms constitutes irreparable harm.

Second, Haren’s argument assumes the very conclusion that is at issue: that Paragon is merely a “disappointed bidder” whose only cognizable interest is in bid preparation costs. If Paragon is correct that it was wrongly disqualified as the apparent low bidder, then its interest is not in damages but in the contract itself. The post-award remedies of Section 11-35-4310 are expressly limited to circumstances where pre-award relief is unavailable. Permitting DNR to execute the contract during the pendency of this motion—and then arguing that pre-award relief is no longer available—rewards exactly the conduct that Paragon’s motion sought to prevent.

Third, and critically, Haren’s disclosure that the contract has already been executed makes a restraint on performance a necessary component of any meaningful stay. If DNR and Haren are permitted to advance construction at the Project site while this appeal is pending, the practical ability of this Court to grant effective relief—including contract rescission or re-procurement—will erode with each passing day. The equitable doctrine of mootness does not require that relief

become literally impossible; it requires only that a judgment “will have no practical legal effect upon the existing controversy.” *Sloan v. Greenville Cnty.*, 380 S.C. 528, 535, 670 S.E.2d 663, 667 (Ct. App. 2009). Substantial construction progress toward completion of the Project would, as a practical matter, extinguish this Court’s ability to order re-procurement or contract rescission as a remedy.

As noted about, this Court has the authority to enjoin performance to preserve the meaningfulness of appellate relief in procurement disputes under Rule 241(c)(3) SCRAP. The fact that a contract has apparently been executed does not extinguish this Court’s equitable authority; it heightens the urgency of exercising it. A stay order that merely directs DNR to refrain from “further award” would be illusory if Haren is free to mobilize, procure materials, and commence construction in the interim.

Accordingly, Paragon requests that any stay order entered by this Court expressly restrain both DNR and Haren from taking any steps in furtherance of contract performance—including mobilization, procurement of materials, commencement of construction, or execution of subcontracts—pending final resolution of this appeal. This relief is necessary to ensure that the Court’s review is not rendered academic by fait accompli.

**E. The Public Interest Favors Correct Procurement Outcomes, Not Simply Rapid Ones, and Disfavors Rewarding Unilateral Action Taken to Moot a Pending Judicial Request.**

Both respondents argue that the public interest disfavors a stay because the Project has been delayed and the mariculture facility needs repair. DNR Response at 7–8; Haren Return at 13. Paragon acknowledges the public interest in completing legitimate procurements. But the Consolidated Procurement Code reflects a legislative judgment that the public interest is not served

by awarding contracts to contractors other than the low responsible bidder—regardless of how expedient that award may be for the procuring agency.

This Court is being asked to review whether Paragon, the apparent low bidder, was properly excluded from a public construction contract. The public interest in correct procurement outcomes—in ensuring that public funds go to the contractor entitled to the contract under applicable law—is not a lesser interest than the agency’s interest in proceeding to performance. DNR’s characterization of Paragon’s appeal as a mere obstruction of its legitimate procurement overlooks that the CPO, the state official charged with procurement administration, concluded that DNR’s exclusion of Paragon was legally erroneous.

There is also a distinct public interest consideration arising from the manner in which the contract appears to have been executed. If DNR proceeded to contract execution after Paragon’s Motion to Stay was filed with this Court, that action was taken with full knowledge of the pending judicial request for relief. Courts have a strong interest in ensuring that litigants do not take unilateral steps to moot pending judicial proceedings, and in denying parties the benefit of conduct designed to foreclose relief that a court is actively considering. Permitting DNR and Haren to proceed to performance on these facts would create an adverse incentive for procuring agencies to race to performance whenever a stay motion is filed—an outcome inconsistent with the rule of law and with the public interest in judicial oversight of the procurement process.

A brief stay pending expedited briefing will not materially delay completion of the Project if this Court ultimately upholds the Panel’s decision. If this Court reverses, the public interest will have been served by ensuring that the procurement was conducted in accordance with law. The stay requested here is the least disruptive means of preserving this Court’s ability to provide meaningful relief.

### III. CONCLUSION

For the foregoing reasons, and for the reasons set forth in Paragon's opening Motion to Stay, Paragon respectfully requests that this Court:

1. Stay the South Carolina Procurement Review Panel's Order dated March 13, 2026, and Order Denying Motions to Reconsider dated April 6, 2026, pending final resolution of this appeal;
2. Enter an Order directing DNR and Haren Construction Co., Inc. to refrain from taking any steps in furtherance of contract performance under Project No. P24-6052-PG—including mobilization, procurement of materials, commencement of construction work, or execution of subcontracts—pending final resolution of this appeal; and
3. Impose an expedited briefing schedule to allow prompt disposition of the appeal on the merits.

Respectfully submitted,

GRIFFIN HUMPHRIES LLC

By: s/ James M. Griffin

James M. Griffin, SC Bar No. 9995  
8906 Two Notch Road, Suite 200  
P.O. Box 999 (29202)  
Columbia, South Carolina 29223  
Telephone: 803-744-0800  
jgriffin@griffinhumphries.com

*Attorney for Paragon Inc. of South Carolina, LLC*

Columbia, South Carolina  
May 5, 2026



# Exhibit 1

Paragon's Formal Protest

# FORMAL PROTEST

**Date:** November 4, 2025

**TO:** Chief Procurement Officer Office of State Engineer Construction Office South Carolina  
Department of Natural Resources Email: protest-ose@mrnm.sc.gov Physical Address: 1201  
Main Street, Suite 600, Columbia, SC 29201

**FROM:** Paragon Inc. of South Carolina, LLC

2874 Columbia Road NE Orangeburg, SC 29118-1902 Telephone: (803) 534-1900 Email:  
eric@paragonbuilderssc.com Attention: Eric Byrd, Vice President

**RE:** Formal Protest of Award Decision

**Project Name:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid **Project**  
**Number:** P24-6052-PG **Award Notice Posted:** October 20, 2025

---

## I. NOTICE AND TIMELINESS

Pursuant to South Carolina Code Section 11-35-4210, Paragon Inc. of South Carolina, LLC ("Paragon" or "Protester") hereby submits this Formal Protest of the South Carolina Department of Natural Resources' ("SCDNR" or "Agency") decision to deem Paragon's bid non-responsive and to award the above-referenced contract to Haren Construction Co. Inc.

This Formal Protest is timely submitted within fifteen (15) business days of the October 20, 2025, award notice posting, as required by Section 11-35-4210. A Notice of Intent to Protest was timely filed on October 27, 2025.

## II. INTERESTED PARTY INFORMATION

**Protester:** Paragon Inc. of South Carolina, LLC (doing business as "Paragon Builders")

**SC Contractor's License Numbers:** CLG.100190, CLM.111292

**Classification(s) & Limits:** Building BD5, Plumbing PB5, Electrical EL5

**Contact Person:** Eric Byrd, Vice President 2874 Columbia Road NE Orangeburg, SC 29118-1902 Telephone: (803) 534-1900 Email: eric@paragonbuilderssc.com

**Legal Counsel:** James M. Griffin, Esquire Griffin Humphries LLC PO Box 999 Columbia, SC 29202 Telephone: 803-744-0800 Email: jgriffin@griffinhumphries.com

### III. PROCUREMENT INFORMATION

**Awarding Agency:** South Carolina Department of Natural Resources **Project:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid **Project Number:** P24-6052-PG  
**Bid Opening Date:** September 23, 2025 **Award Notice Date:** October 20, 2025 **Intended Awardee:** Haren Construction Co. Inc. **Award Amount:** \$6,207,000.00

### IV. PARAGON'S BID INFORMATION

**Legal Entity Name:** Paragon Inc. of South Carolina, LLC **Trade/DBA Name:** Paragon Builders  
**Business Address:** 2874 Columbia Road, Orangeburg, SC (Orangeburg County) **Federal Tax ID:** 58-2486021

#### **Bid Amounts:**

- Base Bid Amount: \$5,323,800.00
- Alternate #1: \$533,600.00
- Alternate #2: \$568,200.00
- Alternate #3: \$573,350.00

**Status:** Deemed "Non-Responsive" by Agency

### V. GROUNDS FOR PROTEST

Paragon protests the Agency's determination that its bid was non-responsive based on alleged violations of South Carolina Code Sections 40-11-270, 40-11-340, and 40-11-370. The Agency's determination is erroneous, arbitrary, and contrary to law. Specifically, Paragon contends:

#### **A. Compliance with Section 40-11-270 (License Requirements)**

**Issue:** The Agency allegedly found Paragon's bid non-responsive due to licensing deficiencies.

#### **Paragon's Position:**

Paragon holds all licenses necessary to perform the work as bid:

1. **General Contractor License CLG.100190** - authorizes Building-BD5 and Nonstructural Renovation-NR5 work with the following group limitations:
  - Group #5: Unlimited
  - Expiration: 10/31/2026
2. **Mechanical Contractor License CLM.111292** - authorizes Packaged Equipment-PK5, Plumbing-PB5, and Electrical-EL5 work with the following group limitations:
  - Group #5: Unlimited
  - Expiration: 10/31/2027

The work components of this project include:

- **Building work (BD5)** - covered by General Contractor License CLG.100190 at 13% of Total Project
- **Plumbing work (PB5)** - covered by Mechanical Contractor License CLM.111292 at 53% of total project
- **Electrical work (EL5)** - covered by Mechanical Contractor License CLM.111292 at 19% of total project
- **Pond liner work (15%)** - requires no specific license; Paragon will utilize its Building classification or engage appropriately licensed subcontractors as needed

Paragon's total bid of \$5,857,400 (including alternate #1) falls well within the unlimited group limitations of both licenses.

**Supporting Documentation:** See Exhibits A (General Contractor License CLG.100190) and B (Mechanical Contractor License CLM.111292).

## **B. Compliance with Section 40-11-340 (Subcontracting)**

**Issue:** The Agency may have concerns regarding Paragon's ability to properly subcontract portions of the work.

### **Paragon's Position:**

Paragon's licensing structure fully authorizes it to self-perform the major components of this work or to engage licensed subcontractors for specialized portions. Section 40-11-340 permits licensed general contractors to subcontract work to appropriately licensed specialty contractors. Paragon's approach is entirely consistent with this statutory framework and standard industry practice.

For the pond liner work, which represents 15% of the project and requires no specific contractor license under South Carolina law, Paragon may either:

- Perform the work under its Building-BD5 classification, or
- Engage appropriately licensed subcontractors as needed

This flexibility is expressly contemplated by South Carolina's contractor licensing statutes and regulations.

## **C. Compliance with Section 40-11-370 (Business Name)**

**Issue:** The Agency cited Section 40-11-370(B) regarding engaging in construction under a name other than the exact name on the license.

### **Paragon's Position:**

Paragon's bid was submitted under "Paragon Inc. of South Carolina, LLC," which is the exact legal name of the business entity and matches the Licensee/Legal Name on Paragon's contractor license application to the South Carolina Department of Labor, Licensing and Regulation (LLR).

**Critical Distinction:** While LLR issued the physical license documents under Paragon's trade name "Paragon Builders," the underlying legal entity holding both licenses is correctly identified as "Paragon Inc. of South Carolina, LLC." This is confirmed by:

1. **License Application (DOC 165)** - submitted in the name of "Paragon Inc. of South Carolina, LLC" with DBA "Paragon Builders" (See Exhibit C)
2. **License Records** - Both licenses (CLG.100190 and CLM.111292) are legally held by and issued to Paragon Inc. of South Carolina, LLC, even though the physical license certificates display the trade name
3. **Bid Submission** - Paragon's bid used the exact legal entity name that holds the licenses

Any alleged discrepancy between the legal entity name and the trade name displayed on the physical license certificates is a secondary, administrative matter that does not warrant bid rejection, particularly when:

- The entity is properly identified in the bid documents
- All license numbers are correctly provided
- The qualifying party is properly designated
- There is no indication of fraud, misrepresentation, or attempt to circumvent licensing requirements

Section 40-11-370(B) is intended to prevent unlicensed entities from fraudulently conducting business under someone else's license or misrepresenting their licensed status. That concern is wholly absent here. Paragon is the properly licensed entity, correctly identified itself, and submitted accurate license information.

The Agency's interpretation would improperly elevate form over substance and penalize a contractor for a ministerial variance between the legal entity name on its application and the trade name on its license certificate—a variance created by LLR's own administrative practices, not by any action or omission of Paragon.

#### **D. Statutory Construction and Legislative Intent**

South Carolina's contractor licensing statutes are designed to:

1. Protect the public by ensuring that construction work is performed by qualified, licensed contractors
2. Establish minimum standards for competency and financial responsibility
3. Prevent fraud and misrepresentation in the construction industry

Paragon fully satisfies each of these objectives. The Agency's restrictive interpretation would:

- **Improperly exclude legitimate plumbing work from the statutory scope** - contrary to the plain meaning of Section 40-11-410(5)(f) defining "plumbing" to include water distribution piping
- **Create uncertainty for contractors bidding on projects involving water piping systems on private property** - discouraging competition
- **Penalize contractors for administrative variances** between legal entity names and trade names on license certificates, even when the contractor is properly licensed and identified

## VI. PREJUDICE TO PARAGON

Paragon will suffer substantial and irreparable prejudice if this protest is not granted:

### 1. Financial Harm

Paragon submitted the lowest responsible bid at \$5,857,400 (base bid plus alternate #1). The difference between Paragon's total bid and the intended award amount of \$6,207,000 is **\$349,600 more** than Paragon's total bid. This represents a significant financial loss to both Paragon and the State of South Carolina.

### 2. Loss of Business Opportunity

Paragon is a qualified, properly licensed contractor capable of performing this work in accordance with all applicable laws and regulations. Denying Paragon this contract opportunity based on erroneous legal interpretations unjustly deprives Paragon of legitimate business.

### 3. Reputational Harm

A determination of "non-responsiveness" carries significant negative implications for Paragon's professional reputation and may affect future bidding opportunities, despite Paragon's full compliance with all licensing requirements.

### 4. Competitive Disadvantage

If the Agency's restrictive interpretation of the Plumbing license definition stands, it would create uncertainty for contractors bidding on similar projects involving water piping systems on private property, potentially discouraging competition and increasing costs to public agencies.

## VII. RELIEF REQUESTED

Paragon respectfully requests that the Chief Procurement Officer:

1. **Reverse** the determination that Paragon's bid is non-responsive;
2. **Find** that Paragon's Plumbing license (PB5) properly covers the yard piping installation work as defined in Section 40-11-410(5)(f);



3. **Find** that Paragon's bid was submitted in the proper legal name "Paragon Inc. of South Carolina, LLC," which is the legal entity that holds both contractor licenses CLG.100190 and CLM.111292;
4. **Find** that Paragon meets all requirements of Sections 40-11-270, 40-11-340, and 40-11-370;
5. **Determine** that Paragon submitted the lowest responsive and responsible bid; and
6. **Award** the contract to Paragon Inc. of South Carolina, LLC.

## VIII. REQUEST FOR DOCUMENTS

Pursuant to Section 11-35-4210 and established protest procedures, Paragon requests access to the following documents within five (5) business days:

1. Complete bid tabulation showing all bids received
2. All documentation related to the responsiveness determination for Paragon's bid, including:
  - o Internal memoranda
  - o Email communications
  - o Evaluation notes
  - o Legal analysis or opinions
3. All documentation related to the responsiveness determination for the two other bidders (Haren Construction and BRW Construction)
4. Any communications within SCDNR or between other South Carolina State Agencies, legal counsel, or personnel regarding license classification interpretation for this project
5. Any legal opinions or guidance sought regarding the plumbing license scope under Section 40-11-410(5)(f)
6. Haren Construction and BRW Construction's license documentation and classifications
7. Any protest or inquiry submitted by any other bidder
8. Complete bid documents submitted by the two other bidders, including copies of sealed bid envelopes
9. All communications between SCDNR and LLR regarding licensing requirements for this project
10. Any determinations, rulings, or guidance from LLR regarding whether plumbing licenses cover yard piping installation work

## IX. LEGAL ARGUMENT

### A. South Carolina's Competitive Bidding Statutes Favor Acceptance of Low Bids

South Carolina law strongly favors competitive bidding and acceptance of the lowest responsive and responsible bid. The South Carolina Consolidated Procurement Code requires that "[a]n award shall be made with reasonable promptness by written notice to that responsible bidder whose bid will be most advantageous to the State." S.C. Code Ann. § 11-35-1520(5).

A bid should be deemed "non-responsive" only when there is a material deviation from the solicitation requirements that gives the bidder an unfair competitive advantage or otherwise compromises the integrity of the competitive bidding process. Minor irregularities or technicalities that do not affect the substance of the bid should be waived.

## **B. Paragon's Licenses Authorize All Work Contemplated by the Project**

The plain language of Section 40-11-410(5)(f) defines "Plumbing" which includes the installation, replacement, alteration, and repair of all plumbing...when performed solely within property lines...and the installation, alteration, and repair of all piping, fixtures, and appliances, relating to water supply." This definition clearly encompasses the water distribution work in this project, which involves installation of piping systems for mariculture ponds.

The Agency's apparent interpretation—that plumbing licenses do not cover any piping work outside building walls on private property—is:

1. **Contrary to the statute's plain language**, which specifically addresses and includes water distribution piping
2. **Internally inconsistent**, as it would render the phrase "installation...of all piping, fixtures, and appliances relating to water supply" meaningless if all outside piping were categorically excluded
3. **Inconsistent with industry practice** and the reasonable expectations of licensed plumbing contractors
4. **Contrary to legislative intent** to establish clear scope boundaries for licensed trades

Moreover, Paragon's General Contractor license (Building-BD5) provides additional authority to perform this work or to engage appropriately licensed subcontractors.

## **C. The Business Name Issue Does Not Warrant Bid Rejection**

Section 40-11-370(B) states: "No person may engage in the business of contracting in a name other than that shown on the license unless the name is properly registered pursuant to applicable law."

Here, Paragon's bid was submitted in the name "Paragon Inc. of South Carolina, LLC"—the exact legal entity name that:

- Holds both contractor licenses
- Is shown on the license application submitted to LLR
- Is properly registered with the South Carolina Secretary of State

The fact that LLR's physical license certificates display Paragon's trade name "Paragon Builders" rather than the legal entity name is an administrative matter within LLR's control, not Paragon's. Paragon cannot be penalized for LLR's administrative practices.



Section 40-11-370(B) is intended to prevent fraud and misrepresentation—situations where an unlicensed entity attempts to operate under a licensed contractor's name, or where a contractor misrepresents its identity to circumvent licensing requirements. Neither situation exists here.

Courts consistently hold that procurement statutes should be construed to promote competition and achieve the best value for public agencies, not to exclude qualified bidders based on technical irregularities that do not affect the substance of the procurement.

#### **D. Applicable Legal Standards**

South Carolina courts have established that:

1. **Procurement regulations should be construed liberally to favor competition** and should not be used to exclude responsible bidders except where necessary to protect the integrity of the procurement process
2. **Substantial compliance is sufficient** where strict compliance would serve no meaningful purpose and the public interest is not compromised
3. **Minor irregularities or immaterial variances** in bids should be waived when they do not provide a competitive advantage or prejudice other bidders
4. **Administrative interpretations that contradict statutory language** or frustrate legislative intent are not entitled to deference

#### **E. Public Policy Considerations**

Awarding this contract to Paragon serves important public policy objectives:

1. **Fiscal Responsibility:** Paragon submitted the lowest qualified bid, saving South Carolina taxpayers \$349,600
2. **Competitive Procurement:** Rejecting Paragon's bid based on erroneous legal interpretations discourages competition and increases costs
3. **Fair Treatment of Qualified Contractors:** Paragon holds all necessary licenses and has demonstrated its qualifications; the Agency's interpretation imposes arbitrary barriers to participation
4. **Consistency and Predictability:** Contractors need clear, consistent rules regarding licensing requirements; the Agency's restrictive interpretation creates uncertainty

## **X. CONCLUSION**

Paragon Inc. of South Carolina, LLC is a fully qualified, properly licensed contractor that submitted the lowest responsible bid for this project. The Agency's determination of non-responsiveness is based on erroneous interpretations of South Carolina's contractor licensing statutes that contradict the plain language of those statutes and frustrate their intended purpose.

Paragon respectfully requests that this protest be granted, that Paragon's bid be deemed responsive and responsible, and that the contract be awarded to Paragon as the lowest qualified bidder.

---

## **XI. CONSENT TO ELECTRONIC COMMUNICATIONS**

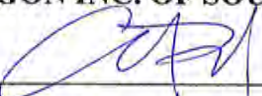
By submitting this Formal Protest to protest-ose@mrnm.sc.gov, Paragon (and any person acting on Paragon's behalf) consents to receive communications regarding this protest (and any related protests) at the email address of Paragon's legal counsel, James M. Griffin at jgriffin@griffinhumphries.com with copies to eric@paragonbuilderssc.com.

## **XII. CERTIFICATION**

The undersigned certifies that the statements contained in this Formal Protest are true and accurate to the best of knowledge and belief.

Respectfully submitted this 4th day of November, 2025.

### **PARAGON INC. OF SOUTH CAROLINA, LLC**

By:  Eric Byrd, Vice President

2874 Columbia Road NE Orangeburg, SC 29118-1902 Telephone: (803) 534-1900 Email: eric@paragonbuilderssc.com

---

### **ATTORNEY FOR PROTESTER:**

James M. Griffin, Esquire Griffin Humphries LLC PO Box 999 Columbia, SC 29202 Telephone: 803-744-0800 Email: jgriffin@griffinhumphries.com

---

## **EXHIBITS**

**Exhibit A:** General Contractor License CLG.100190

**Exhibit B:** Mechanical Contractor License CLM.111292

**Exhibit C:** Contractor License Application (DOC 165) showing Paragon Inc. of South Carolina, LLC as Licensee/Legal Name with DBA Paragon Builders

**Exhibit D:** Notice of Intent to Protest (filed October 27, 2025)

# Ex. A

Paragon Builders General Contractor License  
Expiration Date 10-31-2026



\*\*\* THIS LICENSE EXPIRES ON 10/31/2026 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES. DO NOT TEAR CARD IN HALF.**

35

PARAGON BUILDERS  
PO BOX 2058  
ORANGEBURG SC 29116-2058

**LICENSE#: CLG.100190**

South Carolina Department of Labor, Licensing and Regulation  
**Contractor's Licensing Board**  
**GENERAL CONTRACTOR**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:

**Building-BD5, Nonstructural Renovation-NR5**

**INITIAL ISSUE DATE: 01/07/1999**

**LICENSE EXPIRATION DATE: 10/31/2026**

(If above license has "Limited Building-LB", work is limited to 3 stories in height)

**GENERAL CONTRACTOR**

**LICENSE#: CLG.100190**

**EXPIRATION DATE: 10/31/2026**

**PARAGON BUILDERS**

**Qualifier(s): DEQUINCEY S EDWARDS, STEPHON EDWARDS**

**Licensee's Group# Limitation Per Job/Project (i.e., BD2 = Group 2):**

Group #1 - \$100,000 Group #2 - \$400,000 Group #3 - \$1,000,000

Group #4 - \$3,000,000 Group #5 - \$Unlimited

*W. Dequincey Edwards*  
Board Executive

WARNING - THIS DOCUMENT CONTAINS SECURITY FEATURES LISTED ON REVERSE SIDE

SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION

**CONTRACTOR'S LICENSING BOARD**

**LICENSE#: CLG.100190**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**GENERAL CONTRACTOR**

for each Classification and Group Limitation listed below:

(If this license has a "Limited Building-LB" classification, work is limited to 3 stories in height)

**Building-BD5, Nonstructural Renovation-NR5**

**LICENSE NUMBER: CLG.100190**

**Initial License Date: 01/07/1999**

**EXPIRATION DATE: 10/31/2026**

**Qualifying Party(s): DEQUINCEY S EDWARDS, STEPHON EDWARDS**

**Group Limitation Per Job (i.e., BD2 = Group 2):**

Group #1 - \$100,000 Group #4 - \$3,000,000

Group #2 - \$400,000 Group #5 - \$Unlimited

Group #3 - \$1,000,000

*W. Dequincey Edwards*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business on their behalf. \*\*\*

# Ex. B

Paragon Builders Mechanical Contractor License  
Expiration Date 10-31-2025



\*\*\* THIS LICENSE EXPIRES ON 10/31/2025 \*\*\*

**FY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or em in **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action

**THIS IS A 2-PART POCKETCARD - FOLD CARD IN HALF - DO NOT CUT OR TEAR CARD IN HALF**  
**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES**

**LICENSE#: CLM.111292**

CCG 1055888

South Carolina Department of Labor, Licensing and Regulation

**Contractor's Licensing Board**

**MECHANICAL CONTRACTOR**

**PARAGON BUILDERS**

**2874 COLUMBIA ROAD**

**ORANGEBURG SC 29118-1902**

licensed to practice in the 2-letter Classification(s) and Group# listed below:

**PK5, PB5, EL5, STEPHON EDWARDS, ERIC BYRD, 121268, -74603**

**LICENSE EXPIRATION DATE: 10/31/2025**

(If this license has a "Limited Building-LB", work is limited to 3 stories in height)

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf.\*\*\*

**MECHANICAL CONTRACTOR** 1055888

**LICENSE#: CLM.111292 - EXPIRES: 10/31/2025**

**PARAGON BUILDERS**

**Initial Issue Date: 04/28/2010 - Expiration Date: 10/31/2025**

**Qualifier(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON**

**Group Limitations Per Job/Project (i.e. AC2 = Group 2):**

**Group #1 - \$35,000      Group #2 - \$100,000**

**Group #3 - \$200,000      Group #4 - \$400,000**

**Group #5 - \$Unlimited**

*Meronica W. Fulton*  
Board Executive

**DO NOT PEEL CARD FROM A CORNER**

**To remove card from backing**

- **Bend** form back from the **outside edge**
- **Pull card off backing**

**SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION**  
**CONTRACTOR'S LICENSING BOARD**

CCG 1055888

**LICENSE#: CLM.111292**

**LICENSE#: CLM.111292**

**PARAGON BUILDERS**

**2874 COLUMBIA ROAD**

**ORANGEBURG SC 29118-1902**

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**MECHANICAL CONTRACTOR**

for each Classification and Group Limitation listed below:

**PK5, PB5, EL5, STEPHON EDWARDS, ERIC BYRD, 121268, -74603**

**LICENSE NUMBER: .....CLM.111292**

**Initial License Date:.....04/28/2010**

**EXPIRATION DATE: .....10/31/2025**

**Group Limitations Per Job (i.e. AC2 = Group 2):**

**Group #1 - \$35,000      Group #3 - \$200,000**

**Group #2 - \$100,000      Group #4 - \$400,000**

**Group #5 - \$Unlimited**

*Meronica W. Fulton*  
Board Executive

**Qualifying Party(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON**

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf. \*\*\*

Paragon Builders Mechanical Contractor License  
Expiration Date 10-31-2027



\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf.\*\*\*

\*\*\* THIS LICENSE EXPIRES ON 10/31/2027 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES. DO NOT TEAR CARD IN HALF.**

35

PARAGON BUILDERS  
PO BOX 2058  
ORANGEBURG SC 29116-2058

**LICENSE#: CLM.111292**

South Carolina Department of Labor, Licensing and Regulation  
**Contractor's Licensing Board**  
**MECHANICAL CONTRACTOR**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:  
Packaged Equipment-PK5, Plumbing-PB5, Electrical-EL5

**INITIAL ISSUE DATE: 04/28/2010**  
**LICENSE EXPIRATION DATE: 10/31/2027**

**MECHANICAL CONTRACTOR**

**LICENSE#: CLM.111292**

**EXPIRATION DATE: 10/31/2027**

**PARAGON BUILDERS**

**Qualifier(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON**

**Licensee's Group# Limitation Per Job/Project (i.e., EL2 = Group 2):**

Group #1 - \$35,000    Group #2 - \$100,000    Group #3 - \$200,000  
Group #4 - \$400,000    Group #5 - \$Unlimited

*Handwritten Signature*  
Professional Director

**WARNING - THIS DOCUMENT CONTAINS SECURITY FEATURES LISTED ON REVERSE SIDE**

**SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION**  
**CONTRACTOR'S LICENSING BOARD**

**LICENSE#: CLM.111292**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**MECHANICAL CONTRACTOR**

for each Classification and Group Limitation listed below:

**Packaged Equipment-PK5, Plumbing-PB5, Electrical-EL5**

**LICENSE NUMBER: CLM.111292**

**Initial License Date: 04/28/2010**

**EXPIRATION DATE: 10/31/2027**

**Qualifying Party(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON**

**Group Limitation Per Job (i.e., EL2 = Group 2):**

Group #1 - \$35,000    Group #2 - \$100,000  
Group #3 - \$200,000    Group #4 - \$400,000  
Group #5 - \$Unlimited

*Handwritten Signature*  
Professional Director

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business on their behalf. \*\*\*



# EX. C

## Mechanical Contractor's Application

**is application form is used for:**

- New license, including a business with a new name and Federal ID number, or a new type of business (Corporation, LLC, LLP, etc.).
- Reinstate a lapsed license.

not use this application if you need to revise a license, such as increasing the license group limitation, or name change with the same Federal ID number and type of business you need to complete the General and Mechanical Contractor Revision Application (Doc 180).

