

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