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PRESS RELEASE

**District Attorney Files Conflict of Interest Charges
Against Former South San Luis Obispo County Sanitation
District Administrator John Lee Wallace**

SAN LUIS OBISPO, CA, January 24, 2017 – After conducting a ten month investigation, the District Attorney’s Office has filed a felony criminal complaint against John Lee Wallace, (DOB 11/29/1943) of San Luis Obispo, for violations of conflict of interest laws while he was the District Administrator of the South San Luis Obispo County Sanitation District (SSLOCSD).

The felony criminal complaint alleges that between July 26, 2011 and February 28, 2013, Mr. Wallace, as District Administrator, made, participated in, or influenced governmental decisions and made contracts in which he had a financial interest. Specifically, Mr. Wallace is charged with two felony counts of violating Government Code section 1090 and two misdemeanor counts of violating Government Code section 87100. Wallace’s arraignment on the charges is anticipated within the next couple of weeks.

“The public has the right to expect that their elected and appointed officials and their administrators will carry out their duties in a lawful, ethical and professional manner,” said District Attorney Dan Dow. “The District Attorney’s Public Integrity Division will thoroughly and fairly review all matters referred to us and will pursue charges such as these whenever appropriate.”

Background: On March 4, 2016, the District Attorney’s Office received the formal referral of a 629 page report (including exhibits) titled Review of Past Management Practices from the South San Luis Obispo County Sanitation District authored by Carl Knudson of Knudson & Associates. The Knudson Report concluded that Wallace may have committed criminal malfeasance and that, “[b]ecause potential violations of law are investigated and processed by law enforcement officials, we suggest that this report be provided to law enforcement officials for their determination.” The SSLOCSD Board voted unanimously to refer the Knudson Report to the District Attorney on January 20, 2016.

Point of contact for media inquiries is Assistant District Attorney Lee Cunningham (805) 781-5874.

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