**omit the following with your application:**

- The license fee is \$350. Fees are non-refundable. License fee in the form of a check or money order made payable to SCCLB. A returned check fee of up to \$30, or an amount specified by law, may be assessed on all returned funds. NO CASH IS ACCEPTED.
- Verification to conduct business in SC from the SC Secretary of State (not required for a sole proprietorship).
- Financial Statement or Surety Bond supporting the requested group limitation.
- Completed PQP/QP Initial Application(s) (Doc 168) for individuals who are not currently certified by the Board or have a certification that has been inactive for more than four years **or** completed PQP/QP Revision Application (Doc 181) to add an active PQP/QP certification or a certification that has been inactive for less than four years.

Completed applications may be submitted to the Board at PO Box 11329, Columbia, SC 29211, by email to [act.clb@llr.sc.gov](mailto:act.clb@llr.sc.gov), or delivered in person at 110 Centerview Dr., Columbia, SC 29210.

**APPLICANT INFORMATION**

Individual or company listed in this section will be designated as the "License Holder." You must sign contracts, apply for permits, conduct business, and advertise in this name only. (See SC Code of Laws Section 40-11-20, 130, 240 and 370(B))

License/Legal Name: Paragon Inc. of South Carolina, LLC

Doing Business As (DBA) Name: Paragon Builders

Business Phone: 803-534-1900 Email (required): eric@paragonbuilderssc.com

Business Address: 2874 Columbia Rd, Orangeburg SC County: Orangeburg  
Physical street address, City, State and Zip Code

Mailing Address (if different from above): Same

Business Tax ID or SSN: 58-2466031 Website: www.paragonbuilderssc.com

Is the licensee/entity listed above a current or previous SC Contractor? ☐ YES ☐ NO

If yes, license number: \_\_\_\_\_

Is this a reinstatement application? ☐ YES ☐ NO

Is this a name change or form of business change? ☐ YES ☐ NO

## Mechanical Contractor's Revision Application



South Carolina Department of Labor, Licensing and Regulation  
**South Carolina Contractor's Licensing Board**  
110 Centerview Dr. • Columbia • SC • 29210  
P.O. Box 11329 • Columbia • SC • 29211  
Phone: 803-896-4686 • Contact.CLB@llr.sc.gov • Fax: 803-896-4814  
llr.sc.gov/clb

## GENERAL AND MECHANICAL CONTRACTOR REVISION APPLICATION (DOC. 180)

**NOTE:** Find your specific instructions on the previous page (i.e. "Change of Licensing Group", "Change of Business Name or Address", etc.). The instructions will let you know which sections of the application you need to complete. You may disregard all other sections of the application not mentioned in your instructions. **All applicants must complete sections A, E and F.**

Completed applications may be submitted to the Board at PO Box 11329, Columbia, SC 29211, by email to [contact.clb@llr.sc.gov](mailto:contact.clb@llr.sc.gov), or delivered in person at 110 Centerview Dr., Columbia, SC 29210.

### REQUESTED ACTION

Indicate the reason for your application below. All applicants must complete the applicable sections and attestation at the end of this application.

☐ Name Change      ☐ Address Change      ☐ Owner/Officer Change      ☒ License Group Change

### SECTION A

#### LICENSEE INFORMATION (as it currently appears on your license card)

**ALL** applicants must complete this section.

Licensee/Legal Name: Paragon Inc. of South Carolina, LLC

Doing Business As (DBA) Name: Paragon Builders License # M.111292

Business Phone: 803-534-1900 Email (required): stephon@paragonbuilderssc.com

Business Address: 2874 Columbia Road, Orangeburg, SC 29118 County: Orangeburg  
Physical street address, City, State and Zip Code

Mailing Address (if different from above): POB 2058, Orangeburg, SC 29116

Federal Tax ID or SSN: 58-2466031 Website: www.paragonbuilderssc.com

### SECTION B

#### CHANGE OF BUSINESS NAME OR ADDRESS (physical or mailing)

**ONLY** complete this section if you need to change your business name, corporate structure, address, or other contact information. Attach amended charter or the Secretary of State Articles of Amendment if this is a corporate name change. If your name, Federal ID No. or corporate structure has changed more than 15 business days ago, **do not** complete this form; you must submit a new [General and Mechanical Contractor Initial Application \(Doc 165\)](#).

New Business Name: \_\_\_\_\_

Doing Business As (DBA) Name: \_\_\_\_\_



Business Phone: \_\_\_\_\_ Email (required): \_\_\_\_\_

Business Address: \_\_\_\_\_ County: \_\_\_\_\_  
Physical street address, City, State and Zip Code

Mailing Address (if different from above): \_\_\_\_\_

Website: \_\_\_\_\_

**Type of Business:**

Corporations, LLCs, LLPs, or LPs must submit a Federal Tax ID number and a SC Secretary of State Certificate of Existence.

- ☐ Sole Proprietorship      ☐ Domestic/Foreign Corporation      ☐ Partnership  
☐ Limited Liability Partnership      ☒ Limited Liability Company

State of incorporation or organization: SC

**SECTION C**

**CHANGE OF OWNERS OR OFFICERS**

**ONLY** complete this section if there has been a change in the Licensee's ownership or corporate leadership. Provide the name, title, and date of birth and percent of business ownership of each owner, officer, partner, and/or member of the Licensee. Attach a separate sheet if necessary.

**Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

**% Ownership:** \_\_\_\_\_ **Date of Birth:** \_\_\_\_\_

**Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

**% Ownership:** \_\_\_\_\_ **Date of Birth:** \_\_\_\_\_

**Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

**% Ownership:** \_\_\_\_\_ **Date of Birth:** \_\_\_\_\_

**Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

**% Ownership:** \_\_\_\_\_ **Date of Birth:** \_\_\_\_\_

**Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

**% Ownership:** \_\_\_\_\_ **Date of Birth:** \_\_\_\_\_

## SECTION D

### CHANGE OF LICENSING GROUP

**ONLY** complete this section if you wish to change your licensing group limit. Select the group for increase and attach the appropriate financial documentation or surety bond. Please indicate the method for which you are qualifying for the new licensing group limit. Additional information about financial group limits can be found on the Board's website.

**Groups 1 and 2 – (submit one)**

- Owner Prepared financial statement with an affidavit of accuracy, [Document #172](#); or
- [Surety Bond Form for General Contractors](#) / [Surety Bond Form for Mechanical Contractors](#)

**Groups 3 and 4 – (submit one)**

- Financial statement compiled by a licensed CPA in accordance with GAAP, including all disclosures required by GAAP or
- [Surety Bond Form for General Contractors](#) / [Surety Bond Form for Mechanical Contractors](#)

**Group 5 – (submit one)**

- An audited balance sheet prepared by a licensed CPA in accordance with GAAP, including all disclosures required by GAAP; or
- [Surety Bond Form for General Contractors](#) / [Surety Bond Form for Mechanical Contractors](#)

**Requested Group Limit:**

☐ Group 1   ☐ Group 2   ☐ Group 3   ☐ Group 4   ☒ Group 5

**Qualifying for Requested Group Limit by:**

☐ Net Worth   ☐ Working Capital   ☒ Surety Bond

**What type of financial documentation are you submitting with your application?**

☐ Audited Balance Sheet   ☐ Reviewed Financial Statement   ☐ Compiled Financial Statement  
☐ [Owner Prepared Financial Statement \(Doc 172\)](#)   ☐ Surety Bond

## SECTION E

### BACKGROUND QUESTIONS

**ALL** applicants must complete this section. Answer all questions below. If you answer "Yes" to any of the questions, you are required to complete and submit the [Explanatory Statement of Yes Answers - Doc. 142](#).

1. Since your last renewal or application with the Board, has this entity or any owner, officer, partner, or member been convicted, pled guilty or nolo contendere in the US or foreign country of a felony or the offense of forgery, embezzlement, obtain money under false pretenses, theft, extortion, or conspiracy to defraud or other like offense?

☐ YES   ☒ NO

If yes, in addition to [Doc 142](#), a criminal background check must be provided from the state in which the conviction occurred along with the court disposition and any other pertinent documentation. For South Carolina criminal background reports contact SLED at [www.sled.sc.gov](http://www.sled.sc.gov). Out-of-state applicants may submit a state-issued report, or any report generated by an accredited agency on PBSA's website found here: [thepbsa.org/](http://thepbsa.org/). All criminal background reports must not be older than thirty (30) days from the date of application.



2. Since your last renewal or application with the Board, has this entity or any owner, officer, partner, or member had a professional license or certificate denied, suspended, revoked or otherwise been disciplined in any state or jurisdiction, including South Carolina? ☐ YES ☒ NO

If yes, in addition to [Doc 142](#), official documentation related to the relevant disciplinary action must be provided.

3. Since your last renewal or application with the Board, does this entity or any owner, officer, partner, or member have any unresolved complaints or charges pending before any professional licensing board in South Carolina or any other state or jurisdiction? ☐ YES ☒ NO

If yes, in addition to [Doc 142](#), official documentation related to the relevant disciplinary action must be provided.

4. Since your last renewal or application with the Board, does this entity or any owner, officer, partner, or member have any outstanding monetary judgments related to construction, or have any bankruptcies? ☐ YES ☒ NO

If yes, in addition to [Doc 142](#), official documentation related to the monetary judgments, including the order of judgment or final disposition, and bankruptcies, as well as any payment plans that have been established to satisfy construction related monetary judgments, must be provided.

## SECTION F

### ATTESTATION

**ALL** applicants must complete this section.

**I certify that the information and statements contained herein are true, accurate, and complete. I understand that the provision of false or inaccurate information may result in the cancellation or denial of a license issued pursuant to this application and may be subject to civil and criminal proceedings. I agree that all information in this application may be verified and investigated. I have read and am familiar with the South Carolina Contractor's Licensing Board Practice Act and hereby agree to abide by such laws.**

Owner/Officer/Partner/Member Name (Print): Stephon Edwards

Signature: 

Title Owner

Date 8/28/2024

### PRIVACY DISCLOSURE

South Carolina Law requires that every individual who applies for an occupational or professional license provide a social security number for use in the establishment, enforcement and collection of child support obligations and for reporting to certain databanks established by law. Failure to provide your social security number for these mandatory purposes will result in the denial of your licensure application. Social security numbers may also be disclosed to other governmental regulatory agencies and for identification purposes to testing providers and organizations involved in professional regulation. Your social security number will not be released for any other purpose not provided for by law.

Other personal information collected by the Department for the licensing boards it administers is limited to such personal information as is necessary to fulfill a legitimate public purpose. The South Carolina Freedom of Information Act ensures that the public has a right to access appropriate records and information possessed by a government agency. Therefore, some personal information on the application may be subject to public scrutiny or release. The Department collects and disseminates personal information in compliance with The South Carolina Freedom of Information Act, the South Carolina Family Privacy Protection Act, and other applicable privacy laws and regulations. Additionally, the Department shares certain information on the application with other governmental agencies for various governmental purposes, including research and statistical services.



South Carolina Department of Labor, Licensing and Regulation  
**South Carolina Contractor's Licensing Board**

110 Centerview Dr. • Columbia • SC • 29210

P.O. Box 11329 • Columbia • SC • 29211

Phone: 803-896-4686 • Contact: CLB@llr.sc.gov • Fax: 803-896-4814  
llr.sc.gov/clb

## SURETY BOND FOR MECHANICAL CONTRACTORS

BOND NUMBER: L272743-2227

**KNOW ALL MEN BY THESE PRESENTS** that we

Paragon Builders

, as Principal and

Lexington National Insurance Corporation

, a Surety Company

authorized to do business in the State of South Carolina, as Surety, its successors, assigns, and legal representatives are held and firmly bound unto the South Carolina Contractor's Licensing Board, State of South Carolina and any person or business sustaining damage within the terms of this bond for payment, as Obligor in the sum of Three Hundred Thousand Dollars (\$300,000.00) lawful money of the United States of America per License Term. We bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents. This bond is in lieu of providing a financial statement showing a minimum net worth or working capital as required in S.C. Code Ann. §40-11-260.

**WHEREAS**, the above bonded Principal has applied to the South Carolina Contractor's Licensing Board pursuant to Section 40-11-10 *et seq.* of the 1976 Code of Laws of South Carolina, as amended (the Act), to be granted an authorization to engage in the following construction groups with the following bond amounts:

- ☐ Group 1 Mechanical Contractor (\$7,000)
- ☐ Group 2 Mechanical Contractor (\$15,000)
- ☐ Group 3 Mechanical Contractor (\$30,000)
- ☐ Group 4 Mechanical Contractor (\$60,000)
- ☒ Group 5 Mechanical Contractor (\$300,000)

**WHEREAS**, the above bonded Principal is required in Section 40-11-262 of the Act to furnish the Board with a good and sufficient surety as one method of complying with one of the conditions upon which the authorization is granted.

**NOW, THEREFORE**, if the Principal, in compliance with 40-11-262, does not engage in an act or omission constituting a breach of construction contract or a contract for the furnishing of labor, materials, or professional services for construction undertaken by the Principal, or does not commit any unlawful act or omission in performing construction, then this obligation shall be void; otherwise it is to remain in full force and effect.

This bond is in full force and effect as to the above statutory, regulatory and procedural obligations of the Principal from 8/22/2024 through 10/31/2025 unless renewed by continuation certificate; however, the Surety or the Principal shall have the right to cancel this bond at any time by filing written notice with the South Carolina Contractor's Licensing Board and the applicable party of its intention to so cancel, giving at least thirty (30) days' notice prior to the effective date of the cancellation. This provision, however, shall not operate to relieve, release or discharge the Surety from any liability already accrued or which shall accrue before the expiration of the thirty (30) day period.



Regardless of the number of years this bond may remain in force or the number of claims against this bond, the aggregate liability of the Surety for any and all claims, suits or actions under this bond shall not exceed the sum of Three Hundred Thousand Dollars (\$300,000.00) for any License Term. Each License Term is a twenty-four month period beginning on November 1 and ending on October 31.

The Surety shall provide the board with written notice of any payment made in good faith under the Bond within thirty (30) days of such payment. No right of action shall accrue upon or by reason of this bond to or for the use or benefit of anyone whatsoever other than the Board or any person sustaining loss or damage within the terms of this bond for payment.

Witness our hands and seal this 22nd day of August, 20 24.

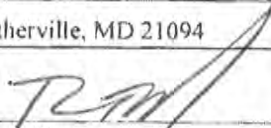
Name and Address of Surety Company (Print)

Lexington National Insurance Corporation

PO Box 6098

Lutherville, MD 21094

By:



Signature of Surety (Attorney-in-Fact)  
Tyler Turnbull

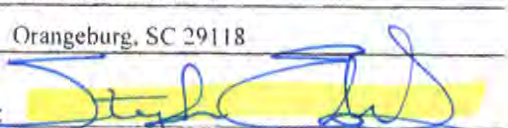
Name and Address of Principal (Print)

Paragon Builders

2874 Columbia Road

Orangeburg, SC 29118

By:



Signature of Principal

Power of Attorney (attach document)

To report a claim with regard to this bond, submit a claim on the form approved by the Board to the claim address below:

(Print) Lexington National Insurance Corporation

PO Box 6098

Lutherville, MD 21094

## POWER OF ATTORNEY

### Lexington National Insurance Corporation

Lexington National Insurance Corporation, a corporation duly organized under the laws of the State of Florida and having its principal administrative office in Baltimore County, Maryland, does hereby make, constitute and appoint:

Tyler Turnbull, Beverly Ivey, Della Case, Brett Branton,  
Brendan Coale, Matthew Rose, Scott Pelin

as its true and lawful attorney-in-fact, each in their separate capacity, with full power and authority to execute, acknowledge, seal and deliver on its behalf as surety any bond or undertaking of \$6,000,000 or less. This Power of Attorney is void if used for any bond over that amount.

This Power of Attorney is granted under and by authority of the following resolutions adopted by the Board of Directors of the Company on February 15, 2018:

Be it Resolved, that the CEO, President or any Vice-President shall be and is hereby vested with full power and authority to appoint suitable persons as Attorney-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and on the behalf of the Company, to execute, acknowledge and deliver any and all bonds, contracts, or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any all notices and documents cancelling or terminating the Company's liability thereunder and any such instruments so executed by any Attorney-in Fact shall be binding upon the Company as if signed by the CEO, President and sealed by the Corporate Secretary.

RESOLVED further, that the signature of the CEO, President or any Vice-President of LEXINGTON NATIONAL INSURANCE CORPORATION may be affixed by facsimile to any power of attorney, and the signature of the Secretary or any Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of such power, or any such power or certificate bearing such facsimile signature or seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed with respect to any bond to which it is attached continue to be valid and binding upon the Company.

IN WITNESS WHEREOF, the Company have caused this instrument to be signed and their corporate seal to be hereto affixed.



Ronald A. Frank, CEO



State of Maryland  
County of Harford County, SS:

Before me, a notary public, personally appeared, Ronald A. Frank, CEO of Lexington National Insurance Corporation, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under the PENALTY of PERJURY under the laws of the State of Maryland that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Commission Expires: 05/23/24

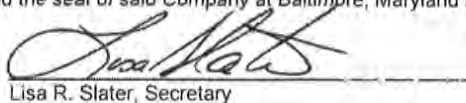


Notary



I, Lisa R. Slater, Secretary of Lexington National Insurance Corporation, do hereby certify that the above and foregoing is true and correct copy of a Power of Attorney, executed by said company, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said Company at Baltimore, Maryland this 17th day of January, 2024.



Lisa R. Slater, Secretary

Attached to bond signed this 22nd day of August, 2024

# *The State of South Carolina*



*Office of Secretary of State Mark Hammond*

## **Certificate of Existence**

**I, Mark Hammond, Secretary of State of South Carolina Hereby certify that:**

**PARAGON, INC. OF SOUTH CAROLINA, LLC, A Limited Liability Company duly organized under the laws of the State of South Carolina on April 30th, 1999, with a duration that is at will, has as of this date filed all reports due this office, paid all fees, taxes and penalties owed to the Secretary of State, that the Secretary of State has not mailed notice to the company that it is subject to being dissolved by administrative action pursuant to section 33-44-809 of the South Carolina Code, and that the company has not filed articles of termination as of the date hereof.**

**Given under my Hand and the Great  
Seal of the State of South Carolina this  
27th day of December, 2007.**

A handwritten signature in cursive script that reads "Mark Hammond".

