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POLITICAL SUBDIVISIONS - SOUTH CAROLINA

Sloan v. Greenville Hosp. System

Supreme Court of South Carolina - June 14, 2010 - 388 S.C. 152 - 694 S.E.2d 532

Plaintiff brought three declaratory judgment actions individually and on behalf of others similarly situated against hospital and its chairman, challenging the hospital's method of procuring construction services with regard to parking deck, construction management, and request for qualifications (RFQ).

The Circuit Court entered partial summary judgment in favor of hospital on issue of whether it could institute its own procurement procedures, and in construction management and RFQ matters, and against hospital in parking deck matter. Plaintiff appealed.

The Supreme Court held that:

- Hospital could establish its own procurement policy, and
- Plaintiff failed to meet his burden of proving that policy violated statute which required adoption of sound procurement principles.

Hospital which was created by act of Legislature and was run by board which was independent of city and county was "special purpose district," rather than "governmental body" under procurement code, and, thus, hospital could establish its own procurement policy, although word "board" was used in enabling legislation; use of the term "board" or the absence of the specific phrase "special purpose district" was not determinative, legislative intent was to create special purpose district, and enabling legislation did not create board that had statewide authority, rather, it was directed to provide medical services for local area.

Plaintiff failed to meet his burden of proving that hospital's procurement policy violated statute which required political subdivisions to adopt ordinances or procedures embodying sound principles of appropriately competitive procurement, although it did not mirror terms of procurement code, the model procurement ordinance, and other regional codes; plaintiff appeared to apply a reverse presumption, i.e., that challenged provisions in policy were presumptively invalid because they varied from terms contained in the sources used for comparison, and that difference, standing alone, was not enough to deem policy in violation.