

**SOUTH CAROLINA STATE ELECTION COMMISSION
MEETING MINUTES**

Monday, October 20, 2025

10:00 AM

1122 Lady Street, Suite 500
Columbia, South Carolina 29201

Present: Judge Dennis Shedd, Chairman; Ms. JoAnne Day; Mr. Clifford Edler (via telephone); Mr. Scott Moseley

Others Present: Jenny Wooten, Interim Director; Thomas Nicholson, General Counsel; TJ Lundeen, Director of Public Information and Outreach; Elizabeth Harrell, Executive Assistant

Chairman Shedd confirmed with Interim Director Wooten there was a quorum and called the meeting to order at 10:00 am.

Amendments to Master Lease Agreements

Chairman Shedd opened discussion on amendments to the voting system master lease agreements. He noted that at the previous meeting, the Commission directed Interim Director Wooten to contact TD Bank regarding a potential default of the loan for the election equipment, and she reported that she did so promptly.

Interim Director Wooten summarized the contracting history. In August 2024, former Executive Director Knapp executed the initial master lease for approximately \$30 million. Staff later learned that an additional \$2 million in sales tax had not been included in the proposal presented to the Commission. General Counsel Nicholson and Wooten advised Knapp not to pay the additional amount and worked with the State Treasurer's Office to add a supplemental lease, bringing the total to \$32.8 million.

Chairman Shedd noted the original contract reflected \$25 million, with a supplemental increase to \$28.8 million. Wooten confirmed that vendor proposals shifted from \$25 million to \$28 million in early August and that an August 19 memorandum discussed the \$28 million figure. Shedd stated the Commission approved \$28 million after directing Knapp to renegotiate down from \$30 million.

Wooten confirmed the Commission-approved total was \$28.8 million and clarified that neither ES&S nor Knapp included sales tax or interest in the documents provided to the Commission.

Chairman Shedd reiterated that on August 2, 2024, the Commission instructed Knapp not to spend more than \$50,000 without approval due to broader spending concerns. He stated the Commission later learned total costs for the equipment purchase had risen from \$28.8 million to about \$33 million, exceeding Knapp's authority. He noted Knapp should have returned to the Commission regarding both the additional sales tax and interest. The Commission concluded staff lacked capacity to investigate further.

COMMISSIONERS

HON. DENNIS W. SHEDD
Chairman

JOANNE DAY

CLIFFORD J. EDLER

SCOTT MOSELEY

Jenny Wooten
Interim Director

1122 Lady Street
Suite 500
Columbia, SC 29201

P.O. Box 5987
Columbia, SC 29250

803.734.9060
Fax: 803.734.9366
www.scvotes.gov

Chairman Shedd emphasized that the State Treasurer, General Assembly, TD Bank, Wooten, and Nicholson acted in good faith. He stated two amendments, one to the underlying contract and one to the sales tax contract, were now before the Commission. Continued coordination with TD Bank and the Legislature is required.

Commissioner Day requested clarification on the addendum. Wooten explained it adds roughly \$140,000 in interest, increasing the total from \$32.8 million to slightly over \$33 million.

Chairman Shedd moved that the Commission authorize and direct Interim Director Wooten to execute the documents necessary to prevent default, seconded by Commissioner Day. The motion passed unanimously.

Chairman Shedd reiterated that the standing directive remains in place: Interim Director Wooten must obtain Commission approval before authorizing any expenditure exceeding \$50,000. He further stated that he is confident the \$50,000 spending limitation was in effect at the time the sales tax issue arose. He noted that the Commission has now identified and addressed the relevant contractual concerns.

Interim Director Wooten and TJ Lundeen, Director of Public Information and Outreach, confirmed that they issued a public notice of today's meeting to ensure transparency regarding discussion of these amendments.

Skylar Laird, with Daily Gazette, asked why the Commission approved \$28 million while the agency's budget reflected \$32 million. Chairman Shedd explained the Commission was unaware of the increase and that he signed the budget document as Chairman, but requested a disclaimer be noted that the budget document was prepared by staff in accordance with the law.

Nick Reynolds, with Post and Courier, asked when the Commission learned of the overrun. The Commission stated this was discovered in recent weeks during the review that showed total costs rising from \$28 million to \$32.8 million.

Lucy Valeski, The State Newspaper, asked if there are remaining legal concerns about signing the amended contract. Chairman Shedd said there are none, noting he has reviewed the documents and is comfortable with the TD Bank financing. He acknowledged concerns about the ES&S contracting process but stated staff cannot pursue further review. Interim Director Wooten confirmed the additional \$5 million cost beyond the Commission's original approval.

Valeski also asked whether outside reviews focus on the ES&S contract or the master lease. Chairman Shedd said reviews appear to cover all aspects, likely emphasizing ES&S, but he does not suggest ES&S acted in bad faith. General Counsel Nicholson added that he is unaware of any tax exemptions for state agencies in this context.

Mary Green, WIS, asked if the voting machine issue is resolved. Chairman Shedd said it is largely resolved but noted the Treasurer's concern about credit implications if the Commission defaulted, with the remaining question being how the funds were spent.

Chairman Shedd stated that the Commission is satisfied that the amendments to the master lease agreements address immediate financial risks. He emphasized that the Commission and staff remain committed to transparency and confirmed that none of the contracting issues have affected elections, election tabulation, or reporting.

Chairman Shedd noted that Interim Director Wooten's execution of the amendments will resolve the immediate financial concerns, and that the Commission was surprised by the contract amounts. He thanked the press for attending and reiterated that the agency's actions are focused on serving the people of South Carolina.

Chairman Shedd further confirmed that, to his knowledge, Interim Director Wooten is not aware of any election-related issues over the past two years that have not been reported to the Commission.

With no further discussion, the Commission adjourned at 10:47 am.