**Mark Hammond, Secretary of State**



\*\*\* THIS LICENSE EXPIRES ON 10/31/2025 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**THIS IS A 2-PART POCKETCARD - FOLD CARD IN HALF - DO NOT CUT OR TEAR CARD IN HALF**  
**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES**

CCG 1053518

CCG 1053518

**LICENSE#: CLM.111816**

South Carolina Department of Labor, Licensing and Regulation  
**Contractor's Licensing Board**  
**MECHANICAL CONTRACTOR**

**PAUL R GILLETTE**  
**DBA: GILLETTE PLUMBING**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118

licensed to practice in the 2-letter Classification(s) and Group# listed below:  
**Plumbing-PB2**

**LICENSE EXPIRATION DATE: 10/31/2025**

(If this license has a "Limited Building-LB", work is limited to 3 stories in height)

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf. \*\*\*

**MECHANICAL CONTRACTOR**  
**LICENSE#: CLM.111816 - EXPIRES: 10/31/2025**

**PAUL R GILLETTE**  
**DBA: GILLETTE PLUMBING**

Initial Issue Date: 09/02/2011 - Expiration Date: 10/31/2025  
Qualifier(s): **PAUL R GILLETTE**

**Group Limitations Per Job/Project (i.e. AC2 = Group 2):**

|                        |                      |
|------------------------|----------------------|
| Group #1 - \$35,000    | Group #2 - \$100,000 |
| Group #3 - \$200,000   | Group #4 - \$400,000 |
| Group #5 - \$Unlimited |                      |

*M. Monica W. Fulton*  
Board Executive

**DO NOT PEEL CARD FROM A CORNER**

**To remove card from backing**

- **Bend** form back from the **outside edge**
- **Pull card off backing**

*Paul R Gillette*  
*Owner Qualifier*

CCG 1053518

**SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION**  
**CONTRACTOR'S LICENSING BOARD**

**LICENSE#: CLM.111816**

**LICENSE#: CLM.111816**

**PAUL R GILLETTE**  
**DBA: GILLETTE PLUMBING**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**MECHANICAL CONTRACTOR**

for each Classification and Group Limitation listed below:

**Plumbing-PB2**

**LICENSE NUMBER: .....CLM.111816**  
**Initial License Date: .....09/02/2011**  
**EXPIRATION DATE: .....10/31/2025**

**Group Limitations Per Job (i.e. AC2 = Group 2):**

|                        |                      |
|------------------------|----------------------|
| Group #1 - \$35,000    | Group #3 - \$200,000 |
| Group #2 - \$100,000   | Group #4 - \$400,000 |
| Group #5 - \$Unlimited |                      |

**Qualifying Party(s): PAUL R GILLETTE**

*M. Monica W. Fulton*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf. \*\*\*



\*\*\* THIS LICENSE EXPIRES ON 10/31/2025 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**THIS IS A 2-PART POCKETCARD - FOLD CARD IN HALF - DO NOT CUT OR TEAR CARD IN HALF**  
**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES**

**LICENSE#: CLM.111292**

CCG 1055888

South Carolina Department of Labor, Licensing and Regulation  
Contractor's Licensing Board

**MECHANICAL CONTRACTOR**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:

PK5, PB5, EL5, STEPHON EDWARDS, ERIC BYRD, 121268, -74603

**LICENSE EXPIRATION DATE: 10/31/2025**

(If this license has a "Limited Building-LB", work is limited to 3 stories in height)

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf. \*\*\*

**MECHANICAL CONTRACTOR** CCG 1055888  
**LICENSE#: CLM.111292 - EXPIRES: 10/31/2025**

**PARAGON BUILDERS**

Initial Issue Date: 04/28/2010 - Expiration Date: 10/31/2025

Qualifier(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON

**Group Limitations Per Job/Project (i.e. AC2 = Group 2):**

Group #1 - \$35,000      Group #2 - \$100,000

Group #3 - \$200,000      Group #4 - \$400,000

Group #5 - \$Unlimited

*Monica W. Fulton*  
Board Executive

**DO NOT PEEL CARD FROM A CORNER**

**To remove card from backing**

- Bend form back from the outside edge
- Pull card off backing

SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION CCG 1055888  
**CONTRACTOR'S LICENSING BOARD**

**LICENSE#: CLM.111292**

**LICENSE#: CLM.111292**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**MECHANICAL CONTRACTOR**

for each Classification and Group Limitation listed below:

PK5, PB5, EL5, STEPHON EDWARDS, ERIC BYRD, 121268, -74603

**LICENSE NUMBER: .....CLM.111292**

**Initial License Date: .....04/28/2010**

**EXPIRATION DATE: .....10/31/2025**

**Group Limitations Per Job (i.e. AC2 = Group 2):**

Group #1 - \$35,000      Group #3 - \$200,000

Group #2 - \$100,000      Group #4 - \$400,000

Group #5 - \$Unlimited

Qualifying Party(s): JONATHAN FERGUSON, PAUL R GILLETTE, RODGERS HAMPTON

*Monica W. Fulton*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business in their behalf. \*\*\*



\*\*\* THIS LICENSE EXPIRES ON 10/31/2026 \*\*\*

**VERIFY** the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

**BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES. DO NOT TEAR CARD IN HALF.**

35  
PARAGON BUILDERS  
PO BOX 2058  
ORANGEBURG SC 29116-2058

**LICENSE#: CLG.100190**

South Carolina Department of Labor, Licensing and Regulation  
Contractor's Licensing Board  
**GENERAL CONTRACTOR**

**PARAGON BUILDERS**  
2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

licensed to practice in the 2-letter Classification(s) and Group# listed below:

**Building-BD5, Nonstructural Renovation-NR5**

**INITIAL ISSUE DATE: 01/07/1999**

**LICENSE EXPIRATION DATE: 10/31/2026**

(If above license has "Limited Building-LB", work is limited to 3 stories in height)

**GENERAL CONTRACTOR**

**LICENSE#: CLG.100190**

**EXPIRATION DATE: 10/31/2026**

**PARAGON BUILDERS**

**Qualifier(s): DEQUINCEY S EDWARDS, STEPHON EDWARDS**

**Licensee's Group# Limitation Per Job/Project (i.e., BD2 = Group 2):**

Group #1 - \$100,000 Group #2 - \$400,000 Group #3 - \$1,000,000  
Group #4 - \$3,000,000 Group #5 - \$Unlimited

*W. Monica W. Fulton*  
Board Executive

WARNING - THIS DOCUMENT CONTAINS SECURITY FEATURES LISTED ON REVERSE SIDE

SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION

**CONTRACTOR'S LICENSING BOARD**

**LICENSE#: CLG.100190**

**PARAGON BUILDERS**

2874 COLUMBIA ROAD  
ORANGEBURG SC 29118-1902

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

**GENERAL CONTRACTOR**

for each Classification and Group Limitation listed below:

(If this license has a "Limited Building-LB" classification, work is limited to 3 stories in height)

**Building-BD5, Nonstructural Renovation-NR5**

**LICENSE NUMBER: CLG.100190**

**Initial License Date: 01/07/1999**

**EXPIRATION DATE: 10/31/2026**

**Qualifying Party(s): DEQUINCEY S EDWARDS, STEPHON EDWARDS**

**Group Limitation Per Job (i.e. BD2 = Group 2):**

Group #1 - \$100,000 Group #4 - \$3,000,000  
Group #2 - \$400,000 Group #5 - \$Unlimited  
Group #3 - \$1,000,000

*W. Monica W. Fulton*  
Board Executive

\*\*\* It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business on their behalf. \*\*\*

# Ex. D

Notice of Intent to Protest  
(filed October 27, 2025)

October 27, 2025

**VIA ELECTRONIC MAIL ([protest-ose@mmo.sc.gov](mailto:protest-ose@mmo.sc.gov))**

Office of State Engineer

**Attn: Chief Procurement Officer for Construction**

South Carolina Department of Natural Resources

1201 Main Street, Suite 600

Columbia, SC 29201

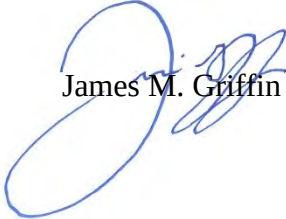
**Re: Notice of Intent to Protest by Paragon Inc. of South Carolina LLC**  
**Project Name: Beaufort-Wadell Mariculture**  
**Maturation Ponds Maintenance – Re- Bid**  
**Project Number: P24-6052-PG**

Dear Sir:

Please find attached a Notice of Intent to Protest the bid award in the above referenced project number that I am submitting on behalf of my client Paragon Inc. of South Carolina LLC.

If you require any additional information, please feel free to contact me at 803-744-0800.

Sincerely,

  
James M. Griffin

cc: Eric Byrd ([eric@paragonbuilderssc.com](mailto:eric@paragonbuilderssc.com))



## # NOTICE OF INTENT TO PROTEST

**\*\*Date:\*\*** October 27, 2025

TO: Chief Procurement Officer

Office of State Engineer

Construction Office

South Carolina Department of Natural Resources

Email: protest-ose@mmm.sc.gov

Physical Address: 1201 Main Street, Suite 600, Columbia, SC 29201

FROM: Paragon Inc. of South Carolina, LLC

2874 Columbia Road NE

Orangeburg, SC 29118-1902

Telephone: (803) 534-1900

Email: eric@paragonbuilderssc.com

Attention: Eric Byrd, Vice President

RE: Notice of Intent to Protest Award Decision

Project Name: Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid

Project Number: P24-6052-PG

Award Notice Posted: October 20, 2025

### I. NOTICE OF INTENT TO PROTEST

Pursuant to South Carolina Code Section 11-35-4210, Paragon Inc. of South Carolina, LLC ("Paragon" or "Protester") hereby submits this Notice of Intent to Protest the South Carolina Department of Natural Resources' ("SCDNR" or "Agency") decision to deem Paragon's bid non-responsive and its intent to award the above-referenced contract to Haren Construction Co. Inc.

This Notice of Intent to Protest is timely submitted within seven (7) business days of the October 20, 2025, award notice posting, as required by Section 11-35-4210.

### II. INTERESTED PARTY INFORMATION

Protester:

Paragon Inc. of South Carolina, LLC

SC Contractor's License Numbers: CLG.100190, CLM.111292

Classification(s) & Limits: Building BD5, Plumbing PB5, Electrical EL5

Contact Person:

Eric Byrd, Vice President  
2874 Columbia Road NE  
Orangeburg, SC 29118-1902  
Telephone: (803) 534-1900  
Email: eric@paragonbuilderssc.com

Legal Counsel:

James M. Griffin, Esquire  
Griffin Humphries LLC  
PO Box 999  
Columbia, SC 29202  
Telephone: 803-744-0800  
Email: jgriffin@griffinhumphries.com

III. PROCUREMENT INFORMATION

Awarding Agency: South Carolina Department of Natural Resources  
Project: Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid  
Project Number: P24-6052-PG  
Bid Opening Date: September 23, 2025  
Award Notice Date: October 20, 2025  
Intended Awardee: Haren Construction Co. Inc.  
Award Amount: \$6,207,000.00

IV. PARAGON'S BID INFORMATION

Base Bid Amount: \$5,323,800.00  
Alternate #1: \$533,600.00  
Alternate #2: \$568,200.00  
Alternate #3: \$573,350.00  
Status: Deemed "Non-Responsive" by Agency

V. GROUNDS FOR PROTEST (SUMMARY)

Paragon protests the Agency's determination that its bid was non-responsive based on alleged violations of South Carolina Code Sections 40-11-270, 40-11-340, and 40-11-370. Specifically, Paragon contends:

#### A. Paragon's Plumbing License Covers the Yard Piping Work (Section 40-11-340 Compliance)

Issue: The Agency apparently determined that Paragon's Plumbing License (PB5) does not cover the yard piping installation for non-potable water from the head tower to the fishponds, which constitutes 53% of the project scope.

Paragon's Position:

1. Statutory Coverage: The definition of "Plumbing" under Section 40-11-410(5)(f) explicitly includes:

- "installation, alteration, and repair of all piping, fixtures, and appliances related to water supply"
- "installation of a system of pipes, fittings, fixtures, drains, and all necessary component parts \*\*upon the premises or in a building\*\* to supply water to buildings"
- Work performed "\*\*\*solely within property lines\*\* and not on public easements or rights-of-way"

2. Project Characteristics Support Plumbing Classification:

- All piping is \*\*within the Beaufort-Waddell property lines
- No work is on public easements or rights-of-way
- The work involves piping systems on the premises to supply water (albeit non-potable) to the fishponds
- The statute does not distinguish between potable and non-potable water for piping within private property
- The exclusion for "municipal or related water supply systems" does not apply to this private aquaculture facility

3. Section 40-11-340 Compliance:

Because Paragon's Plumbing license (PB5) covers 53% of the work, Paragon meets the 40% threshold required under Section 40-11-340 to act as sole prime contractor. Combined with Paragon's Electrical license (EL5) (19%) and Building license BD5) (13%), work not covered under a separate License classification (15%), Paragon is licensed to perform 100% of the total project work.

#### B. Compliance with Section 40-11-270 (License Classification Requirements)

Paragon holds appropriate licenses in all required classifications:

- Building BD5 – for concrete structures and access work (13%)
- Plumbing PB5 – for yard piping from head tower to ponds (53%)

- Electrical EL5 – for electrical panel replacement and pond wiring (19%)

For the pond liner work (15%), which requires no specific license, Paragon will utilize its Building classification or engage appropriately licensed subcontractors as needed.

#### C. Compliance with Section 40-11-370 (Business Name)

Issue: The Agency cited Section 40-11-370(B) regarding engaging in construction under a name other than the exact name on the license.

#### Paragon's Position:

Paragon's bid was submitted under "Paragon Inc. of South Carolina, LLC," which matches its legal business name and contractor license. Any alleged discrepancy is a secondary issue that does not warrant bid rejection, particularly when:

- The entity is properly identified
- All license numbers are correctly provided
- The qualifying party is properly designated
- There is no indication of fraud, misrepresentation, or attempt to circumvent licensing requirements

#### VI. PREJUDICE TO PARAGON

Paragon will suffer substantial prejudice if the protest is not granted:

1. Financial Harm: Paragon submitted the lowest responsible bid. The difference between Paragon's total bid (\$5,857,400) and the intended award (\$6,207,000) is \$349,600 more than Paragon's total bid.
2. Loss of Business Opportunity: Paragon is a qualified, properly licensed contractor capable of performing this work in accordance with all applicable laws and regulations.
3. Improper Interpretation of Law: The Agency's restrictive interpretation of the Plumbing license definition would improperly exclude legitimate plumbing work from the statutory scope, contrary to legislative intent.
4. Competitive Disadvantage: If this interpretation stands, it would create uncertainty for contractors bidding on similar projects involving water piping systems on private property.

## VII. RELIEF REQUESTED

Paragon respectfully requests that the Chief Procurement Officer:

1. Reverse the determination that Paragon's bid is non-responsive.
2. Find that Paragon's Plumbing license (PB5) properly covers the yard piping installation work as defined in Section 40-11-410(5)(f);
3. Find that Paragon meets all requirements of Sections 40-11-270, 40-11-340, and 40-11-370;
4. Determine that Paragon submitted the lowest responsive and responsible bid; and
5. Award the contract to Paragon Inc. of South Carolina, LLC.

## VIII. REQUEST FOR DOCUMENTS

Pursuant to Section 11-35-410 and protest procedures, Paragon requests access to the following documents within five (5) days:

1. Complete bid tabulation showing all bids received
2. All documentation related to the responsiveness determination for Paragon's bid
3. All documentation related to the responsiveness determination for the two other bidders (Haren Construction and BRW Construction).
4. Any communications within SCDNR or between other South Carolina State Agencies, legal counsel or personnel regarding license classification interpretation for this project
5. Any legal opinions or guidance sought regarding the plumbing license scope
6. Haren Construction and BRW Construction's license documentation and classifications
7. Any protest or inquiry submitted by any other bidder
8. Complete bid documents submitted by the two other bidders including a copy of the sealed bid envelope.

## IX. FORMAL PROTEST TO FOLLOW

This Notice of Intent to Protest will be followed by a formal written protest within fifteen (15) days of the date the award notice was posted (October 20, 2025), as required by Section 11-35-4210.



#### X. CONSENT TO ELECTRONIC COMMUNICATIONS

By submitting this Notice of Intent to Protest to protest-ose@mmm.sc.gov, Paragon (and any person acting on Paragon's behalf) consents to receive communications regarding this protest (and any related protests) at the email address of Paragon's legal counsel, James M. Griffin at [jgriffin@griffinhumphries.com](mailto:jgriffin@griffinhumphries.com) with copies to [eric@paragonbuilderssc.com](mailto:eric@paragonbuilderssc.com).

#### XI. CERTIFICATION

The undersigned certifies that the statements contained in this Notice of Intent to Protest are true and accurate to the best of knowledge and belief.

Respectfully submitted this 27th day of October 2025.

PARAGON INC. OF SOUTH CAROLINA, LLC

By: \_\_\_\_\_

Eric Byrd, Vice President

2874 Columbia Road NE  
Orangeburg, SC 29118-1902  
Telephone: (803) 534-1900  
Email: [eric@paragonbuilderssc.com](mailto:eric@paragonbuilderssc.com)

## XII. CERTIFICATE OF SERVICE

I hereby certify that a copy of this Notice of Intent to Protest has been served via email on this 27th day of October, 2025, to:

**\*\*Chief Procurement Officer\*\***

Office of State Engineer

Email: [protest-ose@mmm.sc.gov](mailto:protest-ose@mmm.sc.gov)

**\*\*South Carolina Department of Natural Resources\*\***

Attention: Jeff Boyer, Engineer III

Email: [boyerj@dnr.sc.gov](mailto:boyerj@dnr.sc.gov)

**\*\*Intended Awardee:\*\***

Haren Construction Co. Inc.

[Address and contact information to be obtained from public records]

**\*\*Legal Counsel for Protester: \*\***

James M. Griffin, Esquire

Griffin Humphries LLC

PO Box 999

Columbia, SC 29202

Email: [jgriffin@griffinhumphries.com](mailto:jgriffin@griffinhumphries.com)

---

By: 

