



FOR IMMEDIATE RELEASE

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PRESS RELEASE

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The Board of Directors of the South San Luis Obispo County Sanitation District (hereinafter “SSLOCS”) obtained a legal opinion regarding possible civil actions against former District Administrator John Lee Wallace. As detailed further below, the opinion indicates that the statutes of limitation for potential civil causes of action against John Wallace have expired, making these potential civil causes of action subject to dismissal without any monetary recovery for the SSLOCS. For this reason, the Board of Directors has decided not to file any civil actions against John Wallace.

1. Government Code § 1090 Violation

The statute of limitations for a 1090 violation is provided by Government Code § 1092 and is four years from the date the violation reasonably should have been discovered. At the latest, discovery of potential 1090 violations should have occurred prior to John Wallace’s separation from the SSLOCS in February, 2013. Thus, the statute of limitations expired in February, 2017.

2. Common Law Self-Dealing

Oakland v. California Constr. Co., 15 Cal. 2d 573, 576-577 (Cal. 1940)

Code of Civil Procedure § 343 applies to a cause of action for self-dealing, and it sets a four-year statute of limitations. At the latest, discovery of potential causes of action for self-dealing should have occurred prior to John Wallace’s separation from the SSLOCS in February, 2013. Thus, the statute of limitations expired in February, 2017.

3. Breach of Contract

Bushell v. JPMorgan Chase Bank, N.A. 220 Cal.App.4th 915, 921 (2013)

Pursuant to Code of Civil Procedure § 337, the statute of limitations for a matter arising out of a claim for breach of a written contract is four-years. At the latest, the breach of contract

statute of limitations would have begun was once the relationship between SSLOCSD and Wallace was terminated in February 2013 and would have expired in February 2017.

4. Fraudulent Misrepresentation

Perlas v. GMAC Mortgage, LLC, 187 Cal.App.4th 429, 434 (2010)

Pursuant to Code of Civil Procedure § 338 (d), the statute of limitations for a matter arising out of a claim for Fraudulent Misrepresentation is three years. At the latest the fraudulent misrepresentation statute of limitations would have begun was once the relationship between SSLOCSD and Wallace was terminated in February 2013 and would have expired in February 2016.

5. Conversion

Lee v. Hanley, 61 Cal.4th 1225, 1240 (2015)

Haigler v. Donnelly, 18 Cal.2d 674, 681 (1941)

Pursuant to Code of Civil Procedure § 338 (c), the statute of limitations for a matter arising out of a claim for conversion is three years. At the latest, the conversion statute of limitations would have begun was once the relationship between SSLOCSD and Wallace was terminated in February 2013 and would have expired in February 2016.

6. Violation of Political Reform Act; Government Code Sections 91004 and 91005

California Government Code § 91001 (b) provides a four-year statute of limitations from “the date the violation occurred” for violations of Sections 91004 and 91005. At the latest, the date the violation occurred would have been when the relationship between SSLOCSD and Wallace was terminated in February 2013 and thus the statute of limitations would have expired in February 2017.