

1 [Settlement of Lawsuit - Build Group, Inc. - \$350,000]  
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3 **Ordinance authorizing settlement of the lawsuit filed by David M. Schmitt. against Build**  
4 **Group, Inc., which then filed a cross-complaint against the City and County of San**  
5 **Francisco, for \$350,000; the lawsuit was filed on August 30, 2022, in San Francisco**  
6 **Superior Court, Case No. CGC-22-601503, entitled David M. Schmitt v. Build Group, Inc.**  
7 **et al.; the lawsuit involves allegations of breach of contract arising from cost overruns**  
8 **and delay on the Zuckerberg San Francisco General Hospital Building 5 Rehabilitation**  
9 **Department Relocation Project; other material terms of the settlement are a complete**  
10 **release of claims relating to the project, including any pass through claims from David**  
11 **M. Schmitt or other subcontractors of Build Group, Inc.**

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13 Be it ordained by the People of the City and County of San Francisco:

14 Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby  
15 authorizes the City Attorney to settle the action entitled David M. Schmitt v. Build Group, Inc.  
16 et al., San Francisco Superior Court, Case No. CGC-22-601503 by the payment of \$350,000.  
17 The lawsuit involves allegations of breach of contract arising from cost overruns and delay on  
18 the Zuckerberg San Francisco General Hospital Building 5 Rehabilitation Department  
19 Relocation Project.

20 Section 2. The above-named action was filed in San Francisco Superior Court on  
21 August 30, 2022, and the following parties were named in the lawsuit: plaintiff David M.  
22 Schmitt, Defendant and cross-complainant Build Group, Inc. and cross-defendant City and  
23 County of San Francisco.  
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APPROVED AS TO FORM AND  
RECOMMENDED:

DAVID CHIU  
City Attorney

/s/  
ELAINE M. O'NEIL  
Team Leader, Construction and Public  
Contracting

FUNDS AVAILABLE:

/s/ Michelle Allersma for Greg Wagner  
GREG WAGNER  
Controller

RECOMMENDED:  
DEPARTMENT OF PUBLIC HEALTH

/s/  
DR. GRANT COLFAX  
Department Head

RECOMMENDED:  
DEPARTMENT OF PUBLIC WORKS

/s/  
CARLA SHORT  
Department Head

RECOMMENDED:

/s/  
BOB FULLER  
Commission Affairs Manager  
Public Works Commission



City and County of San Francisco

Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 240762

Date Passed: September 17, 2024

Ordinance authorizing settlement of the lawsuit filed by David M. Schmitt. against Build Group, Inc., which then filed a cross-complaint against the City and County of San Francisco, for \$350,000; the lawsuit was filed on August 30, 2022, in San Francisco Superior Court, Case No. CGC-22-601503, entitled David M. Schmitt v. Build Group, Inc. et al.; the lawsuit involves allegations of breach of contract arising from cost overruns and delay on the Zuckerberg San Francisco General Hospital Building 5 Rehabilitation Department Relocation Project; other material terms of the settlement are a complete release of claims relating to the project, including any pass through claims from David M. Schmitt or other subcontractors of Build Group, Inc.

September 05, 2024 Government Audit and Oversight Committee - RECOMMENDED AS COMMITTEE REPORT

September 10, 2024 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

September 17, 2024 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240762

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 9/17/2024 by the Board of Supervisors of the City and County of San Francisco.

[Handwritten signature of Angela Calvillo]
Angela Calvillo
Clerk of the Board

[Handwritten signature of London N. Breed]

London N. Breed
Mayor

9/27/24

Date Approved