Eric Byrd, Vice President

# Exhibit 2

## Cost Estimate



**Waddell Mariculture Center**  
**100% Design Cost Estimate (Daily Reduction)**  
 Rev. 2

| Construction Item                                            | Quantity | Unit | Cost            | Extension  | Subtotal        |
|--------------------------------------------------------------|----------|------|-----------------|------------|-----------------|
| 1 Mobilization/Demobilization                                | 1        | LS   | \$ 125,000      | \$ 125,000 | \$ 125,000      |
| 2 General Conditions                                         |          |      |                 |            |                 |
| Supervision (Assuming 8 month Duration)                      |          |      |                 |            |                 |
| Superintendent (\$90/hr)                                     | 8        | mo   | \$ 15,500       | \$ 124,000 | no license      |
| Field Engineer (\$60/hr)                                     | 8        | mo   | \$ 10,300       | \$ 82,400  | no license      |
| Home Office Support (\$90/hr; 3/4 time for project duration) | 8        | mo   | \$ 13,700       | \$ 82,200  | no license      |
| Subsistence (\$600/wk/person for 8 person crew)              | 32       | wk   | \$ 3,000        | \$ 96,000  | no license      |
| Communications & Field Office Expense                        | 8        | mo   | \$ 300          | \$ 2,400   | no license      |
| Trailer (1 Trailer)                                          | 8        | mo   | \$ 300          | \$ 2,400   | no license      |
| Pickup Rental & Fuel (Two Pickups)                           | 18       | mo   | \$ 1,600        | \$ 28,800  | no license      |
| Excavator                                                    | 8        | mo   | \$ 6,600        | \$ 52,800  | no license      |
| Dump Truck                                                   | 8        | mo   | \$ 1,500        | \$ 12,000  | no license      |
|                                                              |          |      | <b>Subtotal</b> |            | \$ 482,000      |
| 3 Site                                                       |          |      |                 |            |                 |
| Demolition                                                   |          |      |                 |            |                 |
| Buried Piping (Labor for Operator & Labor)                   | 60       | HR   | \$ 75           | \$ 6,000   | no license      |
| Disposal (Tipping Fee)                                       | 3,000    | CY   | \$ 6            | \$ 18,000  | no license      |
| Hauling (Buried Pipe)                                        | 4,000    | CY   | \$ 15           | \$ 60,000  | no license      |
| Yard Piping                                                  |          |      |                 |            |                 |
| 10" DR17 HDPE                                                | 6,000    | LF   | \$ 108          | \$ 648,000 |                 |
| 8" DR17 HDPE                                                 | 256      | LF   | \$ 90           | \$ 23,040  |                 |
| 6" DR17 HDPE                                                 | 512      | LF   | \$ 72           | \$ 36,864  |                 |
| 10" Butterfly Valve                                          | 12       | EA   | \$ 7,900        | \$ 95,000  | \$ 787,904 WL   |
| Electrical and Controls                                      |          |      |                 |            |                 |
| Material                                                     | 1        | LS   | \$ 204,000      | \$ 204,000 |                 |
| Labor                                                        | 1        | LS   | \$ 289,500      | \$ 289,500 |                 |
| Tools & Equipment                                            | 1        | LS   | \$ 40,000       | \$ 40,000  | \$ 533,500 EL   |
|                                                              |          |      | <b>Subtotal</b> |            | \$ 1,415,404    |
| 4 Medium Pond                                                |          |      |                 |            |                 |
| Number of Ponds = 4                                          |          |      |                 |            |                 |
| Demolition                                                   |          |      |                 |            |                 |
| Labor for Operator & Labor                                   | 40       | HR   | \$ 75           | \$ 3,000   | no license      |
| Disposal (Tipping Fee)                                       | 100      | CY   | \$ 6            | \$ 600     | no license      |
| Hauling                                                      | 100      | CY   | \$ 15           | \$ 1,500   | no license      |
| Inner & Outlet                                               |          |      |                 |            |                 |
| Subgrade Preparation & Excavation                            | 72       | CY   | \$ 25           | \$ 1,800   |                 |
| Concrete (Slabs)                                             | 10       | CY   | \$ 1,800        | \$ 18,000  |                 |
| Concrete (Kerbs)                                             | 20       | CY   | \$ 1,800        | \$ 36,000  |                 |
| Concrete (Mount)                                             | 7        | CY   | \$ 1,800        | \$ 12,600  | \$ 68,400 CC    |
| HDPE Liner (34,000sf surface area + 10% for side slopes)     | 38,000   | SF   | \$ 4            | \$ 152,000 |                 |
| Handrail                                                     | 76       | LF   | \$ 40           | \$ 3,080   |                 |
| Grating                                                      | 100      | SF   | \$ 60           | \$ 6,000   |                 |
| Lock&S                                                       | 27       | LF   | \$ 50           | \$ 1,350   |                 |
| HSS 2x2x1/4                                                  | 18       | LF   | \$ 50           | \$ 900     |                 |
| HSS 1.5x1.5x1/4                                              | 18       | LF   | \$ 50           | \$ 900     |                 |
| S3x7                                                         | 89       | LF   | \$ 55           | \$ 3,795   | \$ 15,945 MM    |
| 2x4 Treated Pine Board                                       | 318      | LF   | \$ 10           | \$ 3,180   |                 |
| Piping and Valves                                            |          |      |                 |            |                 |
| 8" PVC Pipe                                                  | 125      | LF   | \$ 80           | \$ 10,000  |                 |
| 4" PVC Pipe                                                  | 50       | LF   | \$ 40           | \$ 2,000   |                 |
| 8" HDPE 45 Elbow                                             | 2        | EA   | \$ 200          | \$ 400     |                 |
| 8" Tee                                                       | 2        | EA   | \$ 800          | \$ 1,600   |                 |
| 8" 90 elbow                                                  | 2        | EA   | \$ 550          | \$ 1,100   |                 |
| 8" 45 elbow                                                  | 2        | EA   | \$ 550          | \$ 1,100   |                 |
| 8" butterfly valve                                           | 3        | EA   | \$ 5,000        | \$ 15,000  |                 |
| 8" Pinch Valve                                               | 1        | EA   | \$ 5,000        | \$ 5,000   |                 |
| 8" to 4" reducer                                             | 1        | EA   | \$ 500          | \$ 500     |                 |
| 8" 90 elbow                                                  | 6        | EA   | \$ 100          | \$ 600     |                 |
| 4" Tee                                                       | 1        | EA   | \$ 140          | \$ 140     |                 |
| 4" Pinch Valve                                               | 2        | EA   | \$ 1,500        | \$ 3,000   |                 |
| 10" Dia Knife Gate                                           | 2        | EA   | \$ 15,000       | \$ 30,000  | \$ 1,260,260 WL |
|                                                              |          |      | <b>Subtotal</b> |            | \$ 1,260,260 WL |
| 5 Head Tower Rehab                                           |          |      |                 |            |                 |
| Recoat Tower Interior                                        | 2,000    | SF   | \$ 50           | \$ 100,000 |                 |
| Recoat Tower Exterior                                        | 2,000    | SF   | \$ 20           | \$ 40,000  |                 |
| Replace/Change Overflows (24" Dia)                           | 100      | LF   | \$ 240          | \$ 24,000  |                 |
| Misc. Pipe Supports and Limit Seats                          | 1        | LS   | \$ 25,000       | \$ 25,000  |                 |
| Modify Drain - New Piping (8" dia), and cleanout             | 76       | LF   | \$ 80           | \$ 6,080   |                 |
| 8" DIA BPF                                                   | 4        | EA   | \$ 5,000        | \$ 20,000  |                 |
| Reroute inflow piping to allow backflushing (8" dia PVC)     | 75       | LF   | \$ 60           | \$ 4,500   |                 |
| 8" dia BPF                                                   | 8        | EA   | \$ 4,000        | \$ 32,000  |                 |
| Misc. Concrete Coring and Repair                             | 1        | LS   | \$ 40,000       | \$ 40,000  |                 |
| 10" GW Piping                                                | 50       | LF   | \$ 200          | \$ 10,000  |                 |
| 10" GW Piping                                                | 60       | LF   | \$ 140          | \$ 8,400   |                 |
| 12" SW Piping                                                | 75       | LF   | \$ 240          | \$ 18,000  |                 |
| 10" DIA Valve                                                | 5        | EA   | \$ 7,500        | \$ 37,500  |                 |
|                                                              |          |      | <b>Subtotal</b> |            | \$ 405,000 WL   |
| 6 Head Tower Rehab                                           |          |      |                 |            |                 |
| Recoat Tower Interior                                        | 2,000    | SF   | \$ 50           | \$ 100,000 |                 |
| Recoat Tower Exterior                                        | 2,000    | SF   | \$ 20           | \$ 40,000  |                 |
| Replace/Change Overflows (24" Dia)                           | 100      | LF   | \$ 240          | \$ 24,000  |                 |
| Misc. Pipe Supports and Limit Seats                          | 1        | LS   | \$ 25,000       | \$ 25,000  |                 |
| Modify Drain - New Piping (8" dia), and cleanout             | 76       | LF   | \$ 80           | \$ 6,080   |                 |
| 8" DIA BPF                                                   | 4        | EA   | \$ 5,000        | \$ 20,000  |                 |
| Reroute inflow piping to allow backflushing (8" dia PVC)     | 75       | LF   | \$ 60           | \$ 4,500   |                 |
| 8" dia BPF                                                   | 8        | EA   | \$ 4,000        | \$ 32,000  |                 |
| Misc. Concrete Coring and Repair                             | 1        | LS   | \$ 40,000       | \$ 40,000  |                 |
| 10" GW Piping                                                | 50       | LF   | \$ 200          | \$ 10,000  |                 |
| 10" GW Piping                                                | 60       | LF   | \$ 140          | \$ 8,400   |                 |
| 12" SW Piping                                                | 75       | LF   | \$ 240          | \$ 18,000  |                 |
| 10" DIA Valve                                                | 5        | EA   | \$ 7,500        | \$ 37,500  |                 |
|                                                              |          |      | <b>Subtotal</b> |            | \$ 405,000 WL   |
| 7 Head Tower Rehab                                           |          |      |                 |            |                 |
| Recoat Tower Interior                                        | 2,000    | SF   | \$ 50           | \$ 100,000 |                 |
| Recoat Tower Exterior                                        | 2,000    | SF   | \$ 20           | \$ 40,000  |                 |
| Replace/Change Overflows (24" Dia)                           | 100      | LF   | \$ 240          | \$ 24,000  |                 |
| Misc. Pipe Supports and Limit Seats                          | 1        | LS   | \$ 25,000       | \$ 25,000  |                 |
| Modify Drain - New Piping (8" dia), and cleanout             | 76       | LF   | \$ 80           | \$ 6,080   |                 |
| 8" DIA BPF                                                   | 4        | EA   | \$ 5,000        | \$ 20,000  |                 |
| Reroute inflow piping to allow backflushing (8" dia PVC)     | 75       | LF   | \$ 60           | \$ 4,500   |                 |
| 8" dia BPF                                                   | 8        | EA   | \$ 4,000        | \$ 32,000  |                 |
| Misc. Concrete Coring and Repair                             | 1        | LS   | \$ 40,000       | \$ 40,000  |                 |
| 10" GW Piping                                                | 50       | LF   | \$ 200          | \$ 10,000  |                 |
| 10" GW Piping                                                | 60       | LF   | \$ 140          | \$ 8,400   |                 |
| 12" SW Piping                                                | 75       | LF   | \$ 240          | \$ 18,000  |                 |
| 10" DIA Valve                                                | 5        | EA   | \$ 7,500        | \$ 37,500  |                 |
|                                                              |          |      | <b>Subtotal</b> |            | \$ 405,000 WL   |
| 8 Head Tower Rehab                                           |          |      |                 |            |                 |
| Recoat Tower Interior                                        | 2,000    | SF   | \$ 50           | \$ 100,000 |                 |
| Recoat Tower Exterior                                        | 2,000    | SF   | \$ 20           | \$ 40,000  |                 |
| Replace/Change Overflows (24" Dia)                           | 100      | LF   | \$ 240          | \$ 24,000  |                 |
| Misc. Pipe Supports and Limit Seats                          | 1        | LS   | \$ 25,000       | \$ 25,000  |                 |
| Modify Drain - New Piping (8" dia), and cleanout             | 76       | LF   | \$ 80           | \$ 6,080   |                 |
| 8" DIA BPF                                                   | 4        | EA   | \$ 5,000        | \$ 20,000  |                 |
| Reroute inflow piping to allow backflushing (8" dia PVC)     | 75       | LF   | \$ 60           | \$ 4,500   |                 |
| 8" dia BPF                                                   | 8        | EA   | \$ 4,000        | \$ 32,000  |                 |
| Misc. Concrete Coring and Repair                             | 1        | LS   | \$ 40,000       | \$ 40,000  |                 |
| 10" GW Piping                                                | 50       | LF   | \$ 200          | \$ 10,000  |                 |
| 10" GW Piping                                                | 60       | LF   | \$ 140          | \$ 8,400   |                 |
| 12" SW Piping                                                | 75       | LF   | \$ 240          | \$ 18,000  |                 |
| 10" DIA Valve                                                | 5        | EA   | \$ 7,500        | \$ 37,500  |                 |
|                                                              |          |      | <b>Subtotal</b> |            | \$ 405,000 WL   |
| 9 Head Tower Rehab                                           |          |      |                 |            |                 |
| Recoat Tower Interior                                        | 2,000    | SF   | \$ 50           | \$ 100,000 |                 |
| Recoat Tower Exterior                                        | 2,000    | SF   | \$ 20           | \$ 40,000  |                 |
| Replace/Change Overflows (24" Dia)                           | 100      | LF   | \$ 240          | \$ 24,000  |                 |
| Misc. Pipe Supports and Limit Seats                          | 1        | LS   | \$ 25,000       | \$ 25,000  |                 |
| Modify Drain - New Piping (8" dia), and cleanout             | 76       | LF   | \$ 80           | \$ 6,080   |                 |
| 8" DIA BPF                                                   | 4        | EA   | \$ 5,000        | \$ 20,000  |                 |
| Reroute inflow piping to allow backflushing (8" dia PVC)     | 75       | LF   | \$ 60           | \$ 4,500   |                 |
| 8" dia BPF                                                   | 8        | EA   | \$ 4,000        | \$ 32,000  |                 |
| Misc. Concrete Coring and Repair                             | 1        | LS   | \$ 40,000       | \$ 40,000  |                 |
| 10" GW Piping                                                | 50       | LF   | \$ 200          | \$ 10,000  |                 |
| 10" GW Piping                                                | 60       | LF   | \$ 140          | \$ 8,400   |                 |
| 12" SW Piping                                                | 75       | LF   | \$ 240          | \$ 18,000  |                 |
| 10" DIA Valve                                                | 5        | EA   | \$ 7,500        | \$ 37,500  |                 |
|                                                              |          |      | <b>Subtotal</b> |            | \$ 405,000 WL   |
| 10 Head Tower Rehab                                          |          |      |                 |            |                 |
| Recoat Tower Interior                                        | 2,000    | SF   | \$ 50           | \$ 100,000 |                 |
| Recoat Tower Exterior                                        | 2,000    | SF   | \$ 20           | \$ 40,000  |                 |
| Replace/Change Overflows (24" Dia)                           | 100      | LF   | \$ 240          | \$ 24,000  |                 |
| Misc. Pipe Supports and Limit Seats                          | 1        | LS   | \$ 25,000       | \$ 25,000  |                 |
| Modify Drain - New Piping (8" dia), and cleanout             | 76       | LF   | \$ 80           | \$ 6,080   |                 |
| 8" DIA BPF                                                   | 4        | EA   | \$ 5,000        | \$ 20,000  |                 |
| Reroute inflow piping to allow backflushing (8" dia PVC)     | 75       | LF   | \$ 60           | \$ 4,500   |                 |
| 8" dia BPF                                                   | 8        | EA   | \$ 4,000        | \$ 32,000  |                 |
| Misc. Concrete Coring and Repair                             | 1        | LS   | \$ 40,000       | \$ 40,000  |                 |
| 10" GW Piping                                                | 50       | LF   | \$ 200          | \$ 10,000  |                 |
| 10" GW Piping                                                | 60       | LF   | \$ 140          | \$ 8,400   |                 |
| 12" SW Piping                                                | 75       | LF   | \$ 240          | \$ 18,000  |                 |
| 10" DIA Valve                                                | 5        | EA   | \$ 7,500        | \$ 37,500  |                 |
|                                                              |          |      | <b>Subtotal</b> |            | \$ 405,000 WL   |
| 11 Head Tower Rehab                                          |          |      |                 |            |                 |
| Recoat Tower Interior                                        | 2,000    | SF   | \$ 50           | \$ 100,000 |                 |
| Recoat Tower Exterior                                        | 2,000    | SF   | \$ 20           | \$ 40,000  |                 |
| Replace/Change Overflows (24" Dia)                           | 100      | LF   | \$ 240          | \$ 24,000  |                 |
| Misc. Pipe Supports and Limit Seats                          | 1        | LS   | \$ 25,000       | \$ 25,000  |                 |
| Modify Drain - New Piping (8" dia), and cleanout             | 76       | LF   | \$ 80           | \$ 6,080   |                 |
| 8" DIA BPF                                                   | 4        | EA   | \$ 5,000        | \$ 20,000  |                 |
| Reroute inflow piping to allow backflushing (8" dia PVC)     | 75       | LF   | \$ 60           | \$ 4,500   |                 |
| 8" dia BPF                                                   | 8        | EA   | \$ 4,000        | \$ 32,000  |                 |
| Misc. Concrete Coring and Repair                             | 1        | LS   | \$ 40,000       | \$ 40,000  |                 |
| 10" GW Piping                                                | 50       | LF   | \$ 200          | \$ 10,000  |                 |
| 10" GW Piping                                                | 60       | LF   | \$ 140          | \$ 8,400   |                 |
| 12" SW Piping                                                | 75       | LF   | \$ 240          | \$ 18,000  |                 |
| 10" DIA Valve                                                | 5        | EA   | \$ 7,500        | \$ 37,500  |                 |
|                                                              |          |      | <b>Subtotal</b> |            | \$ 405,000 WL   |
| 12 Head Tower Rehab                                          |          |      |                 |            |                 |
| Recoat Tower Interior                                        | 2,000    | SF   | \$ 50           | \$ 100,000 |                 |
| Recoat Tower Exterior                                        | 2,000    | SF   | \$ 20           | \$ 40,000  |                 |
| Replace/Change Overflows (24" Dia)                           | 100      | LF   | \$ 240          | \$ 24,000  |                 |
| Misc. Pipe Supports and Limit Seats                          | 1        | LS   | \$ 25,000       | \$ 25,000  |                 |
| Modify Drain - New Piping (8" dia), and cleanout             | 76       | LF   | \$ 80           | \$ 6,080   |                 |
| 8" DIA BPF                                                   | 4        | EA   | \$ 5,000        | \$ 20,000  |                 |
| Reroute inflow piping to allow backflushing (8" dia PVC)     | 75       | LF   | \$ 60           | \$ 4,500   |                 |
| 8" dia BPF                                                   | 8        | EA   | \$ 4,000        | \$ 32,000  |                 |
| Misc. Concrete Coring and Repair                             | 1        | LS   | \$ 40,000       | \$ 40,000  |                 |
| 10" GW Piping                                                | 50       | LF   | \$ 200          | \$ 10,000  |                 |
| 10" GW Piping                                                | 60       | LF   | \$ 140          | \$ 8,400   |                 |
| 12" SW Piping                                                | 75       | LF   | \$ 240          | \$ 18,000  |                 |
| 10" DIA Valve                                                | 5        | EA   | \$ 7,500        | \$ 37,500  |                 |
|                                                              |          |      | <b>Subtotal</b> |            | \$ 405,000 WL   |
| 13 Head Tower Rehab                                          |          |      |                 |            |                 |
| Recoat Tower Interior                                        | 2,000    | SF   | \$ 50           | \$ 100,000 |                 |
| Recoat Tower Exterior                                        | 2,000    | SF   | \$ 20           | \$ 40,000  |                 |
| Replace/Change Overflows (24" Dia)                           | 100      | LF   | \$ 240          | \$ 24,000  |                 |
| Misc. Pipe Supports and Limit Seats                          | 1        | LS   | \$ 25,000       | \$ 25,000  |                 |
| Modify Drain - New Piping (8" dia), and cleanout             | 76       | LF   | \$ 80           | \$ 6,080   |                 |
| 8" DIA BPF                                                   | 4        | EA   | \$ 5,000        | \$ 20,000  |                 |
| Reroute inflow piping to allow backflushing (8" dia PVC)     | 75       | LF   | \$ 60           | \$ 4,500   |                 |
| 8" dia BPF                                                   | 8        | EA   | \$ 4,000        | \$ 32,000  |                 |
| Misc. Concrete Coring and Repair                             | 1        | LS   | \$ 40,000       | \$ 40,000  |                 |
| 10" GW Piping                                                | 50       | LF   | \$ 200          | \$ 10,000  |                 |
| 10" GW Piping                                                | 60       | LF   | \$ 140          | \$ 8,400   |                 |
| 12" SW Piping                                                | 75       | LF   | \$ 240          | \$ 18,000  |                 |
| 10" DIA Valve                                                | 5        | EA   | \$ 7,500        | \$ 37,500  |                 |
|                                                              |          |      | <b>Subtotal</b> |            | \$ 405,000 WL   |
| 14 Head Tower Rehab                                          |          |      |                 |            |                 |
| Recoat Tower Interior                                        | 2,000    | SF   | \$ 50           | \$ 100,000 |                 |
| Recoat Tower Exterior                                        | 2,000    | SF   | \$ 20           | \$ 40,000  |                 |
| Replace/Change Overflows (24" Dia)                           | 100      | LF   | \$ 240          | \$ 24,000  |                 |
| Misc. Pipe Supports and Limit Seats                          | 1        | LS   | \$ 25,000       | \$ 25,000  |                 |
| Modify Drain - New Piping (8" dia), and cleanout             | 76       | LF   | \$ 80           | \$ 6,080   |                 |
| 8" DIA BPF                                                   | 4        | EA   | \$ 5,000        | \$ 20,000  |                 |
| Reroute inflow piping to allow backflushing (8" dia PVC)     | 75       | LF   | \$ 60           | \$ 4,500   |                 |
| 8" dia BPF                                                   | 8        | EA   | \$ 4,000        | \$ 32,000  |                 |
| Misc. Concrete Coring and Repair                             | 1        | LS   | \$ 40,000       | \$ 40,000  |                 |
| 10" GW Piping                                                | 50       | LF   | \$ 200          | \$ 10,000  |                 |
| 10" GW Piping                                                | 60       | LF   | \$ 140          | \$ 8,400   |                 |
| 12" SW Piping                                                | 75       | LF   | \$ 240          | \$ 18,000  |                 |
| 10" DIA Valve                                                | 5        | EA   | \$ 7,500        | \$ 37,500  |                 |
|                                                              |          |      | <b>Subtotal</b> |            | \$ 405,000 WL   |
| 15 Head Tower Rehab                                          |          |      |                 |            |                 |
| Recoat Tower Interior                                        | 2,000    | SF   | \$ 50           | \$ 100,000 |                 |
| Recoat Tower Exterior                                        | 2,000    | SF   | \$ 20           | \$ 40,000  |                 |
| Replace/Change Overflows (24" Dia)                           | 100      | LF   | \$ 240          | \$ 24,000  |                 |
| Misc. Pipe Supports and Limit Seats                          | 1        | LS   | \$ 25,000       | \$ 25,000  |                 |
| Modify Drain - New Piping (8" dia), and cleanout             | 76       | LF   | \$ 80           | \$ 6,080   |                 |
| 8" DIA BPF                                                   | 4        | EA   | \$ 5,000        | \$ 20,000  |                 |
| Reroute inflow piping to allow backflushing (8" dia PVC)     | 75       | LF   | \$ 60           | \$ 4,500   |                 |
| 8" dia BPF                                                   | 8        | EA   | \$ 4,000        | \$ 32,000  |                 |
| Misc. Concrete Coring and Repair                             | 1        | LS   | \$ 40,000       | \$ 40,000  |                 |
| 10" GW Piping                                                | 50       | LF   | \$ 200          | \$ 10,000  |                 |
|                                                              |          |      |                 |            |                 |

RECEIVED

May 05 2026

SC Court of Appeals

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Appellate Case No. 2026-000914  
Panel Case No. 2025-5

---

In Re: Haren Construction Co., Inc.

Project No. P24-6052-PG  
Beaufort-Waddell Mariculture  
Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

**PROOF OF SERVICE**

---

I, Jaime Harmon, legal assistant at Griffin Humphries LLC, attorneys for the Appellant, located at 8906 Two Notch Road, Suite 200, Columbia, South Carolina 29223, hereby certify that on May 5, 2026, I have served all counsel in this action a copy of the **Paragon Inc. of South Carolina, LLC d/b/a Paragon Builders' Reply in Support of Motion to Stay and Request for Expedited Briefing Schedule** by emailing a copy to each attorney listed below using their primary email address listed in the Attorney Information System.

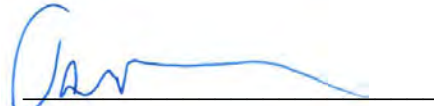
Served:

Stephen O'Keefe  
Edgar Brown Building  
1205 Pendleton Street, Suite 366  
Columbia, SC 29201  
Stephen.Keefe@prp.sc.gov  
*General Counsel, South Carolina Procurement Review Panel*

Greg Placone  
Nick Nybo  
Hudson Lambert Parrott, LLC  
176 Croghan Spur  
Charleston, SC 29407  
gplacone@hlpwlaw.com  
nicknybo@hlpwlaw.com  
***Attorneys for Haren Construction Co., Inc.***

Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, SC 29201  
mgrier@ogc.sc.gov  
***Attorney for the Chief Procurement Officer***

Van Whitehead  
Susan O. Porter  
S.C. Department of Natural Resources  
260 D. Epting Lane  
West Columbia, SC 29172  
whiteheadv@dnr.sc.gov  
porters@dnr.sc.gov  
***Attorneys for S.C. Department of Natural Resources***

  
Jaime Harmon

Columbia, South Carolina  
May 5, 2026

**RECEIVED**

**May 29 2026**

**SC Court of Appeals**

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Appellate Case No. 2026-000914  
Panel Case No. 2025-5

---

In Re: Haren Construction Co., Inc.

Project No. P24-6052-PG Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

**RESPONDENT HAREN CONSTRUCTION CO., INC'S PETITION FOR  
REVIEW OF THE COURT'S ORDER DATED MAY 20, 2026 GRANTING APPELLANT  
PARAGON, INC. OF SOUTH CAROLINA, LLC'S MOTION TO STAY**

---

Pursuant to Rule 241(d)(2) & (7), SCACR, Respondent Haren Construction Co., Inc. ("Haren") respectfully petitions the full Court for review of this Court's Order dated May 20, 2026 granting Appellant Paragon Inc. of South Carolina, LLC's ("Paragon") Motion to Stay.

**INTRODUCTION**

This appeal arises from Paragon's bid protest challenging the South Carolina Department of Natural Resources' ("SCDNR") solicitation and intent to award Haren Construction Co., Inc. ("Haren") a contract to renovate the Waddell Mariculture facility in Beaufort County.

On April 22, 2026, Paragon moved to stay the relief ordered by the South Carolina Procurement Review Panel (the “**Panel**”) pending resolution of this appeal, seeking to prevent Haren from commencing performance of the contract. On April 30, 2026, Haren filed a return opposing the motion, explaining that the relief Paragon seeks, award of the contract or a re-bid, is no longer available under the South Carolina Procurement Code because the contract had already been awarded to Haren. On May 7, 2026, the Court entered a temporary stay and directed the parties to submit memoranda addressing whether SCDNR had awarded the contract to Haren.

On May 14 and May 15, 2026, SCDNR and Haren submitted memoranda in response to the May 7, 2026 Order. Haren explained that the contract was “awarded” to Haren and formed no later than May 4, 2026, when SCDNR returned the fully executed contract documents to Haren. Haren further explained that, although the contract documents identify May 22, 2026 as the contract’s effective date, the solicitation expressly provided that the successful bid would be accepted and the contract formed upon execution of the contract documents.

On May 20, 2026, the Court granted Paragon’s Motion to Stay, finding that “[t]he memorandums and supporting documentation evidence that SCDNR sent Haren contract documents on April 22, 2026, following Paragon filing its motion to stay, and that the contract was entered into as of May 22, 2026.”

Haren respectfully maintains that the contract was awarded no later than May 4, 2026, when SCDNR returned the fully executed contract documents to Haren, not May 22, 2026. Because SCDNR has already awarded the contract to Haren, the relief Paragon seeks—award of the contract or a re-bid—is no longer available under the South Carolina Procurement Code. Paragon’s remaining remedies under the Procurement Code will not be affected by Haren

commencing performance of the contract. Therefore, a stay is unnecessary to preserve jurisdiction of the appeal or to prevent a contested issue from becoming moot.

### **STANDARD OF REVIEW**

Rule 241, SCACR requires the Court to determine whether a stay is “necessary to preserve jurisdiction of the appeal or to prevent a contested issue from becoming moot.” Rule 241(c)(2), SCACR. Rule 241(d)(2), SCACR further provides that “[u]pon the issuance of a final order by an individual judge or justice, an aggrieved party may petition the full appellate court for review of that decision.” In addition, Rule 241(d)(7), SCACR further provides that [a]ny party aggrieved by the decision of ... an individual judge or justice may petition under this Rule for a review of that decision.”

### **ARGUMENT**

#### **I. THE CONTRACT WAS “AWARDED” AND FORMED NO LATER THAN MAY 4, 2026, WHEN SCDNR ACCEPTED HAREN’S BID BY RETURNING THE EXECUTED CONTRACT DOCUMENTS TO HAREN.**

The term “award” is used throughout the South Carolina Procurement Code but is not defined. The undersigned counsel is unable to locate any decision by a South Carolina court or administrative body squarely addressing when exactly an award of contract occurs under the Procurement Code.<sup>1</sup>

---

<sup>1</sup> At least one court has observed that it may be unclear what constitutes an “award” under a state’s Procurement Code. *See Motorola Sols., Inc. v. Utah Commc’ns Auth.*, 2019 UT 66, 455 P.3d 91, 93 n.8. For example, the term “award” may refer to an earlier step in the procurement process than contract execution or formation, such as the point when the successful offeror is selected. Given this uncertainty, Haren argued in its April 30, 2026 Return to Paragon’s Motion to Stay that the contract had already been awarded to it. Haren maintains, however, that the contract was awarded in this case *no later* than May 4, 2026, when SCDNR returned the fully executed contract documents to Haren. In any event, the remedies available under the Procurement Code are unaffected even if the contract was “awarded” on an earlier date than May 4, 2026.

The Panel has interpreted the word “accepted” in the bid process to mean “awarded.” See *In Re: Protest of Burkwood Construction Company, Inc.; Appeal By Burkwood Construction Company, Inc.*, Panel Case No. 1997-8, 1997 WL 33477959 (S.C. Procure. Rev. Panel June 11, 1997) (holding that “accepted,” as used in S.C. Code Ann. § 11-35-3020(2)(b)(iii), means “awarded”). Relatedly, the Panel has treated contract formation as the event that limits a disappointed bidder to the post-award remedies authorized by S.C. Code Ann. § 11-35-4310. See *In re Appeal by Public Consulting Group, Inc.*, Panel Case No. 2018-2(II), 2018 WL 3917698, at \*3 n.1 (S.C. Procure. Rev. Panel June 18, 2018). See also *In Re: Protest of Business Systems of South Carolina, Inc., Appeal By American Specialty Office Products, Inc.*, Panel Case No. 2002-3, 2002 WL 31955065, at \*2 (S.C. Procure. Rev. Panel Apr. 24, 2002) (finding that contract was entered into when agency posted the award and issued a purchase order).

Consistent with this Panel precedent, Section 5.3 of the Instructions to Bidders is titled “Acceptance of Bid (**Award**)”.<sup>2</sup> The SE-370 Notice of Intent to Award likewise provides that “[t]he successful bid will be accepted and the contract formed by execution of the contract documents.” Read together, these provisions confirm that the contract is “awarded” upon bid acceptance and contract formation. That occurred no later than May 4, 2026, when SCDNR returned the fully executed contract documents to Haren. Neither document ties the “award” to the contract’s effective date.

This reading is consistent with South Carolina law and basic contract principles. Cf. *Electro-Lab of Aiken, Inc. v. Sharp Constr. Co. of Sumter*, 357 S.C. 363, 370, 593 S.E.2d 170, 174 (Ct. App. 2004) (“To be effective, acceptance of the bid must convey assent to the terms of the bid

---

<sup>2</sup> South Carolina Division of Procurement Services, Office of State Engineer Version of AIA Document A701 – 2018, § 5.3, attached as **Ex. 1** (emphasis added).

by a return promise or mutual intent to be bound.”); 17 *C.J.S. Contracts* § 81 (West April 2026 Update) (“[T]he acceptance of the bid makes the contract in accordance with the terms of the proposals.” (footnote omitted)); 17A *Am. Jur. 2d Contracts* § 65 (West May 2026 Update) (“The moment of acceptance is the moment the contract is created.”).

The Federal Acquisition Regulation (FAR) and decisions applying it likewise confirm that a government contract award occurs when the contracting officer executes the contract and communicates acceptance to the successful offeror—not on the contract’s effective date. *See* FAR 15.504 (providing that the contracting officer shall award a contract by furnishing the executed contract or other notice of award to the successful offeror); *Favor Techconsulting, LLC v. United States*, 129 Fed. Cl. 208, 212 (2016) (stating that a contract is not awarded until the contracting officer signs the document); *Caddell Constr. Co., LLC v. United States*, 120 Fed. Cl. 724, 726 (Fed. Cl. 2015) (explaining that an award requires the contracting officer to sign and mail the award letter and that a binding contract does not exist until delivery); *JEM Transport, Inc. v. United States*, 120 Fed. Cl. 189, 195–96 (2015) (same); *Emeco Industries, Inc. v. United States*, 202 Ct. Cl. 1006, 485 F.2d 652 (1973) (holding that acceptance must be communicated to the offeror).

## **II. THE CONTRACT’S EFFECTIVE DATE DOES NOT DETERMINE WHEN THE AWARD OCCURRED.**

In government contracting, an “effective date” often marks the start of the period of performance, not the moment the Government accepts an offer and makes an award. *See* FAR 11.403(a)(2) (permitting time for performance to be stated as “the date of award or acceptance by the Government” or “the date shown as the effective date of the contract”). For administrative or practical reasons, agencies may set a delayed effective date after execution to allow completion of pre-performance requirements. *See, e.g., Sims v. United States*, 112 Fed. Cl. 808, 811–13 (2013) (solicitation distinguished award date from effective date to allow security-clearance procedures



before performance); *see also DynCorp Info. Sys., LLC v. United States*, 58 Fed. Cl. 446, 456 (2003) (“[T]he effective date of a contract is not a rigid concept, but one that the parties can fix to take account of the realities of when they have agreed to be bound.”).

That delayed effective date was used here for these same reasons. SCDNR sent Haren the contract documents and bond forms for execution on April 22, 2026, and the parties used a delayed effective date of May 22, 2026 to allow time for Haren to purchase and provide the required bonds.<sup>3</sup> Ultimately, the buffer to obtain bonding was not even necessary but was incorporated as a standard industry practice, separate and apart from Paragon’s dispute over the award or the requested stay. The May 22, 2026 effective date, however, does not alter that SCDNR “awarded” the contract under all available legal guidance and industry practice no later than May 4, 2026, when SCDNR returned the fully executed contract documents to Haren.

### **III. THE RELIEF PARAGON SEEKS TO PRESERVE THROUGH A STAY IS NO LONGER AVAILABLE UNDER THE SOUTH CAROLINA PROCUREMENT CODE.**

The relief Paragon seeks, an award of the contract or a rebid, is available only before contract award. S.C. Code Ann. § 11-35-4310(2) provides that “[i]f, prior to award of a contract, it is determined that a solicitation or proposed award of a contract is in violation of law, then the solicitation or proposed award may be: (a) canceled; (b) revised to comply with the law and rebid; or (c) awarded in a manner that complies with the provisions of this code.”

