



City and County of San Francisco
Meeting Minutes
Government Audit and Oversight Committee

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

Members: Dean Preston, Catherine Stefani, Connie Chan

Clerk: Monique Crayton
(415) 554-7750 ~ monique.crayton@sfgov.org

Thursday, September 5, 2024

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Dean Preston, Catherine Stefani, and Connie Chan

The Government Audit and Oversight Committee met in regular session on Thursday, September 5, 2024, with Chair Dean Preston presiding. Chair Preston called the meeting to order at 10:01 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Preston, Vice Chair Stefani, and Member Chan were noted present. A quorum was present.

COMMUNICATIONS

Monique Crayton, Government Audit and Oversight Committee Clerk, instructed members of the public that public comment is taken on each item on the agenda. Alternatively, written comments may be submitted through email (monique.crayton@sfgov.org) or the U.S. Postal Service at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.

AGENDA CHANGES

There were no agenda changes.

LITIGATION

Chair Preston requested File Nos. 240762 and 240763 be called together.

Heard in Committee. Speaker(s): None.

Conference with City Attorney

[Convene in Closed Session - Existing Litigation - City as Plaintiff and/or Defendant]

Motion that the Government Audit and Oversight Committee of the Board of Supervisors convene in closed session with the City Attorney for the purpose of conferring with, or receiving advice from, the City Attorney regarding the following existing litigation and anticipated litigation. Administrative Code Section 67.10(d) permit this closed session.

Discussion in open session concerning these matters would likely and unavoidably prejudice the position of the City in the pending lawsuits and claims listed below.

Chair Preston elected not to convene in Closed Session.

240762 [Settlement of Lawsuit - Build Group, Inc. - \$350,000]

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. (City Attorney)

07/15/24; RECEIVED FROM DEPARTMENT.

07/23/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Chair Preston moved that this Ordinance be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 3 - Preston, Stefani, Chan

240763 [Settlement of Unlitigated Claim - Lotus Bakeries North America, Inc. - \$160,195]

Resolution approving the settlement of the unlitigated claim filed by Lotus Bakeries North America, Inc. against the City and County of San Francisco for \$160,195; the claim was filed on February 28, 2024; the claim involves a refund of gross receipts and homelessness gross receipts taxes. (City Attorney)

07/09/24; RECEIVED FROM DEPARTMENT.

07/23/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Chair Preston moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Preston, Stefani, Chan

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 10:06 a.m.

N.B. The Minutes of this meeting set forth all actions taken by the Government Audit and Oversight Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.