By contrast, once a contract is awarded, the Procurement Code limits relief to the remedies in § 11-35-4310(3): “[i]f, after an award of a contract, it is determined that the solicitation or award is in violation of the law: (a) the contract may be ratified and affirmed, provided it is in the interest of the State; or (b) the contract may be terminated and the payment of such damages, if any, as

---

<sup>3</sup> *See* SCDNR Memorandum to Court at 7 & n.12 (May 14, 2026).

may be provided in the contract, may be awarded.” S.C. Code Ann. § 11-35-4310(4) further authorizes “a reasonable reimbursement amount, including reimbursement of reasonable bid preparation costs,” for a bidder who claims it should have received the award. Nothing in the statute ties the available remedies to the contract’s effective date.

The Panel has consistently held that the pre-award remedies in § 11-35-4310(2) are unavailable after a contract has been awarded. *See In re Appeal by Public Consulting Group, Inc.*, Panel Case No. 2018-2(II), 2018 WL 3917698, at \*3 n.1 (S.C. Procure. Rev. Panel June 18, 2018) (“In light of contract formation, the remedies available to PCG with regard to that contract are limited to those enumerated in section 11-35-4310(3) of the Procurement Code[.]”); *In Re: Protest of Business Systems of South Carolina, Inc., Appeal By American Specialty Office Products, Inc.*, Panel Case No. 2002-3, 2002 WL 31955065, at \*2 (S.C. Procure. Rev. Panel Apr. 24, 2002) (holding that, because the protest was decided after the agency posted the award and issued a purchase order, the CPO exceeded his authority by rescinding the award and re-awarding the contract because that remedy is not authorized by § 11-35-4310(3)).

Courts construing similar procurement statutes that distinguish pre- and post-award relief have reached the same conclusion. *See Motorola Sols., Inc. v. Utah Commc'ns Auth.*, 2019 UT 66, ¶ 18, 455 P.3d 91, 95 (holding that a motion to stay seeking to prevent contract execution was moot where the agency executed the contract four days before the court of appeals entered a temporary stay); *CARL Corp. v. State, Dep't of Educ.*, 85 Haw. 431, 449–50, 946 P.2d 1, 19–20 (1997) (“This case provides an example of the difference in available remedies once the contract has been awarded. ... Had the contract not been executed, the relief CARL seeks would have been available.”).

The distinction between pre- and post-award remedies reflects a practical reality: before award, cancellation, rebidding, or award to the protestor may be feasible; after award, the parties typically are preparing to perform or have begun performance, and those remedies would cause unnecessary delay in time-sensitive public projects.<sup>4</sup> Accordingly, the disappointed bidder is limited to the post-award remedies authorized by statute. *Id.* at \*1–2 (“[I]njunctive relief is not the appropriate remedy for a disappointed bidder when public interest considerations are present and when a claim for damages is available, even if the bidder is limited to recovery of bid preparation costs.”).

Paragon cannot justify a stay based on the need to preserve relief that is no longer available under the Procurement Code. Rather, a stay is unnecessary to preserve the post-award remedies: contract termination or ratification under § 11-35-4310(3), and reasonable bid preparation costs under § 11-35-4310(4). Those remedies will remain viable even if Haren commences performance of the contract. If Paragon succeeds on appeal, then SCDNR could terminate or ratify the contract regardless of whether Haren has commenced performance, and Paragon could seek to recover its reasonable bid preparation costs.

### **CONCLUSION**

For the foregoing reasons, Haren respectfully requests that the Court lift the stay in this matter.

---

<sup>4</sup> The parties agree that the project is time-sensitive. *See* Ex. 13 to Paragon’s Motion to Stay, at 1 (Apr. 22, 2026). The Panel has explained that “the public has a strong interest in having procurements of vital goods and services by the State proceed without disruption and delay.” *In re Protest of Gregory Electric Co.*, Panel Case No. 1989-17(III), 1990 WL 10008052, at \*2 (S.C. Procure. Rev. Panel Jan. 26, 1990). “It would be intolerable for any frustrated bidder to render uncertain for a prolonged period of time government contracts which are vital to the functions performed by the sovereign.” *Id.* (quoting *M. Steinthal & Co. v. Seamans*, 455 F.2d 1289, 1303 (D.C. Cir. 1971) (internal quotation marks omitted)).

HUDSON LAMBERT PARROTT, LLC

s/D. Gregory Placone

D. Gregory Placone, SC Bar No. 100722

201 W. McBee Ave., Suite 450

Greenville, SC 29601

PH: (864) 235-5535

FX: (864) 235-6866

gplacone@hlpwlaw.com

P. Nicholas (Nick) Nybo, SC Bar No. 105825

176 Croghan Spur, Suite 220

Charleston, SC 29407

PH: (843) 321-9970

nicknybo@hlpwlaw.com

*Attorneys for Haren Construction Co., Inc.*

May 29, 2026

# Exhibit 1



# **BEAUFORT-WADDELL MARICULTURE MATURATION PONDS MAINTENANCE – RE-BID**

## **AIA A701 INSTRUCTIONS TO BIDDERS**

**South Carolina Division of Procurement  
Services, Office of State Engineer Version of  
 AIA® Document A701™ – 2018**

***Instructions to Bidders***

This version of AIA Document A701™–2018 is modified by the South Carolina Division of Procurement Services, Office of State Engineer ("SCOSE"). Publication of this version of AIA Document A701–2018 does not imply the American Institute of Architects' endorsement of any modification by SCOSE. A comparative version of AIA Document A701–2018 showing additions and deletions by SCOSE is available for review on the SCOSE Web site.

Cite this document as "AIA Document A701™– 2018, Instructions to Bidders — SCOSE Version," or "AIA Document A701™–2018 — SCOSE Version."

# South Carolina Division of Procurement Services, Office of State Engineer Version of AIA Document A701™ – 2018

## Instructions to Bidders

for the following Project:

*(Name, State Project Number, location, and detailed description)*

Beaufort - Waddell Mariculture Maturation Pond Maintenance Re-Bid

P24-6052-MJ

211 Sawmill Creek Road, Bluffton, SC 29910

### THE OWNER:

*(Name, legal status, address, and other information)*

South Carolina Department of Natural Resources

P.O. Box 167

Columbia, SC 29202

The Owner is a Governmental Body of the State of South Carolina as defined by S.C. Code Ann. § 11-35-310.

### THE ARCHITECT:

*(Name, legal status, address, and other information)*

Schnabel Engineering

250 S 5th Street, Suite 510

Boise, ID 83702

This version of AIA Document A701-2018 is modified by the South Carolina Division of Procurement Services, Office of State Engineer. Publication of this version of AIA Document A701 does not imply the American Institute of Architects' endorsement of any modification by South Carolina Division of Procurement Services, Office of State Engineer. A comparative version of AIA Document A701-2018 showing additions and deletions by the South Carolina Division of Procurement Services, Office of State Engineer is available for review on South Carolina state Web site.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

## TABLE OF ARTICLES

- 1 DEFINITIONS
- 2 BIDDER'S REPRESENTATIONS
- 3 BIDDING DOCUMENTS
- 4 BIDDING PROCEDURES
- 5 CONSIDERATION OF BIDS
- 6 POST-BID INFORMATION
- 7 PERFORMANCE BOND AND PAYMENT BOND
- 8 ENUMERATION OF THE PROPOSED CONTRACT DOCUMENTS



**ARTICLE 1 DEFINITIONS**

§ 1.1 Bidding Documents include the Bidding Requirements and the Proposed Contract Documents. The Bidding Requirements consist of the advertisement or invitation to bid, Instructions to Bidders, supplementary instructions to bidders, the bid form, and any other bidding forms. The Proposed Contract Documents consist of the unexecuted form of Agreement between the Owner and Contractor and that Agreement's Exhibits, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, all Addenda, and all other documents enumerated in Article 8 of these Instructions.

§ 1.1.1 Any reference in this document to the Agreement between the Owner and Contractor, AIA Document A101, or some abbreviated reference thereof, shall mean the AIA Document A101-2017 Standard Form of Agreement Between Owner and Contractor, SCOSE Version. Any reference in this document to the General Conditions of the Contract for Construction, AIA Document A201, or some abbreviated reference thereof, shall mean the AIA Document A201-2017 General Conditions of the Contract for Construction, SCOSE Version.

§ 1.2 Definitions set forth in the General Conditions of the Contract for Construction, or in other Proposed Contract Documents apply to the Bidding Documents.

§ 1.3 Addenda are written or graphic instruments issued by the Architect, which, by additions, deletions, clarifications, or corrections, modify or interpret the Bidding Documents.

§ 1.4 A Bid is a complete and properly executed proposal to do the Work for the sums stipulated therein, submitted in accordance with the Bidding Documents.

§ 1.5 The Base Bid is the sum stated in the Bid for which the Bidder offers to perform the Work described in the Bidding Documents, to which Work may be added or deleted by sums stated in Alternate Bids.

§ 1.6 An Alternate Bid (or Alternate) is an amount stated in the Bid to be added to or deducted from, or that does not change, the Base Bid if the corresponding change in the Work, as described in the Bidding Documents, is accepted.

§ 1.7 A Unit Price is an amount stated in the Bid as a price per unit of measurement for materials, equipment, or services, or a portion of the Work, as described in the Bidding Documents.

§ 1.8 A Bidder is a person or entity who submits a Bid.

§ 1.9 A Sub-bidder is a person or entity who submits a bid to a Bidder for materials, equipment, or labor for a portion of the Work.

**ARTICLE 2 BIDDER'S REPRESENTATIONS**

§ 2.1 By submitting a Bid, the Bidder represents that:

- .1 the Bidder has read and understands the Bidding Documents;
- .2 the Bidder understands how the Bidding Documents relate to other portions of the Project, if any, being bid concurrently or presently under construction;
- .3 the Bid complies with the Bidding Documents;
- .4 the Bidder has visited the site, become familiar with local conditions under which the Work is to be performed, has correlated the Bidder's observations with the requirements of the Proposed Contract Documents, and accepts full responsibility for any pre-bid existing conditions that would affect the Bid that could have been ascertained by a site visit. As provided in S.C. Code Ann. Reg. 19-445.2042(B), a bidder's failure to attend an advertised pre-bid conference will not excuse its responsibility for estimating properly the difficulty and cost of successfully performing the work, or for proceeding to successfully perform the work without additional expense to the State;
- .5 the Bid is based upon the materials, equipment, and systems required by the Bidding Documents without exception;
- .6 the Bidder has read and understands the provisions for liquidated damages, if any, set forth in the form of Agreement between the Owner and Contractor; and
- .7 the Bidder understands that it may be required to accept payment by electronic funds transfer (EFT).

**§ 2.2 Certification of Independent Price Determination**

§ 2.2.1 GIVING FALSE, MISLEADING, OR INCOMPLETE INFORMATION ON THIS CERTIFICATION MAY RENDER YOU SUBJECT TO PROSECUTION UNDER SC CODE OF LAWS §16-9-10 AND OTHER APPLICABLE LAWS.

Init.

§ 2.2.2 By submitting a Bid, the Bidder certifies that:

- .1 The prices in this Bid have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder or competitor relating to:
  - .1 those prices;
  - .2 the intention to submit a Bid; or
  - .3 the methods or factors used to calculate the prices offered.
- .2 The prices in this Bid have not been and will not be knowingly disclosed by the Bidder, directly or indirectly, to any other bidder or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
- .3 No attempt has been made or will be made by the Bidder to induce any other concern to submit or not to submit a Bid for the purpose of restricting competition.

§ 2.2.3 Each signature on the Bid is considered to be a certification by the signatory that the signatory:

- .1 Is the person in the Bidder's organization responsible for determining the prices being offered in this Bid, and that the signatory has not participated and will not participate in any action contrary to Section 2.2.2 of this certification; or
- .2 Has been authorized, in writing, to act as agent for the Bidder's principals in certifying that those principals have not participated, and will not participate in any action contrary to Section 2.2.2 of this certification [As used in this subdivision, the term "principals" means the person(s) in the Bidder's organization responsible for determining the prices offered in this Bid];
- .3 As an authorized agent, does certify that the principals referenced in Section 2.2.3.2 of this certification have not participated, and will not participate, in any action contrary to Section 2.2.2 of this certification; and
- .4 As an agent, has not personally participated, and will not participate, in any action contrary to Section 2.2.2 of this certification.

§ 2.2.4 If the Bidder deletes or modifies Section 2.2.2.2 of this certification, the Bidder must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

§ 2.2.5 Drug Free Workplace Certification

By submitting a Bid, the Bidder certifies that, if awarded a contract, Bidder will comply with all applicable provisions of The Drug-free Workplace Act, S.C. Code Ann. 44-107-10, et seq.

§ 2.2.6 Certification Regarding Debarment and Other Responsibility Matters

§ 2.2.6.1 By submitting a Bid, Bidder certifies, to the best of its knowledge and belief, that:

- .1 Bidder and/or any of its Principals-
  - .1 Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any state or federal agency;
  - .2 Have not, within a three-year period preceding this Bid, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of bids; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and
  - .3 Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in Section 2.2.6.1.1.2 of this provision.
- .2 Bidder has not, within a three-year period preceding this Bid, had one or more contracts terminated for default by any public (Federal, state, or local) entity.
- .3 "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

§ 2.2.6.2 Bidder shall provide immediate written notice to the Procurement Officer if, at any time prior to contract award, Bidder learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

Init.

§ 2.2.6.3 If Bidder is unable to certify the representations stated in Section 2.2.6.1, Bidder must submit a written explanation regarding its inability to make the certification. The certification will be considered in connection with a review of the Bidder's responsibility. Failure of the Bidder to furnish additional information as requested by the Procurement Officer may render the Bidder non-responsible.

§ 2.2.6.4 Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by Section 2.2.6.1 of this provision. The knowledge and information of a Bidder is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

§ 2.2.6.5 The certification in Section 2.2.6.1 of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Bidder knowingly or in bad faith rendered an erroneous certification, in addition to other remedies available to the State, the Procurement Officer may terminate the contract resulting from this solicitation for default.

### § 2.2.7 Ethics Certificate

By submitting a Bid, the Bidder certifies that the Bidder has and will comply with, and has not, and will not, induce a person to violate Title 8, Chapter 13 of the SC Code of Laws, as amended (Ethics Act). The following statutes require special attention: S.C. Code Ann. §8-13-700, regarding use of official position for financial gain; S.C. Code Ann. §8-13-705, regarding gifts to influence action of public official; S.C. Code Ann. §8-13-720, regarding offering money for advice or assistance of public official; S.C. Code Ann. §8-13-755 and §8-13-760, regarding restrictions on employment by former public official; S.C. Code Ann. §8-13-775, prohibiting public official with economic interests from acting on contracts; S.C. Code Ann. §8-13-790, regarding recovery of kickbacks; S.C. Code Ann. §8-13-1150, regarding statements to be filed by consultants; and S.C. Code Ann. §8-13-1342, regarding restrictions on contributions by contractor to candidate who participated in awarding of contract. The State may rescind any contract and recover all amounts expended as a result of any action taken in violation of this provision. If the contractor participates, directly or indirectly, in the evaluation or award of public contracts, including without limitation, change orders or task orders regarding a public contract, the contractor shall, if required by law to file such a statement, provide the statement required by S.C. Code Ann. §8-13-1150 to the Procurement Officer at the same time the law requires the statement to be filed.

### § 2.2.8 Restrictions Applicable To Bidders & Gifts

Violation of these restrictions may result in disqualification of your Bid, suspension or debarment, and may constitute a violation of the state Ethics Act.

§ 2.2.8.1 After issuance of the solicitation, Bidder agrees not to discuss this procurement activity in any way with the Owner or its employees, agents or officials. All communications must be solely with the Procurement Officer. This restriction may be lifted by express written permission from the Procurement Officer. This restriction expires once a contract has been formed.

§ 2.2.8.2 Unless otherwise approved in writing by the Procurement Officer, Bidder agrees not to give anything to the Owner, any affiliated organizations, or the employees, agents or officials of either, prior to award.

§ 2.2.8.3 Bidder acknowledges that the policy of the State is that a governmental body should not accept or solicit a gift, directly or indirectly, from a donor if the governmental body has reason to believe the donor has or is seeking to obtain contractual or other business or financial relationships with the governmental body. SC Regulation 19-445.2165(C) broadly defines the term donor.

### § 2.2.9 Open Trade Representation

By submitting a Bid, the Bidder represents that Bidder is not currently engaged in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in S.C. Code Ann. §11-35-5300.

## ARTICLE 3 BIDDING DOCUMENTS

### § 3.1 Distribution

§ 3.1.1 Bidders shall obtain complete Bidding Documents from the issuing office designated in the advertisement or invitation to bid, for the deposit sum, if any, stated therein.

Init.

§ 3.1.2 Any required deposit shall be refunded to all plan holders who return the paper Bidding Documents in good condition within ten (10) days after receipt of Bids. The cost to replace missing or damaged paper documents will be deducted from the deposit. A Bidder receiving a Contract award may retain the paper Bidding Documents, and the Bidder's deposit will be refunded.

§ 3.1.3 Reserved

§ 3.1.4 Bidders shall use complete Bidding Documents in preparing Bids. Neither the Owner nor Architect assumes responsibility for errors or misinterpretations resulting from the use of incomplete Bidding Documents.

§ 3.1.5 The Bidding Documents will be available for the sole purpose of obtaining Bids on the Work. No license or grant of use is conferred by distribution of the Bidding Documents.

§ 3.1.6 All persons obtaining Bidding Documents from the issuing office designated in the advertisement shall provide that office with Bidder's contact information to include the Bidder's name, telephone number, mailing address, and email address.

§ 3.2 Modification or Interpretation of Bidding Documents

§ 3.2.1 The Bidder shall carefully study the Bidding Documents, shall examine the site and local conditions, and shall notify the Architect of errors, inconsistencies, or ambiguities discovered and request clarification or interpretation pursuant to Section 3.2.2. Failure to do so will be at the Bidder's risk. Bidder assumes responsibility for any patent ambiguity that Bidder does not bring to the Architect's attention prior to Bid Opening.

§ 3.2.2 Requests for clarification or interpretation of the Bidding Documents shall be submitted by the Bidder in writing and shall be received by the Architect at least ten (10) days prior to the date for receipt of Bids.

§ 3.2.3 Modifications, corrections, changes, and interpretations of the Bidding Documents shall be made by Addendum. Modifications, corrections, changes, and interpretations of the Bidding Documents made in any other manner shall not be binding, and Bidders shall not rely upon them.

§ 3.2.4 As provided in S.C. Code Ann. Reg. 19-445.2042(B), nothing stated at the Pre-bid conference shall change the Bidding Documents unless a change is made by Addendum.

§ 3.3 Substitutions

§ 3.3.1 The materials, products, and equipment described in the Bidding Documents establish a standard of required function, dimension, appearance, and quality to be met by any proposed substitution. Where "brand name or equal" is used in the Bidding Documents, the listing description is not intended to limit or restrict competition.

§ 3.3.2 Substitution Process

§ 3.3.2.1 Written requests for substitutions shall be received by the Architect at least ten (10) days prior to the date for receipt of Bids. Requests shall be submitted in the same manner as that established for submitting clarifications and interpretations in Section 3.2.2.

§ 3.3.2.2 Bidders shall submit substitution requests on a Substitution Request Form if one is provided in the Bidding Documents.

§ 3.3.2.3 If a Substitution Request Form is not provided, requests shall include (1) the name of the material or equipment specified in the Bidding Documents; (2) the reason for the requested substitution; (3) a complete description of the proposed substitution including the name of the material or equipment proposed as the substitute, performance and test data, and relevant drawings; and (4) any other information necessary for an evaluation. The request shall include a statement setting forth changes in other materials, equipment, or other portions of the Work, including changes in the work of other contracts or the impact on any Project Certifications (such as LEED), that will result from incorporation of the proposed substitution.

§ 3.3.2.4 No request to substitute materials, products, or equipment for materials, products, or equipment described in the Bidding Documents and no request for addition of a manufacturer or supplier to a list of approved manufacturers or suppliers in the Bidding Documents will be considered prior to receipt of Bids unless written request for approval has been received by the Architect at least ten (10) days prior to the date for receipt of Bids established in the invitation to bid.

Init.

Any subsequent extension of the date for receipt of Bids by addendum shall not extend the date for receipt of such requests unless the addendum so specifies. A statement setting forth changes in other materials, equipment or other portions of the Work, including changes in the Work of other contracts that incorporation of the proposed substitution would require, shall be included.

§ 3.3.3 The burden of proof of the merit of the proposed substitution is upon the proposer. The Architect's decision of approval or disapproval of a proposed substitution shall be final.

§ 3.3.4 If the Architect approves a proposed substitution prior to receipt of Bids, such approval shall be set forth in an Addendum. Approvals made in any other manner shall not be binding, and Bidders shall not rely upon them.

§ 3.3.5 No substitutions will be considered after the Contract award unless specifically provided for in the Contract Documents.

#### § 3.4 Addenda

§ 3.4.1 Addenda will be transmitted to Bidders known by the issuing office to have received complete Bidding Documents.

§ 3.4.2 Addenda will be available where Bidding Documents are on file.

§ 3.4.3 Addenda will be issued at least five (5) business days before the day of the Bid Opening, except an Addendum withdrawing the request for Bids or one which includes postponement of the date for receipt of Bids. A business day runs from midnight to midnight and excludes weekends and state and federal holidays.

§ 3.4.4 Prior to submitting a Bid, each Bidder shall ascertain that the Bidder has received all Addenda issued, and the Bidder shall acknowledge their receipt in the Bid.

§ 3.4.5 When the date for receipt of Bids is to be postponed and there is insufficient time to issue an Addendum prior to the original Bid Date, the Owner will notify prospective Bidders by telephone or other appropriate means with immediate follow up with an Addendum. This Addendum will verify the postponement of the original Bid Date and establish a new Bid Date. The new Bid Date will be no earlier than the fifth (5th) business day after the date of issuance of the Addendum postponing the original Bid Date.

§ 3.4.6 If an emergency or unanticipated event interrupts normal government processes so that Bids cannot be received at the government office designated for receipt of Bids by the exact time specified in the solicitation, the time specified for receipt of Bids will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal government processes resume. In lieu of an automatic extension, an Addendum may be issued to reschedule Bid Opening. If state offices are closed in the county in which Bids are to be received at the time a pre-bid or pre-proposal conference is scheduled, an Addendum will be issued to reschedule the conference. Bidders shall visit <https://www.sceind.org/closings/> for information concerning closings.

### ARTICLE 4 BIDDING PROCEDURES

#### § 4.1 Preparation of Bids

§ 4.1.1 Bids shall be submitted on the forms included with or identified in the Bidding Documents.

§ 4.1.2 All blanks on the Bid Form shall be legibly executed. Paper bid forms shall be executed in a non-erasable medium.

§ 4.1.3 Sums shall be expressed in numbers.

§ 4.1.4 Interlineations, alterations and erasures must be initialed by the signer of the Bid. Bidder shall not make stipulations or qualify his Bid in any manner not permitted on the Bid Form. An incomplete Bid or information not requested that is written on or attached to the Bid Form that could be considered a qualification of the Bid, may be cause for rejection of the Bid.

§ 4.1.5 All requested Alternates shall be bid. The failure of the Bidder to indicate a price for an Alternate shall render the Bid non-responsive. Indicate the change to the Base Bid by entering the dollar amount and marking, as appropriate, the box for "ADD TO" or "DEDUCT FROM". If no change in the Base Bid is required, enter "ZERO" or "No Change".

§ 4.1.6 Pursuant to S.C. Code Ann. § 11-35-3020(b)(i), as amended, Section 7 of the Bid Form sets forth a list of proposed subcontractors for which the Bidder is required to identify those subcontractors the Bidder will use to perform the work listed. Bidder must follow the instructions in the Bid Form for filling out this section of the Bid Form. Failure to properly fill out Section 7 may result in rejection of Bidder's bid as non-responsive.

§ 4.1.7 Contractors and subcontractors listed in Section 7 of the Bid Form who are required by the South Carolina Code of Laws to be licensed, must be licensed as required by law at the time of bidding.

§ 4.1.8 Each copy of the Bid shall state the legal name and legal status of the Bidder. Each copy of the Bid shall be signed by the person or persons legally authorized to bind the Bidder to a contract.

§ 4.1.9 A Bidder shall incur all costs associated with the preparation of its Bid.

#### § 4.2 Bid Security

§ 4.2.1 If required by the invitation to bid, each Bid shall be accompanied by a bid security in an amount of not less than five percent of the Base Bid. The bid security shall be a bid bond or a certified cashier's check.

§ 4.2.2 The Bidder pledges to enter into a Contract with the Owner on the terms stated in the Bid and shall, if required, furnish bonds covering the faithful performance of the Contract and payment of all obligations arising thereunder. Should the Bidder refuse to enter into such Contract or fail to furnish such bonds if required, the amount of the bid security shall be forfeited to the Owner as liquidated damages, not as a penalty.

§ 4.2.3 If a surety bond is required as bid security, it shall be written on AIA Document A310™, Bid Bond and the attorney-in-fact who executes the bond on behalf of the surety shall affix to the bond a certified and current copy of an acceptable power of attorney. The Bid Bond shall:

- .1 be issued by a surety company licensed to do business in South Carolina;
- .2 be issued by a surety company having, at a minimum, a "Best Rating" of "A" as stated in the most current publication of "Best's Key Rating Guide, Property-Casualty", which company shows a financial strength rating of at least five (5) times the contract price.
- .3 be enclosed in the bid envelope at the time of Bid Opening, either in paper copy or as an electronic bid bond authorization number provided on the Bid Form and issued by a firm or organization authorized by the surety to receive, authenticate and issue binding electronic bid bonds on behalf the surety.

§ 4.2.4 The Owner will have the right to retain the bid security of Bidders to whom an award is being considered until either (a) the Contract has been executed and performance and payment bonds, if required, have been furnished; (b) the specified time has elapsed so that Bids may be withdrawn; or (c) all Bids have been rejected.

§ 4.2.5 By submitting a Bid Bond via an electronic bid bond authorization number on the Bid Form and signing the Bid Form, the Bidder certifies that an electronic bid bond has been executed by a Surety meeting the standards required by the Bidding Documents and the Bidder and Surety are firmly bound unto the State of South Carolina under the conditions provided in this Section 4.2.

#### § 4.3 Submission of Bids

§ 4.3.1 A Bidder shall submit its Bid as indicated below:

§ 4.3.2 All paper copies of the Bid, the bid security, and any other documents required to be submitted with the Bid shall be enclosed in a sealed opaque envelope. The envelope shall, unless hand delivered by the Bidder, be addressed to the Owner's designated purchasing office as shown in the invitation to bid. The envelope shall be identified with the Project name, the Bidder's name and address, and, if applicable, the designated portion of the Work for which the Bid is submitted. If the Bid is sent by mail, or special delivery service (UPS, Federal Express, etc.), the sealed envelope shall be labelled "SEALED BID ENCLOSED" on the face thereof. Bidders hand delivering their Bids shall deliver Bids to the place of the Bid Opening as shown in the invitation for bids. Whether or not Bidders attend the Bid Opening, they shall give their Bids to the Owner's Procurement Officer or his/her designee as shown in the invitation to bid prior to the time of the Bid Opening.

§ 4.3.3 Bids shall be submitted by the date and time and at the place indicated in the invitation to bid. Bids submitted after the date and time for receipt of Bids, or at an incorrect place, will not be accepted.

§ 4.3.4 The Bidder shall assume full responsibility for timely delivery at the location designated for receipt of Bids.

§ 4.3.5 A Bid submitted by any method other than as provided in this Section 4.3 will not be accepted. Oral, telephonic, telegraphic, facsimile or other electronically transmitted bids will not be considered.

§ 4.3.6 The official time for receipt of Bids will be determined by reference to the clock designated by the Owner's Procurement Officer or his/her designee. The Procurement Officer conducting the Bid Opening will determine and announce that the deadline has arrived and no further Bids or bid modifications will be accepted. All Bids and bid modifications in the possession of the Procurement Officer at the time the announcement is completed will be timely, whether or not the bid envelope has been date/time stamped or otherwise marked by the Procurement Officer.

#### § 4.4 Modification or Withdrawal of Bid

§ 4.4.1 Prior to the date and time designated for receipt of Bids, a Bidder may submit a new Bid to replace a Bid previously submitted, or withdraw its Bid entirely, by notice to the party designated to receive the Bids. Such notice shall be received and duly recorded by the receiving party on or before the date and time set for receipt of Bids. The receiving party shall verify that replaced or withdrawn Bids are removed from the other submitted Bids and not considered. Notice of submission of a replacement Bid or withdrawal of a Bid shall be worded so as not to reveal the amount of the original Bid.

§ 4.4.2 Withdrawn Bids may be resubmitted up to the date and time designated for the receipt of Bids in the same format as that established in Section 4.3, provided they fully conform with these Instructions to Bidders. Bid security shall be in an amount sufficient for the Bid as resubmitted.

### ARTICLE 5 CONSIDERATION OF BIDS

#### § 5.1 Opening of Bids

Bids received on time will be publicly opened and read aloud. The Owner will not read aloud Bids that the Owner determines, at the time of opening, to be non-responsive.

§ 5.1.1 At Bid Opening, the Owner will announce the date and location of the posting of the Notice of Intend to Award. If the Owner determines to award the Project, the Owner will, after posting a Notice of Intend to Award, send a copy of the Notice to all Bidders.

§ 5.1.2 The Owner will send a copy of the final Bid Tabulation to all Bidders within ten (10) working days of the Bid Opening.

§ 5.1.3 If only one Bid is received, the Owner will open and consider the Bid.

#### § 5.2 Rejection of Bids

§ 5.2.1 The Owner shall have the right to reject any or all Bids. A Bid not accompanied by a required bid security or by other data required by the Bidding Documents, or a Bid which is in any way incomplete or irregular is subject to rejection.

§ 5.2.2 The reasons for which the Owner will reject Bids include, but are not limited to:

- .1 Failure by a Bidder to be represented at a Mandatory Pre-Bid Conference or site visit;
- .2 Failure to deliver the Bid on time;
- .3 Failure to comply with Bid Security requirements, except as expressly allowed by law;
- .4 Listing an invalid electronic Bid Bond authorization number on the Bid Form;
- .5 Failure to Bid an Alternate, except as expressly allowed by law;
- .6 Failure to list qualified subcontractors as required by law;
- .7 Showing any material modification(s) or exception(s) qualifying the Bid;
- .8 Faxing a Bid directly to the Owner or Owner's representative; or
- .9 Failure to include a properly executed Power-of-Attorney with the Bid Bond.

§ 5.2.3 The Owner may reject a Bid as nonresponsive if the prices bid are materially unbalanced between line items or sub-line items. A Bid is materially unbalanced when it is based on prices significantly less than cost for some work and prices which are significantly overstated in relation to cost for other work, and if there is a reasonable doubt that the Bid

Init.

will result in the lowest overall cost to the Owner even though it may be the low evaluated Bid, or if it is so unbalanced as to be tantamount to allowing an advance payment.

### § 5.3 Acceptance of Bid (Award)

§ 5.3.1 It is the intent of the Owner to award a Contract to the lowest responsive and responsible Bidder, provided the Bid has been submitted in accordance with the requirements of the Bidding Documents and does not exceed available funds. The Owner shall have the right to waive informalities and irregularities in a Bid received and to accept the Bid which, in the Owner's judgment, is in the Owner's best interests.

§ 5.3.2 The Owner shall have the right to accept Alternates in any order or combination, unless otherwise specifically provided in the Bidding Documents, and to determine the lowest responsive and responsible Bidder on the basis of the sum of the Base Bid and Alternates accepted.

## ARTICLE 6 POST-BID INFORMATION

### § 6.1 Contractor's Responsibility

Owner will make a determination of Bidder's responsibility before awarding a contract. Bidder shall provide all information and documentation requested by the Owner to support the Owner's evaluation of responsibility. Failure of Bidder to provide requested information is cause for the Owner, at its option, to determine the Bidder to be non-responsible.

### § 6.2 Reserved

### § 6.3 Submittals

§ 6.3.1 After notification of selection for the award of the Contract, the Bidder shall, as soon as practicable or as stipulated in the Bidding Documents, submit in writing to the Owner through the Architect:

- .1 a designation of the Work to be performed with the Bidder's own forces;
- .2 names of the principal products and systems proposed for the Work and the manufacturers and suppliers of each; and
- .3 names of persons or entities (including those who are to furnish materials or equipment fabricated to a special design) proposed for the principal portions of the Work.

### § 6.4 Posting of Intent To Award

The Notice of Intent to Award will be posted at the following location:

**Room or Area of Posting:** Lobby

**Building Where Posted:** SCDNR Headquarters

**Address of Building:** 260 D. Epting Lane, West Columbia, SC 29172

**WEB site address (if applicable):**

**Posting date will be announced at Bid Opening.** In addition to posting the Notice, the Owner will promptly send all responsive Bidders a copy of the Notice of Intent to Award and the final bid tabulation

### § 6.5 Protest of Solicitation or Award

§ 6.5.1 If you are aggrieved in connection with the solicitation or award of a contract, you may be entitled to protest, but only as provided in S.C. Code Ann. § 11-35-4210. To protest a solicitation, you must submit a protest within fifteen (15) days of the date the applicable solicitation document is issued. To protest an award, you must (i) submit notice of your intent to protest within seven (7) business days of the date the award notice is posted, and (ii) submit your actual protest within fifteen (15) days of the date the award notice is posted. Days are calculated as provided in Section 11-35-310(13). Both protests and notices of intent to protest must be in writing and must be received by the State Engineer within the time provided. The grounds of the protest and the relief requested must be set forth with enough particularity to give notice of the issues to be decided.

§ 6.5.2 Any protest must be addressed to the CPO, Office of State Engineer, and submitted in writing:

- .1 by email to protest-ose@mmo.sc.gov,
- .2 by facsimile at 803-737-0639, or
- .3 by post or delivery to 1201 Main Street, Suite 600, Columbia, SC 29201.

By submitting a protest to the foregoing email address, you (and any person acting on your behalf) consent to receive communications regarding your protest (and any related protests) at the e-mail address from which you sent your protest.



**ARTICLE 7 PERFORMANCE BOND AND PAYMENT BOND****§ 7.1 Bond Requirements**

§ 7.1.1 If stipulated in the Bidding Documents, the Bidder shall furnish bonds covering the faithful performance of the Contract and payment of all obligations arising thereunder.

§ 7.1.2 If the furnishing of such bonds is stipulated in the Bidding Documents, the cost shall be included in the Bid.

§ 7.1.3 The Bidder shall provide surety bonds from a company or companies lawfully authorized to issue surety bonds in the state of South Carolina.

§ 7.1.4 Unless otherwise indicated below, the Penal Sum of the Payment and Performance Bonds shall be the amount of 100% of the Contract Sum.

**§ 7.2 Time of Delivery of Contract, Certificates of Insurance, and Form of Bonds**

§ 7.2.1 Following expiration of the protest period, the Owner will forward the Contract for Construction to the Bidder for signature. The Bidder shall return the fully executed Contract for Construction to the Owner within seven (7) days. The Bidder shall deliver the required bonds and certificate of insurance to the Owner not later than three (3) days following the date of execution of the Contract. Failure to deliver these documents as required shall entitle the Owner to consider the Bidder's failure as a refusal to enter into a contract in accordance with the terms and conditions of the Bidder's Bid and to make claim on the Bid Security for re-procurement cost.

§ 7.2.2 Unless otherwise provided, the bonds shall be written on the Performance Bond and Payment Bond forms included in the Bid Documents.

§ 7.2.3 The bonds shall be dated on or after the date of the Contract.

§ 7.2.4 The Bidder shall require the attorney-in-fact who executes the required bonds on behalf of the surety to affix to the bond a certified and current copy of the power of attorney.

**ARTICLE 8 ENUMERATION OF THE PROPOSED CONTRACT DOCUMENTS**

§ 8.1 Copies of the proposed Contract Documents have been made available to the Bidder and consist of the following documents:

- .1 AIA Document A101™-2017, Standard Form of Agreement Between Owner and Contractor, SCOSE Version.
- .2 AIA Document A101™-2017, Exhibit A, Insurance and Bonds, SCOSE Version.
- .3 AIA Document A201™-2017, General Conditions of the Contract for Construction, SCOSE Version.
- .4 Drawings

| Number           | Title | Date |
|------------------|-------|------|
| See Attachment 1 |       |      |

- .5 Specifications

| Section          | Title | Date | Pages |
|------------------|-------|------|-------|
| See Attachment 2 |       |      |       |

Init.

**.6 Addenda:**

| Number | Date | Pages |
|--------|------|-------|
|--------|------|-------|

**.7 Other Exhibits:**

*(Check all boxes that apply and include appropriate information identifying the exhibit where required.)*

- ☐ AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, dated as indicated below:
- ☐ AIA Document E204™–2017, Sustainable Projects Exhibit, dated as indicated below:
- ☐ The Sustainability Plan:
- ☐ Supplementary and other Conditions of the Contract:

**.8 Other documents listed below:**

*(List here any additional documents that are intended to form part of the Proposed Contract Documents.)*

**ARTICLE 9 Miscellaneous****§ 9.1 Nonresident Taxpayer Registration Affidavit Income Tax Withholding Important Tax Notice - Nonresidents Only**

**§ 9.1.1 Withholding Requirements for Payments to Nonresidents:** SC Code of Laws §12-8-550 requires persons hiring or contracting with a nonresident conducting a business or performing personal services of a temporary nature within South Carolina to withhold 2% of each payment made to the nonresident. The withholding requirement does not apply to (1) payments on purchase orders for tangible personal property when the payments are not accompanied by services to be performed in South Carolina, (2) nonresidents who are not conducting business in South Carolina, (3) nonresidents for contracts that do not exceed \$10,000 in a calendar year, or (4) payments to a nonresident who (a) registers with either the S.C. Department of Revenue or the S.C. Secretary of State and (b) submits a Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to the person letting the contract.

**§ 9.1.2** For information about other withholding requirements (e.g., employee withholding), contact the Withholding Section at the South Carolina Department of Revenue at 803-898-5383 or visit the Department's website at: [www.sclax.org](http://www.sclax.org)

**§ 9.1.3** This notice is for informational purposes only. This Owner does not administer and has no authority over tax issues. All registration questions should be directed to the License and Registration Section at 803-898-5872 or to the South Carolina Department of Revenue, Registration Unit, Columbia, S.C. 29214-0140. All withholding questions should be directed to the Withholding Section at 803-898-5383.

PLEASE SEE THE "NONRESIDENT TAXPAYER REGISTRATION AFFIDAVIT INCOME TAX WITHHOLDING" FORM (Available through SC Department of Revenue).

Init.

**§ 9.2 Submitting Confidential Information**

**§ 9.2.1** For every document the Bidder submits in response to or with regard to this solicitation or request, the Bidder must separately mark with the word "CONFIDENTIAL" every page, or portion thereof, that the Bidder contends contains information that is exempt from public disclosure because it is either (a) a trade secret as defined in Section 30-4-40(a)(1), or (b) privileged & confidential, as that phrase is used in SC Code of Laws §11-35-410.

**§ 9.2.2** For every document the Bidder submits in response to or with regard to this solicitation or request, the Bidder must separately mark with the words "TRADE SECRET" every page, or portion thereof, that the Bidder contends contains a trade secret as that term is defined by SC Code of Laws §39-8-20.

**§ 9.2.3** For every document the Bidder submits in response to or with regard to this solicitation or request, the Bidder must separately mark with the word "PROTECTED" every page, or portion thereof, that the Bidder contends is protected by SC Code of Laws §11-35-1810.

**§ 9.2.4** All markings must be conspicuous; use color, bold, underlining, or some other method in order to conspicuously distinguish the mark from the other text. Do not mark your entire Bid as confidential, trade secret, or protected! If your Bid, or any part thereof, is improperly marked as confidential or trade secret or protected, the State may, in its sole discretion, determine it nonresponsive. If only portions of a page are subject to some protection, do not mark the entire page.

**§ 9.2.5** By submitting a response to this solicitation, Bidder (1) agrees to the public disclosure of every page of every document regarding this solicitation or request that was submitted at any time prior to entering into a contract (including, but not limited to, documents contained in a response, documents submitted to clarify a response, & documents submitted during negotiations), unless the page is conspicuously marked "TRADE SECRET" or "CONFIDENTIAL" or "PROTECTED", (2) agrees that any information not marked, as required by these bidding instructions, as a "Trade Secret" is not a trade secret as defined by the Trade Secrets Act, & (3) agrees that, notwithstanding any claims or markings otherwise, any prices, commissions, discounts, or other financial figures used to determine the award, as well as the final contract amount, are subject to public disclosure.

**§ 9.2.6** In determining whether to release documents, the State will detrimentally rely on the Bidders' marking of documents, as required by these bidding instructions, as being either "Confidential" or "Trade Secret" or "PROTECTED".

**§ 9.2.7** By submitting a response, the Bidder agrees to defend, indemnify & hold harmless the State of South Carolina, its officers & employees, from every claim, demand, loss, expense, cost, damage or injury, including attorney's fees, arising out of or resulting from the State withholding information that Bidder marked as "confidential" or "trade secret" or "PROTECTED".

**§ 9.3 Solicitation Information From Sources Other Than Official Source**

South Carolina Business Opportunities (SCBO) is the official state government publication for State of South Carolina solicitations. Any information on State agency solicitations obtained from any other source is unofficial and any reliance placed on such information is at the Bidder's sole risk and is without recourse under the South Carolina Consolidated Procurement Code.

**§ 9.4 Builder's Risk Insurance**

Bidders are directed to Exhibit A of the AIA Document A101, 2017 SCOSE Version, which, unless provided otherwise in the Bid Documents, requires the contractor to provide builder's risk insurance on the project.

**§ 9.5 Tax Credit For Subcontracting With Minority Firms**

**§ 9.5.1** Pursuant to S.C. Code Ann. §12-6-3350, taxpayers, who utilize certified minority subcontractors, may take a tax credit equal to 4% of the payments they make to said subcontractors. The payments claimed must be based on work performed directly for a South Carolina state contract. The credit is limited to a maximum of fifty thousand dollars annually. The taxpayer is eligible to claim the credit for 10 consecutive taxable years beginning with the taxable year in which the first payment is made to the subcontractor that qualifies for the credit. After the above ten consecutive taxable years, the taxpayer is no longer eligible for the credit. The credit may be claimed on Form TC-2, "Minority Business Credit." A copy of the subcontractor's certificate from the Governor's Office of Small and Minority Business (OSMBA) is to be attached to the contractor's income tax return.

§ 9.5.2 Taxpayers must maintain evidence of work performed for a State contract by the minority subcontractor. Questions regarding the tax credit and how to file are to be referred to: SC Department of Revenue, Research and Review, Phone: (803) 898-5786, Fax: (803) 898-5888.

§ 9.5.3 The subcontractor must be certified as to the criteria of a "Minority Firm" by the Governor's Office of Small and Minority Business Assistance (OSMBA). Certificates are issued to subcontractors upon successful completion of the certification process. Questions regarding subcontractor certification are to be referred to: Governor's Office of Small and Minority Business Assistance, Phone: (803) 734-0657, Fax: (803) 734-2498. Reference: S.C. Code Ann. §11-35-5010 – Definition for Minority Subcontractor & S.C. Code Ann. §11-35-5230 (B) – Regulations for Negotiating with State Minority Firms.

## § 9.6 Other Special Conditions Of The Work

Init.

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Appellate Case No. 2026-000914  
Panel Case No. 2025-5

---

In Re: Haren Construction Co., Inc.

Project No. P24-6052-PG Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

**PROOF OF SERVICE**

---

The undersigned hereby certifies that on May 29, 2026, a copy of **Respondent Haren Construction Co., Inc's Petition for Review of the Court's Order Dated May 20, 2026 Granting Appellant Paragon, Inc. of South Carolina, LLC's Motion to Stay** was served on all counsel of record via email to counsels' individual AIS email addresses:

Stephen O'Keefe, General Counsel  
Edgar Brown Building  
1205 Pendleton Street, Suite 366  
Columbia, SC 29201  
Stephen.Keefe@prp.sc.gov

*Attorney for the South Carolina Procurement  
Review Panel*

Manton M. Grier, Jr., Esq.  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, South Carolina 29201  
mgrier@ogc.sc.gov

*Attorneys for the Chief Procurement Officer*

James M. Griffin, Esq.  
Griffin Humphries, LLC  
8906 Two Notch Road, Suite 200  
P.O. Box 999 (29202)  
Columbia, SC 29223  
jgriffin@griffinhumphries.com

*Attorney for Paragon Inc. of South Carolina,  
LLC*

Susan O. Porter, General Counsel  
PorterS@dnr.sc.gov  
Van Whitehead, Deputy General Counsel  
WhiteheadV@dnr.sc.gov  
South Carolina Department of Natural  
Resources  
P.O. Box 167  
Columbia, SC 29202

*Attorneys for the South Carolina Department  
of Natural Resources*

May 29, 2026



---

Elizabeth Herron, Legal Assistant

**RECEIVED**

**Jun 01 2026**

**SC Court of Appeals**

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Appellate Case No. 2026-000914  
Case No. 2025-5

---

In Re: Haren Construction, Co., Inc.

Project No. P24-6052-PG Beaufort-Waddell Mariculture Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

**SCDNR RETURN IN SUPPORT OF HAREN’S PETITION FOR REVIEW OF  
ORDER GRANTING STAY<sup>1</sup>**

---

The South Carolina Department of Natural Resources (“SCDNR” or “Department”) submits<sup>2</sup> this Return In Support of Respondent Haren Construction Co., Inc.’s Petition for Review of the Court’s Order Dated May 20, 2026 Granting Appellant Paragon, Inc. of South Carolina,

---

<sup>1</sup> The Department does not intend this Reply to be construed as a waiver or abandonment of the Department’s jurisdictional challenges reserved for argument before the Court. Accordingly, the Department does not adopt the specific arguments in Section III of Haren’s Petition.

<sup>2</sup> The Department’s opportunity to submit a return to a Petition under Rule 241(d)(2) and (7), SCACR, is a bit unclear given the interaction between Rules 240(e) and 241, SCACR. Therefore, in an abundance of caution and to the extent permitted by the Appellate Court Rules and/or the Court, the Department respectfully submits this return for the Court’s consideration.

LLC’s Motion to Stay (“Petition”). Rule 240(f), SCACR. As more fully explained herein, the Department supports Haren’s request that the Court grant the Petition and lift the stay in this matter.

## **ARGUMENTS**

Building upon the arguments presented in the Petition, the Department would highlight the following points undermining the imposition of a stay during the pendency of this appeal.

### **I. Paragon faces Jurisdictional and Threshold Challenges In This Appeal.**

The matters in dispute in this procurement action touch several areas of law creating layers for legal analysis. The Department has asserted consistently that Paragon Inc. of South Carolina, LLC (“Paragon”) is legally barred at the threshold from participating in the procurement action or mounting a challenge to the Department’s procurement action. See SCDNR Response In Opposition to Paragon’s Motion to Stay and Consent to Expedited Briefing; SCDNR Motion to Dismiss; SCDNR Reply to the Return of CPO to SCDNR’s Motion to Dismiss; and S.C. Code Ann. §§ 40-11-30, -200, and -370<sup>3</sup> (1976 & Supp. 2025). The Court’s May 20, 2026 Order preserved those arguments, among others, for further consideration in this appeal but they should weigh heavily in the scales of justice when deciding the matter of a stay.

### **II. SCDNR Contract Awarded Prior to May 4, 2026**

As discussed more fully in the Department’s May 14, 2026 Memorandum to the Court, the South Carolina Consolidated Procurement Code creates a process for awarding a contract and the Department made a conditional award of the disputed contract to Haren on October 20, 2025 that was stayed by operation of law until April 6, 2026<sup>4</sup> and, consistent with the solicitation process

---

<sup>3</sup> “An entity that enters into a contract to engage in construction in a name other than the name that appears on its license may not bring an action either at law or in equity to enforce the provisions of the contract.” S.C. Code Ann. § 40-11-370(C).

<sup>4</sup> The Procurement Review Panel denied motions for reconsideration on April 6, 2026 and affirmed the “Panel’s Order dated March 13, 2026, remains unchanged.” Therefore, the Department’s award determination was deemed released from the administrative review automatic stay by April 6, 2026 and was no longer conditional.



and bid commitments, the formality of executing the contract between SCDNR and Haren was complete on May 1, 2026.<sup>5</sup>

### **III. Stay Not Supported by South Carolina Procurement Review Panel, Chief Procurement Officer, or SCDNR**

When Paragon sought a stay before the South Carolina Procurement Review Panel, the Panel denied the stay. *See* Order Denying Motion To Stay (April 14, 2026) (Exhibit 14 on Paragon Motion to Stay and Request for Expedited Briefing Schedule). When Paragon sought the stay before this Court, the Chief Procurement Officer took “no position on the motion to stay.” *See* CPO Response to Motion to Stay and Request for Expedited Briefing Schedule. Finally, the Department opposed and continues to oppose the stay on the basis of Paragon having no entitlement to the stay and the substantial injury to the Department and public interest. *See* SCDNR Response In Opposition to Paragon’s Motion to Stay and Consent to Expedited Briefing. The General Assembly provided dedicated funding for this project in fiscal year 2021-2022<sup>6</sup> and the Department has diligently sought to procure the necessary services. Upon finally selecting Haren as an appropriate and lawfully qualified contractor, the timely and efficient activation of the General Assembly’s intended rehabilitation of mariculture infrastructure at the Waddell facility has been delayed by Paragon’s appeal over the last several months

### **CONCLUSION**

The Department respectfully requests that the Court grant Haren’s Petition and lift the stay imposed by the Court’s May 20, 2026 Order.

---

<sup>5</sup> The Department countersigned the contract documents on May 1, 2026 and mailed the same to Haren on May 4, 2026.

<sup>6</sup> To the extent the Court may take judicial notice of legislative enactments, including the State’s annual budget, the 2021-2022 Appropriations Act reflects line-item funding the upgrades in this procurement action.

Respectfully submitted,

s/ Van Whitehead

---

Susan O. Porter, General Counsel  
S.C. Bar No. 68335  
[PorterS@dnr.sc.gov](mailto:PorterS@dnr.sc.gov)

Van Whitehead, Deputy General Counsel  
S.C. Bar No. 70446  
[WhiteheadV@dnr.sc.gov](mailto:WhiteheadV@dnr.sc.gov)

South Carolina Department of Natural Resources  
P.O. Box 167  
Columbia, SC 29202  
(803) 734-4006

Attorneys for the South Carolina Department of  
Natural Resources

June 1, 2026

(SCDNR 25-0060)

(Ct. App. 2026-000914)

RECEIVED

Jun 01 2026

SC Court of Appeals

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Appellate Case No.2026-000914  
Case No. 2025-5

---

In Re: Haren Construction, Co., Inc.

Project No. P24-6052-PG Beaufort-Waddell Mariculture Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

PROOF OF SERVICE

---

I certify that I have served the SCDNR's **Return In Support of Haren's Petition for Review of Order Granting Stay** upon counsel for all parties and the South Carolina Procurement Review Panel in the above captioned matter by sending a copy by email to each attorney listed below on June 1, 2026.

Attorney for the South Carolina Procurement Review Panel

Stephen O'Keefe, General Counsel  
Edgar Brown Building  
1205 Pendleton Street, Suite 366  
Columbia, SC 29201  
Stephen.Keefe@prp.sc.gov

Attorney for Paragon Inc. of South Carolina, LLC

Griffin Humphries, LLC  
James M. Griffin  
8906 Two Notch Road, Suite 200  
P.O. Box 999 (29202)  
803-744-0800

jgriffin@griffinhumphries.com

Attorney for Chief Procurement Officer - Construction

Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, SC 29201  
803-737-0600  
mgrier@ogc.sc.gov

Attorneys for Haren Construction Co., Inc.

HUDSON LAMBERT PARROT, LLC  
D. Gregory Placone  
201 W. McBee Ave., Suite 450  
Greenville, SC 29601  
864-235-5535  
gplacone@hlpwlaw.com

HUDSON LAMBERT PARROT, LLC

P. Nicholas ("Nick") Nybo  
176 Croghan Spur  
Charleston, SC 29407  
843-321-9970  
nicknybo@hlpwlaw.com

s/ Van Whitehead

Susan O. Porter, General Counsel  
S.C. Bar No. 68335  
PorterS@dnr.sc.gov

Van Whitehead, Deputy General Counsel  
S.C. Bar No. 70446  
WhiteheadV@dnr.sc.gov

South Carolina Department of Natural Resources  
P.O. Box 167  
Columbia, SC 29202  
(803) 734-4006

Attorneys for the South Carolina Department of  
Natural Resources

June 1, 2026

(SCDNR 25-0060)  
(Ct. App. 2026-000914)

**RECEIVED**  
**Jun 08 2026**  
**SC Court of Appeals**

THE STATE OF SOUTH CAROLINA

In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Appellate Case No. 2026-000914  
Case No. 2025-5

---

In Re: Haren Construction, Co., Inc.

Project No. P24-6052-PG  
Beaufort-Waddell Mariculture  
Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

**PARAGON INC. OF SOUTH CAROLINA, LLC’S RETURN TO  
RESPONDENT HAREN CONSTRUCTION CO., INC.’S PETITION FOR  
REVIEW OF THE COURT’S ORDER DATED MAY 20, 2026  
GRANTING APPELLANT’S MOTION TO STAY**

---

**INTRODUCTION**

Haren Construction Co., Inc. (“Haren”) petitions this full Court to reverse the May 20, 2026, Order granting Paragon’s Motion to Stay and lift the stay entered by Chief Judge Williams. The Petition should be denied.

The Court’s May 20, 2026, Order is well-grounded in law and equity. The Court correctly exercised its authority under Rule 241(c)(3), SCACR to grant a stay and restrain contract

performance pending resolution of this appeal, which presents unresolved questions of first impression regarding contractor license classification requirements under South Carolina law. The Order was entered after full briefing by all parties on the motion to stay and after the Court received supplemental memoranda addressing the contract execution timeline—the very issue Haren now raises in its Petition.

Haren’s Petition is largely a re-argument of its opposition to the stay—the same positions the Court considered and rejected. Its core contention is that because the contract was “awarded” before the stay was entered, the pre-award remedies of S.C. Code Ann. § 11-35-4310(2) are foreclosed and the stay is unnecessary. But this argument misses the point of the stay. The stay preserves this Court’s ability to grant complete relief—including contract rescission and re-procurement—by preventing performance of the disputed contract during the pendency of an appeal presenting substantial questions of law. None of the post-award remedies Haren identifies—termination, ratification, bid preparation costs—can substitute for that relief. If the stay is lifted and construction proceeds to completion, this Court’s ability to Order effective remedies will be extinguished as a practical matter. As it stands now, no construction has begun, and this Court’s ability to grant full relief is preserved.

The Petition also fails on its own terms. Even assuming the contract was “awarded” by May 4, 2026, as Haren contends, that does not resolve the equitable question before this Court. SCDNR transmitted contract documents to Haren on April 22, 2026—the same day Paragon filed its Motion to Stay—and the contract was entered while a judicial request for relief was pending. A Court asked to exercise equitable discretion is not required to turn a blind eye to the sequence of events that gave rise to the need for the relief it is being asked to provide.

The stay should remain in place. The Petition for review should be denied.

## **ARGUMENT**

### **I. THE FULL COURT SHOULD DECLINE TO REVIEW THE MAY 20, 2026, ORDER BECAUSE HAREN PRESENTS NO BASIS FOR RECONSIDERATION.**

Rule 241(d)(2), SCACR permits a party aggrieved by the decision of an individual judge to petition the full Court for review. But a petition for review is not an appeal from every interim ruling with which a party disagrees. The standard governing the original stay motion—whether the stay is “necessary to preserve jurisdiction of the appeal or to prevent a contested issue from becoming moot”, Rule 241(c)(2), SCACR—remains the controlling inquiry. Haren identifies no error of law in the Court’s May 20, 2026, Order and no new facts that the Court did not consider. Its Petition recycles arguments already presented and rejected.

Before issuing the May 20, 2026, Order, the Court received full briefing on the motion to stay, including Paragon’s opening motion, returns in opposition from SCDNR and Haren, and Paragon’s reply. The Court then issued a temporary stay and directed the parties to submit memoranda on the contract award status. SCDNR and Haren submitted those memoranda on May 14 and May 15, 2026. The May 20, 2026, Order was entered after consideration of all that material. The Court specifically noted in its Order that “SCDNR sent Haren contract documents on April 22, 2026, following Paragon filing its motion to stay, and that the contract was entered into as of May 22, 2026.” The timing of contract execution—the centerpiece of Haren’s Petition—was directly before the Court when it acted.

Because Haren presents no legal error and no new basis for relief, the Petition should be denied.

### **II. THE STAY IS NECESSARY TO PRESERVE THIS COURT’S ABILITY TO GRANT COMPLETE RELIEF.**

Haren’s central argument is that the stay serves no purpose because, once the contract was awarded, Paragon’s only available remedies are post-award remedies under S.C. Code Ann. §§ 11-35-4310(3) and (4)—contract termination or bid preparation costs—neither of which requires preserving the status quo. Haren is wrong for two reasons.

First, Haren assumes the conclusion it needs to establish. Whether SCDNR’s exclusion of Paragon was lawful—and therefore whether the resulting “award” to Haren is valid—is the central question on appeal. If this Court determines that the Procurement Review Panel erred in reversing the Chief Procurement Officer’s decision, the consequence is not merely that Paragon receives bid preparation costs. The consequence is that the procurement was conducted unlawfully and that Paragon, the apparent low responsible bidder, was wrongfully excluded. Under those circumstances, the South Carolina Procurement Code and this Court’s equitable authority authorize rescission of the unlawfully awarded contract and re-procurement. See S.C. Code Ann. § 11-35-4310(3)(b) (providing that a contract may be terminated when the award violated the law).

Second, Haren’s reading of § 11-35-4310 is too narrow. Even under the post-award framework, a contract “may be terminated.” That remedy presupposes that there is a contract to terminate—a live obligation that has not been fully performed. Once construction at the Waddell Mariculture facility is completed, there will be nothing left to terminate and no practical way to order re-procurement. The stay preserves that option. Lifting the stay would extinguish it.

Third, Regulation 19-445.2085(C) provides that an award may be canceled before performance has begun, if an administrative error by the purchasing agency is discovered prior to performance. This regulation effectively makes performance a second trigger date. Thus, even if the contract has been “awarded” as Haren argues, Paragon still has remedies available including the issuance of the award it was wrongly denied.



Rule 241(c)(3), SCACR specifically authorizes a court to “order other appropriate relief” where a stay alone is “insufficient to afford complete relief.” The Court properly invoked this authority. Haren’s argument that bid preparation costs provide a sufficient remedy would, if accepted, mean that a procuring agency could always defeat meaningful appellate review by racing to execution while motion to stay is under consideration—and then to completion—before the appellate court could act. That result is inconsistent with the rule of law and with the purpose of appellate review.

### **III. HAREN’S ARGUMENT ABOUT THE CONTRACT AWARD DATE DOES NOT DEFEAT THE STAY.**

Haren contends that the contract was “awarded” no later than May 4, 2026 (when SCDNR returned executed documents to Haren), rather than May 22, 2026 (the effective date identified in the Court’s Order), and that this earlier award date forecloses pre-award remedies. Even if Haren is correct about the award date, that argument does not resolve the question before this Court.

The Court’s stay was not premised solely on the contract’s effective date. The stay was granted because this appeal presents unresolved questions of first impression regarding contractor license classification under S.C. Code Ann. § 40-11-410(5)(f), because Paragon faces irreparable harm if construction proceeds to completion before those questions are resolved, and because the Court’s equitable authority under Rule 241(c)(3) authorizes it to restrain performance to preserve meaningful appellate relief. None of those grounds is affected by whether the contract was awarded on May 4 rather than May 22, 2026.

More fundamentally, the contract documents were transmitted to Haren on April 22, 2026—the same day Paragon filed its Motion to Stay with this Court. That filing explicitly requested that SCDNR be directed to refrain from awarding the contract pending resolution of the appeal. SCDNR proceeded with contract execution notwithstanding the pending judicial request.

Whether the court characterizes the operative event as the transmission of contract documents on April 22, Haren's execution and return, or the May 22 effective date, the dispositive point is the same: the contract was entered into with full knowledge of the pending stay motion, and equity does not permit a party to benefit from that conduct by arguing that the very action taken over a pending judicial request now makes relief unavailable.

#### **IV. THE STAY FACTORS CONTINUE TO FAVOR PARAGON.**

Even evaluating the stay factors anew, they favor maintaining the stay.

Likelihood of Success on the Merits. Paragon's appeal presents genuine questions of first impression. Both the Chief Procurement Officer—acting under statutory authority to administer the Consolidated Procurement Code—and the Procurement Review Panel reviewed the same administrative record and reached opposite conclusions. The CPO determined that Paragon's Plumbing license (PB5) covered the yard piping work at the Waddell Mariculture facility because the plain language of S.C. Code Ann. § 40-11-410(5)(f) encompasses the installation of all piping related to water supply within property lines. The Panel reversed, deferring to SCDNR's characterization of the work as requiring a Water and Liquid Waste (WL) subclassification. Whether the Panel properly applied de novo review, and whether SCDNR's cost estimate—prepared for construction estimation purposes, not statutory classification analysis—provides a legally sufficient basis for a non-responsibility determination, are unresolved questions that this Court has not previously addressed. The disagreement among reasonable decision-makers applying the same statutory standard is itself evidence of a substantial question meriting appellate consideration.

Irreparable Harm. Paragon was determined by the Chief Procurement Officer to be the apparent low responsible bidder. Its bid was \$349,600 lower than the amount awarded to Haren.

The loss of a public contract to which Paragon was entitled—if it prevails on appeal—is not compensable through bid preparation costs alone. And as construction advances, the practical ability to order re-procurement diminishes. The loss of a contract opportunity constitutes irreparable harm where monetary damages do not make the aggrieved party whole.

Balance of Harms. The stay is subject to an expedited briefing schedule. Paragon and CPO’s initial briefs are due June 19, 2026, and SCDNR and Haren’s briefs are due July 20, 2026. The appeal will be heard and resolved on an accelerated timetable. Any delay to the project resulting from the stay is therefore bounded and limited. By contrast, the harm to Paragon from lifting the stay is irreversible: once construction proceeds to completion, there is no available remedy that can restore Paragon to its rightful position as the low responsible bidder entitled to the contract.

Public Interest. The public interest is not served by resolving procurement disputes through *faits accomplis*. The South Carolina Consolidated Procurement Code reflects a legislative judgment that public funds should be awarded to the lowest responsible bidder as determined by law, not by an agency’s preferred contractor. The public interest in correct procurement outcomes—and in preserving the integrity of the competitive bidding process—is at least as weighty as the interest in completing any particular project. An expedited resolution of this appeal on the merits serves the public interest better than allowing a potentially unlawful award to proceed to completion before the Court has had an opportunity to review it.

## **CONCLUSION**

For the foregoing reasons, Paragon respectfully requests that this Court deny Haren’s Petition for Review of the Court’s Order Dated May 20, 2026, affirm the stay pending resolution of this appeal.

Respectfully submitted,

s/ James M. Griffin

James M. Griffin (State Bar ID No. 9995)

GRIFFIN HUMPHRIES LLC

Post Office Box 999

Columbia, South Carolina 29202

(803) 744-0800

[jgriffin@griffinhumphries.com](mailto:jgriffin@griffinhumphries.com)

Columbia, South Carolina

June 8, 2026

**RECEIVED**  
**Jun 08 2026**  
**SC Court of Appeals**

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA  
PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Appellate Case No. 2026-000914  
Panel Case No. 2025-5

---

In Re: Haren Construction Co., Inc.

Project No. P24-6052-PG  
Beaufort-Waddell Mariculture  
Maturation Ponds Maintenance – Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

**PROOF OF SERVICE**

---

I, Jaime Harmon, legal assistant at Griffin Humphries LLC, attorneys for the Appellant, located at 8906 Two Notch Road, Suite 200, Columbia, South Carolina 29223, hereby certify that on June 8, 2026, I have served all counsel in this action a copy of the **Paragon Inc. of South Carolina, LLC's Return to Haren Construction Co., Inc.'s Petition for Review of the Court's Order Dated May 20, 2026 Granting Appellant's Motion to Stay** by emailing a copy to each attorney listed below using their primary email address listed in the Attorney Information System.

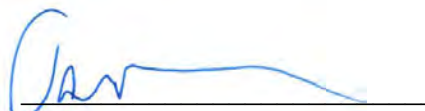
Served:

Stephen O'Keefe  
Edgar Brown Building  
1205 Pendleton Street, Suite 366  
Columbia, SC 29201  
Stephen.Keefe@prp.sc.gov  
**General Counsel, South Carolina Procurement Review Panel**

Greg Placone  
Nick Nybo  
Hudson Lambert Parrott, LLC  
176 Croghan Spur  
Charleston, SC 29407  
gplacone@hlpwlaw.com  
nicknybo@hlpwlaw.com  
***Attorneys for Haren Construction Co., Inc.***

Manton M. Grier, Jr.  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, SC 29201  
mgrier@ogc.sc.gov  
***Attorney for the Chief Procurement Officer***

Van Whitehead  
Susan O. Porter  
S.C. Department of Natural Resources  
260 D. Epting Lane  
West Columbia, SC 29172  
whiteheadv@dnr.sc.gov  
porters@dnr.sc.gov  
***Attorneys for S.C. Department of Natural Resources***

  
Jaime Harmon

Columbia, South Carolina  
June 8, 2026

**Jun 10 2026****SC Court of Appeals**

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Appellate Case No. 2026-000914  
Panel Case No. 2025-5

---

In Re: Haren Construction Co., Inc.

Project No. P24-6052-PG Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

**RESPONDENT HAREN CONSTRUCTION CO., INC.'S REPLY IN SUPPORT OF ITS  
PETITION FOR REVIEW OF THE COURT'S ORDER DATED MAY 20, 2026  
GRANTING APPELLANT PARAGON, INC. OF SOUTH CAROLINA, LLC'S MOTION  
TO STAY**

---

Respondent Haren Construction Co., Inc. ("**Haren**") respectfully submits this Reply in Support of its Petition for Review of this Court's Order dated May 20, 2026 granting Appellant Paragon Inc. of South Carolina, LLC's ("**Paragon**") Motion to Stay.

**SUMMARY OF THE ARGUMENT**

Paragon does not dispute that the contract was awarded no later than May 4, 2026, but instead asks the Court to ignore the express terms of the Procurement Code, which forecloses the

re-procurement remedy it seeks to preserve through a stay. Its arguments amount to dissatisfaction with the remedial framework imposed by statute and do not warrant a stay.

The Procurement Code does not distinguish between pre-construction and post-construction relief; it distinguishes between pre-award and post-award relief. The Procurement Code's post-award remedial framework—termination or ratification under § 11-35-4310(3)(b) and bid preparation costs under § 11-35-4310(4)—reflects a deliberate legislative choice to limit disruption to awarded contracts. Paragon's argument effectively asks the Court to disregard the legislature's chosen remedial scheme in favor of an equitable remedy, but equity cannot displace an adequate remedy at law.

Paragon argues that once construction is complete, there will be “nothing left to terminate.” But the statute authorizes ratification or termination of a contract awarded in violation of the law without regard to how much work has been performed. Paragon cites no authority for the proposition that partial or even substantial construction performance extinguishes those remedies as a matter of law. And if this appeal will be fully briefed and argued as swiftly as Paragon claims, then the termination remedy will remain practically available when this Court issues its decision. Paragon has presented no evidence that construction will be completed before then, and a stay is not warranted based on a worst-case timeline that Paragon has not established.

The legislature has defined the remedies available to disappointed bidders after a contract has been awarded. If this Court determines that the award to Haren violated the law, then the Panel on remand may either ratify or terminate the contract. *See* S.C. Code Ann. § 11-35-4310(3)(b). That is the full scope of available relief. Rescission and re-procurement are not authorized at this stage, and the fact that § 11-35-4310(3)(b) permits termination as a remedy does not require the Court to stay this matter to preserve jurisdiction or prevent a contested issue from becoming moot.



A stay is not necessary to preserve the remedies under § 11-35-4310(3)(b), and the Court should lift it.<sup>1</sup>

### **ARGUMENT**

#### **I. A STAY IS UNNECESSARY BECAUSE THE PROCUREMENT CODE PROVIDES AN ADEQUATE LEGAL REMEDY AND FORECLOSES THE RELIEF SOUGHT BY PARAGON.**

Paragon confoundingly argues that if the award to Haren was, indeed, in violation of the law, which Paragon has not yet proved, that “the Procurement Code and this Court’s equitable authority authorize rescission of the unlawfully awarded contract and re-procurement.” Neither premise holds.

In crafting § 11-35-4310, the legislature balanced the competing interests—a disappointed bidder's claim against the public's interest in stable contract performance—and resolved them in favor of a monetary remedy. *See In re Protest of Gregory Electric Co.*, Panel Case No. 1989-17(III), 1990 WL 10008052, at \*1–2 (S.C. Procure. Rev. Panel Jan. 26, 1990) (“[I]njunctive relief is not the appropriate remedy for a disappointed bidder when public interest considerations are present and when a claim for damages is available, even if the bidder is limited to recovery of bid preparation costs.”). Rescission and re-procurement are not authorized at this stage, and Paragon's invocation of the Court's “equitable authority” cannot expand the remedies allowed by statute. *See Key Corp. Capital, Inc. v. County of Beaufort*, 373 S.C. 55, 61, 644 S.E.2d 675, 678 (2007) (“While equitable relief is generally available where there is no adequate remedy at law, an adequate legal remedy may be provided by statute.”).

---

<sup>1</sup> Rule 241(d)(2) and Rule 7, SCACR, do not require a party to identify legal error. Rather, they permit a party aggrieved by an individual Judge’s ruling to seek review by the full Court. In its Petition for Review, Haren respectfully submitted that the Court may have overlooked or misunderstood the contract’s award date and the resulting limits the Procurement Code places on available remedies.

Paragon's real complaint is not that termination would be legally unavailable after construction proceeds, but rather that termination at that stage would be less desirable. But Paragon's preference does not displace the remedies imposed by statute or alter the conclusion that a stay is unnecessary to preserve the availability of those remedies. And if the appeal will be fully briefed and argued as swiftly as Paragon claims, then the termination remedy remains practically available without a stay.

Paragon's position, taken to its conclusion, would justify a stay in virtually every public construction appeal. There will always be a future point at which a contract is fully performed and termination is no longer possible. If that theoretical possibility were sufficient to establish the necessity of a stay, then every disappointed bidder would hold a procedural tool to delay public projects indefinitely simply by filing an appeal. The Panel has rejected that result and recognized that the legislature's chosen post-award remedies are sufficient to protect the disappointed bidder's interest. *See In re Protest of Gregory Electric Co.*, 1990 WL 10008052 at \*1–2 (“It would be intolerable for any frustrated bidder to render uncertain for a prolonged period of time government contracts which are vital to the functions performed by the sovereign.” (quoting *M. Steinthal & Co. v. Seamans*, 455 F.2d 1289, 1303 (D.C. Cir. 1971) (internal quotation marks omitted))).

Paragon's reliance on S.C. Code Reg. 19-445.2085(C) is equally unavailing. That regulation applies only when the CPO makes a written determination that one of eight enumerated criteria exist warranting cancellation of an award. *See* S.C. Code Reg. 19-445.2085(C)(1)–(8). No such written determination was made here. The regulation provides no support for the stay Paragon seeks.

Finally, Paragon's “race to execution” concern is both speculative and incomplete. It ignores that this matter was automatically stayed throughout the administrative review process.

See S.C. Code Ann. § 11-35-4210(7). The legislature’s decision to impose an automatic stay during administrative review, while expressly providing in § 11-35-4410(6) that an appeal to the Court of Appeals does not stay the Panel's final decision, reflects a deliberate policy choice. Additional delay beyond the Panel's decision is unwarranted absent extraordinary circumstances. That statutory structure expresses the General Assembly's confidence in the Panel’s expertise and its judgment that public projects should not be held hostage pending an appeal.<sup>2</sup>

## **II. EQUITY DOES NOT ENTITLE PARAGON TO A STAY.**

A motion to stay is not a temporary restraining order. Paragon sought a stay before this Panel and was denied. SCDNR had no legal obligation to halt contract execution merely because Paragon filed a motion, and acting within one’s legal rights during a pending motion cannot constitute inequitable conduct.

Even if equity could supplant the remedies available at law, the equities favor Haren, not Paragon. Haren incurred significant costs to purchase the bonds required under the contract in reasonable reliance on: the expiration of the automatic stay under § 11-35-4210(7); the Panel’s denial of Paragon’s motion for reconsideration on April 6; the expiration of the stay imposed by the Panel's Procedural Order dated March 25; and the Panel’s denial of Paragon’s motion to stay on April 14. That reliance was further justified by the remedial framework of § 11-35-4310, which limits post-award remedies once the parties have begun or are preparing to perform to minimize delay and disruption in public projects.

---

<sup>2</sup> As our Supreme Court has observed, the Panel’s expertise in procurement matters arguably exceeds that of generalist courts. See *Unisys Corp. v. S.C. Budget & Control Bd., Div. of Gen. Servs., Info. Tech. Mgmt. Off.*, 346 S.C. 158, 174, 551 S.E.2d 263, 272 (2001) (“As far as expertise, we question whether a circuit court judge would have any more expertise in the area of procurement contracts.”).

Moreover, even if Paragon establishes that the award was unlawful, the termination remedy under § 11-35-4310(3)(b) expressly provides for payment of damages to Haren. A stay does not and fails to adequately protect Haren, particularly where Paragon has not posted a bond or any other form of security. *See* Rule 241(c)(3), SCACR.

### **III. PARAGON FAILED TO ESTABLISH THE ELEMENTS FOR AN INJUNCTION BEFORE THE PANEL AND FAILS TO DO SO NOW.**

As the Panel has repeatedly recognized, “[a] request for a stay pursuant to § 1-23-380(c)<sup>3</sup> is the same as a request for a temporary injunction.” *In re Protest of Gregory Electric Co.*, 1990 WL 10008052, at \*1 (citing *Parker v. S.C. Dairy Comm’n*, 274 S.C. 209, 262 S.E.2d 38 (1980)). The burden of establishing entitlement to this extraordinary relief rests squarely with Paragon. *See In re Protest of Royal Bus. Machines*, Panel Case No. 1984-7C(II), 1984 WL 563609, at \*2 (S.C. Procure. Rev. Panel Nov. 15, 1984) (citing *Moss v. S.C. State Highway Dep’t*, 223 S.C. 282, 75 S.E.2d 462 (1953)). Accordingly, Paragon must show (1) that it has no adequate remedy at law, (2) that it is likely to succeed on the merits, and (3) that the conduct sought to be restrained will cause irreparable harm. *Id.* (citing *Greenwood Cnty. v. Shay*, 202 S.C. 16, 23 S.E.2d 825 (1943)). In administrative cases such as this, it is also appropriate to consider the effect of the requested stay on the public interest. *Id.* (citing *M. Steinthal & Co. v. Seamans*, 455 F.2d 1289, 1303 (D.D.C. 1971)). Paragon failed to make that showing before the Panel and again fails to do so on appeal.<sup>4</sup>

---

<sup>3</sup> The applicable language is now found in section 1-23-380(2) and expressly references S.C. R. Civ. P. 65.

<sup>4</sup> Haren hereby incorporates by reference its arguments regarding the elements for injunctive relief set forth in its Return in Opposition to Paragon’s Motion to Stay filed April 28, 2026.

**A. Paragon has an adequate remedy at law.**

Paragon entirely failed to establish that it lacked an adequate remedy at law. As the Panel has repeatedly recognized, “injunctive relief is not the appropriate remedy for a disappointed bidder when public interest considerations are present and when a claim for damages is available, even if the bidder is limited to recovery of bid preparation costs.” *In re Protest of Gregory Electric Co.*, Panel Case No. 1997-17(III) (collecting cases). Here, Paragon plainly has an adequate remedy at law, notwithstanding its dissatisfaction with that remedy. S.C. Code Ann. § 11-35-4310(4) expressly authorizes an award of “a reasonable reimbursement amount, including reimbursement of reasonable bid preparation costs” to a bidder who claims it should have been awarded the contract. *Id.* Because an adequate legal remedy is available, a stay or injunctive relief is not warranted. See *In re Protest of Gregory Electric Co.*, Panel Case No. 1997-17(III).

**B. Paragon has not established a likelihood of success on the merits.**

The Panel independently interpreted § 40-11-410(5)(f) and concluded that PB was at most a permissible classification for some Project work, not a required one, expressly stating that its Order “does not determine that WL licensure was the only possible classification for the Project.” The Panel deferred only to SCDNR’s technical judgment regarding how the Project’s complex piping network, pumping components, manholes, and utility structures fit within the license categories—not to SCDNR’s legal interpretation of the statute—and concluded that WL was likewise a permissible classification.

Faced with two potentially permissible classifications, the Panel looked to the **only** record evidence allocating Project work between them: the engineer of record’s Design Cost Estimate, which attributed 80% of the Project work to the WL classification. Paragon bore the burden of proving that at least 51% of the Project fell within the PB subclassification, yet submitted no

engineering or technical analysis to substantiate its percentage allocations and failed to present such evidence at the appropriate stage of the proceedings—rendering any challenge to the Design Cost Estimate unpreserved and untimely. Because Paragon failed to demonstrate that SCDNR’s responsibility determination was clearly erroneous, arbitrary, capricious, or contrary to law under § 11-35-2410(A), it cannot demonstrate a likelihood of success on appeal.

**C. Paragon cannot establish irreparable harm.**

Because Paragon has an adequate remedy at law—termination or ratification under § 11-35-4310(3)(b) and bid preparation costs under § 11-35-4310(4)—it cannot establish irreparable harm. *See In re Protest by Royal Business Machines*, 1984 WL 563609, at \*3 (“Nor have petitioners made a prima facie showing of irreparable harm. Any alleged harm that might be suffered by petitioners if a stay is not granted would be monetary, and is the same as the harm that [respondent] would suffer if a stay were granted.”). Paragon cites no authority for the proposition that partial or even substantial construction performance extinguishes those remedies as a matter of law.

The concrete harm to Haren, SCDNR, and the public is *not* speculative.<sup>5</sup> Haren holds a lawfully executed contract and has committed significant resources to performance, including the significant costs of purchasing the bonds required under the contract. SCDNR operates a facility requiring maintenance that the stay continues to delay. An accelerated briefing schedule is welcome, but “bounded” delay is still real delay. The public, not Paragon, bears that cost. *See In re Protest of Gregory Electric Co.*, 1990 WL 10008052, at \*2 (“[T]he public has a strong interest in having procurements of vital goods and services by the State proceed without disruption and

---

<sup>5</sup> *See Poynter Invs., Inc. v. Century Builders of Piedmont, Inc.*, 387 S.C. 583, 587, 694 S.E.2d 15, 17 (2010) (“[T]he balancing requirement is subsumed by the irreparable harm and inadequate remedy at law components of the three-part test.”).

delay.”). If Paragon succeeds on appeal, the public interest in lawful procurement can be fully vindicated through the remedies available under § 11-35-4310(3) and (4) without halting contract performance. *See id.*

The public interest weighs further against a stay. The Project is directly connected to sensitive saltwater marsh and wetland systems, and research performed at the WMC is directed toward the culture and practical production of aquatic species of economic importance to the state.<sup>6</sup> Our Supreme Court has described South Carolina's tidelands as a “precious public resource.” *Kiawah Dev. Partners, II v. S.C. Dep't of Health & Env't Control*, 411 S.C. 16, 22, 766 S.E.2d 707, 710 (2014). Ensuring that this work is performed by a properly qualified and licensed contractor in a sensitive wetlands environment is itself a matter of public interest and cuts against, not in favor of, disrupting the award to a contractor whose qualifications the Panel has already upheld.

### **CONCLUSION**

For the reasons set forth above, Haren respectfully requests that the Court lift the stay in this matter.

---

<sup>6</sup> *Located on the Colleton River, Beaufort County, SC*, DNR.SC.GOV, <https://www.dnr.sc.gov/marine/mrri/waddell/index.html> (last visited Jan. 12, 2025). The WMC also produces large numbers of red drum juveniles, as well as other finish species, for stock enhancement and fishery management projects. *Research - Finfish*, DNR.SC.GOV, <https://www.dnr.sc.gov/marine/mrri/waddell/finfish.html>, (last visited Jan. 12, 2025).

Respectfully submitted,

HUDSON LAMBERT PARROTT, LLC

s/D. Gregory Placone

D. Gregory Placone, SC Bar No. 100722  
201 W. McBee Ave., Suite 450  
Greenville, SC 29601  
PH: (864) 235-5535  
FX: (864) 235-6866  
gplacone@hlpwlaw.com

P. Nicholas (Nick) Nybo, SC Bar No. 105825  
176 Croghan Spur, Suite 220  
Charleston, SC 29407  
PH: (843) 321-9970  
nicknybo@hlpwlaw.com

*Attorneys for Haren Construction Co., Inc.*

June 10, 2026



RECEIVED

Jun 10 2026

SC Court of Appeals

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM THE SOUTH CAROLINA PROCUREMENT REVIEW PANEL  
Willie D. Franks, Chairman

---

Appellate Case No. 2026-000914  
Panel Case No. 2025-5

---

In Re: Haren Construction Co., Inc.

Project No. P24-6052-PG Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid

Paragon Inc. of South Carolina, LLC, Chief Procurement Officer, State Fiscal Accountability Authority, and South Carolina Department of Natural Resources,

of which Paragon Inc. of South Carolina, LLC and Chief Procurement Officer, State Fiscal Accountability Authority are the Appellants/Respondents, South Carolina Department of Natural Resources is the Respondent/Appellant, and Haren Construction Co., Inc. is the Respondent.

---

**PROOF OF SERVICE**

---

The undersigned hereby certifies that on June 10, 2026, a copy of **Respondent Haren Construction Co., Inc's Reply in Support of its Petition for Review of the Court's Order Dated May 20, 2026 Granting Appellant Paragon, Inc. of South Carolina, LLC's Motion to Stay** was served on all counsel of record via email to counsels' individual AIS email addresses:

Stephen O'Keefe, General Counsel  
Edgar Brown Building  
1205 Pendleton Street, Suite 366  
Columbia, SC 29201  
Stephen.Keefe@prp.sc.gov

*Attorney for the South Carolina Procurement  
Review Panel*

Manton M. Grier, Jr., Esq.  
Office of General Counsel  
State Fiscal Accountability Authority  
1333 Main Street, Suite 600  
Columbia, South Carolina 29201  
mgrier@ogc.sc.gov

*Attorneys for the Chief Procurement Officer*

James M. Griffin, Esq.  
Griffin Humphries, LLC  
8906 Two Notch Road, Suite 200  
P.O. Box 999 (29202)  
Columbia, SC 29223  
jgriffin@griffinhumphries.com

*Attorney for Paragon Inc. of South Carolina,  
LLC*

Susan O. Porter, General Counsel  
PorterS@dnr.sc.gov  
Van Whitehead, Deputy General Counsel  
WhiteheadV@dnr.sc.gov  
South Carolina Department of Natural  
Resources  
P.O. Box 167  
Columbia, SC 29202

*Attorneys for the South Carolina Department  
of Natural Resources*

June 10, 2026



---

Elizabeth Herron, Legal Assistant

**SE-330****LUMP SUM BID FORM**

*Bidders shall submit bids on only Bid Form SE-330.*

**BID SUBMITTED BY:** Paragon Inc. of South Carolina, LLC

*(Bidder's Name)*

**BID SUBMITTED TO:** South Carolina Department of Natural Resources

*(Agency's Name)*

**FOR: PROJECT NAME:** Beaufort-Waddell Mariculture Maturation Ponds Maintenance - Re-Bid

**PROJECT NUMBER:** P24-0652-PG

**OFFER**

§ 1. In response to the Invitation for Construction Services and in compliance with the Instructions to Bidders for the above-named Project, the undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into a Contract with the Agency on the terms included in the Bidding Documents, and to perform all Work as specified or indicated in the Bidding Documents, for the prices and within the time frames indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

§ 2. Pursuant to SC Code § 11-35-3030(1), Bidder has submitted Bid Security in the amount and form required by the Bidding Documents.

§ 3. Bidder acknowledges the receipt of the following Addenda to the Bidding Documents and has incorporated the effects of said Addenda into this Bid:

*(Bidder, check all that apply. Note, there may be more boxes than actual addenda. Do not check boxes that do not apply)*

**ADDENDA:**      ☒ #1      ☒ #2      ☐ #3      ☐ #4      ☐ #5

§ 4. Bidder accepts all terms and conditions of the Invitation for Bids, including, without limitation, those dealing with the disposition of Bid Security. Bidder agrees that this Bid, including all Bid Alternates, if any, may not be revoked or withdrawn after the opening of bids, and shall remain open for acceptance for a period of **60** Days following the Bid Date, or for such longer period of time that Bidder may agree to in writing upon request of the Agency.

§ 5. Bidder herewith offers to provide all labor, materials, equipment, tools of trades and labor, accessories, appliances, warranties and guarantees, and to pay all royalties, fees, permits, licenses and applicable taxes necessary to complete the following items of construction work:

§ 6.1 **BASE BID WORK** *(as indicated in the Bidding Documents and generally described as follows):* Replacement of yard piping and electrical infrastructure throughout, and rehabilitation of head tower and rearing ponds M-1 through M-4.

**\$** 5,323,800.00, which sum is hereafter called the Base Bid.

*(Bidder to insert Base Bid Amount on line above)*

# SE-330

## LUMP SUM BID FORM

Bidders shall submit bids on only Bid Form SE-330.

§ 6.2 **BID ALTERNATES** as indicated in the Bidding Documents and generally described as follows:

**ALTERNATE # 1** (Brief Description): Renovation of Pond M-5

☒ **ADD TO** or ☐ **DEDUCT FROM BASE BID:** \$ 533,600.00

(Bidder to mark appropriate box to clearly indicate the price adjustment offered for each Alternate)

**ALTERNATE # 2** (Brief Description): Renovation of Pond M-6

☒ **ADD TO** or ☐ **DEDUCT FROM BASE BID:** \$ 568,200.00

(Bidder to mark appropriate box to clearly indicate the price adjustment offered for each Alternate)

**ALTERNATE # 3** (Brief Description): Renovation of Pond M-7 an associated yard piping

☒ **ADD TO** or ☐ **DEDUCT FROM BASE BID:** \$ 573,350.00

(Bidder to mark appropriate box to clearly indicate the price adjustment offered for each Alternate)

### § 6.3 UNIT PRICES:

**BIDDER** offers for the Agency's consideration and use, the following **UNIT PRICES**. The **UNIT PRICES** offered by **BIDDER** indicate the amount to be added to or deducted from the **CONTRACT SUM** for each item-unit combination. **UNIT PRICES** include all costs to the Agency, including those for materials, labor, equipment, tools of trades and labor, fees, taxes, insurance, bonding, overhead, profit, etc. The Agency reserves the right to include or not to include any of the following **UNIT PRICES** in the Contract and to negotiate the **UNIT PRICES** with **BIDDER** prior to including in the Contract.

| No. | ITEM | UNIT OF<br>MEASURE | ADD | DEDUCT |
|-----|------|--------------------|-----|--------|
| 1.  |      |                    | \$  | \$     |
| 2.  |      |                    | \$  | \$     |
| 3.  |      |                    | \$  | \$     |
| 4.  |      |                    | \$  | \$     |
| 5.  |      |                    | \$  | \$     |
| 6.  |      |                    | \$  | \$     |

# SE-330

## LUMP SUM BID FORM

### § 7. LISTING OF PROPOSED SUBCONTRACTORS PURSUANT TO SECTION 3020(b)(i), CHAPTER 35, TITLE 11 OF THE SOUTH CAROLINA CODE OF LAWS, AS AMENDED (See Instructions on the following page BF-2A)

Bidder shall use the below-listed Subcontractors in the performance of the Subcontractor Classification work listed:

| (A)<br>SUBCONTRACTOR<br>LICENSE CLASSIFICATION<br>or SUBCLASSIFICATION<br>NAME<br><i>(Completed by Agency)</i> | (B)<br>LICENSE<br>CLASSIFICATION or<br>SUBCLASSIFICATION<br>ABBREVIATION<br><i>(Completed by Agency)</i> | (C)<br>SUBCONTRACTOR and/or<br>PRIME CONTRACTOR<br><i>(Required - must be completed by Bidder)</i> | (D)<br>SUBCONTRACTOR'S<br>and/or<br>PRIME CONTRACTOR'S<br>SC LICENSE NUMBER<br><i>(Requested, but not Required)</i> |
|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| <b>BASE BID</b>                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
| Electrical                                                                                                     | EL                                                                                                       | Paragon Inc. of South Carolina, LLC                                                                | CLM.111292                                                                                                          |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
| <b>ALTERNATE #1</b>                                                                                            |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
| <b>ALTERNATE #2</b>                                                                                            |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
| <b>ALTERNATE #3</b>                                                                                            |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |
|                                                                                                                |                                                                                                          |                                                                                                    |                                                                                                                     |

If a Bid Alternate is accepted, Subcontractors listed for the Bid Alternate shall be used for the work of both the Alternate and the Base Bid work.



**SE-330**  
**LUMP SUM BID FORM**

**INSTRUCTIONS FOR  
SUBCONTRACTOR LISTING**

1. Section 7 of the Bid Form sets forth an Agency-developed list of subcontractor license classifications or subclassifications for which Bidder is required to identify the entity (subcontractor(s) and/or himself) Bidder will use to perform this work.
  - a. **Columns A & B:** The Agency fills out these columns to identify the subcontractor license classification / subclassification and related license abbreviation for which the Bidder must list either a subcontractor or himself as the entity that will perform this work. In Column A, the subcontractor license classification/subclassification is identified by name and in Column B, the related contractor license abbreviation (per Title 40 of the SC Code of Laws) is listed. Abbreviations of licenses can be found at:  
<https://llr.sc.gov/clb/PDFFiles/CLBClassificationAbbreviations.pdf>. If the Agency has not identified a subcontractor license classification/subclassification, the Bidder does not list a subcontractor.
  - b. **Columns C and D:** In these columns, the Bidder identifies the subcontractors it will use for the work of each license listed by the Agency in Columns A & B. Bidder must identify only the subcontractor(s) who will perform the work and no others. Bidders must make sure that their identification of each subcontractor is clear and unambiguous. A listing that could be any number of different entities may be cause for rejection of the bid as non-responsive. For example, a listing of M&M without additional information may be problematic if there are multiple different licensed contractors in South Carolina whose names start with M&M.
2. **Subcontractor Defined:** For purposes of subcontractor listing, a subcontractor is an entity who will perform work or render service to the prime contractor to or about the construction site pursuant to a contract with the prime contractor. Bidder should not identify sub-subcontractors in the spaces provided on the bid form but only those entities with which Bidder will contract directly. Likewise, do not identify material suppliers, manufacturers, and fabricators that will not perform physical work at the site of the project but will only supply materials or equipment to the Bidder or proposed subcontractor(s).
3. **Subcontractor Qualifications:** Bidder must only list subcontractors who possess a South Carolina contractor's license that includes the license classification and/or subclassification identified by the Agency in Columns A & B. The subcontractor license must also be within the appropriate license group for the work. If Bidder lists a subcontractor who is not qualified to perform the work, the Bidder will be rejected as non-responsive.
4. **Use of Own forces:** If, under the terms of the Bidding Documents and SC Contractor Licensing laws, Bidder is qualified to perform the work of a listed subcontractor classification or subclassification and Bidder does not intend to subcontract such work but to use Bidder's own employees to perform such work, the Bidder must insert itself in the space provided.
5. **Use of Multiple Subcontractors:**
  - a. If Bidder intends to use multiple subcontractors to perform the work of a single license classification/subclassification, Bidder must insert the name of each subcontractor Bidder will use, preferably separating the name of each by the word "and". If Bidder intends to use both his own employees to perform a part of the work of a single license classification/subclassification and to use one or more subcontractors to perform the remaining work, Bidder must insert itself and each subcontractor, preferably separating them with the word "and". Bidder must use each entity listed for the work of a single license classification/subclassification in the performance of that work.
  - b. **Optional Listing Prohibited:** Bidder may not list multiple subcontractors for a license classification/subclassification in a form that provides the Bidder the option, after bid opening or award, to choose one or more but not all the listed subcontractors to perform the work for which they are listed. A listing, which on its face requires subsequent explanation to determine whether it is an optional listing, is non-responsive. If Bidder intends to use multiple entities to perform the work for a single listing, Bidder must clearly set forth on the bid form such intent. Bidder may accomplish this by simply inserting the word "and" between the names of each entity listed. Agency will reject as non-responsive a listing that contains the names of multiple subcontractors separated by a blank space, the word "or", a virgule (that is a /), or any separator that the Agency may reasonably interpret as an optional listing.
6. If Bidder is awarded the contract, Bidder must, except with the approval of the Agency for good cause shown, use the listed entities to perform the work for which they are listed.
7. If Bidder is awarded the contract, Bidder will not be allowed to substitute another entity as subcontractor in place of a subcontractor listed in Section 7 of the Bid except for one or more of the reasons allowed by the SC Code of Laws.
8. Bidder's failure to identify an entity (subcontractor or himself) to perform the work of a subcontractor listed in Columns A & B will render the Bid non-responsive.

## SE-330 LUMP SUM BID FORM

### § 8. LIST OF MANUFACTURERS, MATERIAL SUPPLIERS, AND SUBCONTRACTORS OTHER THAN SUBCONTRACTORS LISTED IN SECTION 7 ABOVE (*FOR INFORMATION ONLY*):

Pursuant to instructions in the Invitation for Construction Services, if any, Bidder will provide to Agency upon the Agency's request and within 24 hours of such request, a listing of manufacturers, material suppliers, and subcontractors, other than those listed in Section 7 above, that Bidder intends to use on the project. Bidder acknowledges and agrees that this list is provided for purposes of determining responsibility and not pursuant to the subcontractor listing requirements of SC Code § 11-35-3020(b)(i).

### § 9. TIME OF CONTRACT PERFORMANCE AND LIQUIDATED DAMAGES

#### a) CONTRACT TIME

Bidder agrees that the Date of Commencement of the Work shall be established in a Notice to Proceed to be issued by the Agency. Bidder agrees to substantially complete the Work within 300 Calendar Days from the Date of Commencement, subject to adjustments as provided in the Contract Documents.

#### b) LIQUIDATED DAMAGES

Bidder further agrees that from the compensation to be paid, the Agency shall retain as Liquidated Damages the amount of \$ 500.00 for each Calendar Day the actual construction time required to achieve Substantial Completion exceeds the specified or adjusted time for Substantial Completion as provided in the Contract Documents. This amount is intended by the parties as the predetermined measure of compensation for actual damages, not as a penalty for nonperformance.

### § 10. AGREEMENTS

- a) Bidder agrees that this bid is subject to the requirements of the laws of the State of South Carolina.
- b) Bidder agrees that at any time prior to the issuance of the Notice to Proceed for this Project, this Project may be canceled for the convenience of, and without cost to, the State.
- c) Bidder agrees that neither the State of South Carolina nor any of its agencies, employees or agents shall be responsible for any bid preparation costs, or any costs or charges of any type, should all bids be rejected or the Project canceled for any reason prior to the issuance of the Notice to Proceed.

### § 11. ELECTRONIC BID BOND

By signing below, the Principal is affirming that the identified electronic bid bond has been executed and that the Principal and Surety are firmly bound unto the State of South Carolina under the terms and conditions of the AIA Document A310, Bid Bond, referenced in the Bidding Documents.

ELECTRONIC BID BOND NUMBER: \_\_\_\_\_

SIGNATURE AND TITLE: \_\_\_\_\_



**SE-330  
LUMP SUM BID FORM****CONTRACTOR'S CLASSIFICATIONS AND SUBCLASSIFICATIONS WITH LIMITATION**SC Contractor's License Number(s): CLG.100190 CLM.111292Classification(s) & Limits: Building BD5 Plumbing PB5, Electrical EL5

Subclassification(s) &amp; Limits: \_\_\_\_\_

By signing this Bid, the person signing reaffirms all representation and certification made by both the person signing and the Bidder, including without limitation, those appearing in Article 2 of the SCOSE Version of the AIA Document A701, Instructions to Bidders, is expressly incorporated by reference.

BIDDER'S LEGAL NAME: Paragon Inc. of South Carolina, LLCADDRESS: 2874 Columbia Road NEOrangeburg, SC 29118-1902TELEPHONE: (803) 463-1016EMAIL: tom@paragonbuilderssc.comSIGNATURE: DATE: September 23, 2025PRINT NAME: Eric ByrdTITLE: Vice President



# Document A310™ – 2010

Conforms with The American Institute of Architects AIA Document 310

## Bid Bond

### CONTRACTOR:

(Name, legal status and address)

Paragon Inc. of South Carolina, LLC dba Paragon Builders

2874 Columbia Road

Orangeburg, SC 29118

### SURETY:

(Name, legal status and principal place of business)

Great Midwest Insurance Company

800 Gessner Road, Suite 600

Houston, TX 77024

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

### OWNER:

(Name, legal status and address)

South Carolina Department of Natural Resources

P.O. Box 167

Columbia, SC 29202

BOND AMOUNT: \$ 5%

Five Percent of Amount Bid

### PROJECT:

(Name, location or address, and Project number, if any)

Beaufort-Waddell Mariculture Maturation Ponds Maintenance - P24-6052-PG

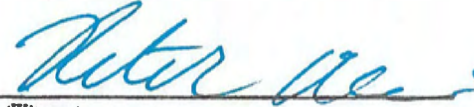
The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 18th day of September, 2025

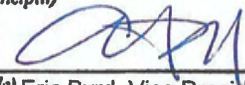
  
(Witness) Denolis Edwards

  
(Witness) Peter Alesci

Paragon Inc. of South Carolina, LLC dba Paragon Builders

(Principal)

(Seal)

By:   
(Title) Eric Byrd, Vice President

Great Midwest Insurance Company

(Surety)

(Seal)

By:   
(Title) Kevin Wojtowicz Attorney-in-Fact



POWER OF ATTORNEY

Great Midwest Insurance Company

KNOW ALL MEN BY THESE PRESENTS, that GREAT MIDWEST INSURANCE COMPANY, a Texas Corporation, with its principal office in Houston, TX, does hereby constitute and appoint: Dale A. Belis, Marilyn Ann Blome, Donald Bramlage, Edward M. Clark, Christian Collins, F. Danny Gann, David R. Hoover, Jarrett Merlucci, Laura D. Mosholder, Charles J. Nielson, Jessica P. Reno, Audria R. Ward, Edward T. Ward, Kevin Wojtowicz, Richard Zimmerman, Charles D. Nielson, Brett M. Rosenhaus

its true and lawful Attorney(s)-In-Fact to make, execute, seal and deliver for, and on its behalf as surety, any and all bonds, undertakings or other writings obligatory in nature of a bond.

This authority is made under and by the authority of a resolution which was passed by the Board of Directors of GREAT MIDWEST INSURANCE COMPANY, on the 1<sup>st</sup> day of April, 2025 as follows:

Resolved, that the President, or any officer, be and hereby is, authorized to appoint and empower any representative of the Company or other person or persons as Attorney-In-Fact to execute on behalf of the Company any bonds, undertakings, policies, contracts of indemnity or other writings obligatory in nature of a bond not to exceed One-Hundred Million dollars (\$100,000,000.00), which the Company might execute through its duly elected officers, and affix the seal of the Company thereto. Any said execution of such documents by an Attorney-In-Fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company. Any Attorney-In-Fact, so appointed, may be removed in the Company's sole discretion and the authority so granted may be revoked as specified in the Power of Attorney.

Resolved, that the signature of the President and the seal of the Company may be affixed by electronic mail on any power of attorney granted, and the signature of the Secretary, and the seal of the Company may be affixed by electronic mail to any certificate of any such power and any such power or certificate bearing such electronic signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certificate so executed and sealed shall, with respect to any bond of undertaking to which it is attached, continue to be valid and binding on the Company.

IN WITNESS THEREOF, GREAT MIDWEST INSURANCE COMPANY, has caused this instrument to be signed by its President, and its Corporate Seal to be affixed this 8th day of April, 2025.

GREAT MIDWEST INSURANCE COMPANY



BY Mark W. Haushill  
Mark W. Haushill  
President

ACKNOWLEDGEMENT

On this 8th day of April 2025, before me, personally came Mark W. Haushill to me known, who being duly sworn, did depose and say that he is the President of GREAT MIDWEST INSURANCE COMPANY, the corporation described in and which executed the above instrument; that he executed said instrument on behalf of the corporation by authority of his office under the By-laws of said corporation.



BY Christina Bishop  
Christina Bishop  
Notary Public

CERTIFICATE

I, the undersigned, Secretary of GREAT MIDWEST INSURANCE COMPANY, A Texas Insurance Company, DO HEREBY CERTIFY that the original Power of Attorney of which the foregoing is a true and correct copy, is in full force and effect and has not been revoked and the resolutions as set forth are now in force.

Signed and Sealed at Houston, TX this 18 Day of September 2025



BY Patricia Ryan  
Patricia Ryan  
Secretary

"WARNING: Any person who knowingly and with intent to defraud any insurance company or other person, files and application for insurance of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.