

NEWS

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Appellate court upholds decision against scandal figures

In a major victory for the County of San Bernardino and its taxpayers, the Second District state Court of Appeal in Ventura on Thursday (Dec. 27) upheld a \$10.6 million ruling in the county's favor against several of the figures in the 1990s corruption scandal.

In May 2005, a superior court judge in Ventura County ruling in a civil suit brought by the county had ordered former County Administrative Officer James Hlawek, former CAO and trash company consultant Harry Mays, former trash company executive Kenneth James Walsh, and the Oakridge Corp. billboard company to pay the county \$10.6 million for various instances of bribery. Mays, Walsh, and Oakridge appealed. Hlawek, Mays, and Walsh had previously pleaded guilty to federal criminal corruption charges.

The county had also named Norcal, the firm for which Mays and Walsh worked, in the civil suit. Before trial, Norcal settled with the county for \$6.5 million and cancellation of its contract with the county. Hlawek cooperated with the county in the civil suit and has been gradually repaying his debt to the county. The county will continue to focus efforts on collecting payment from the other scandal figures. The May 2005 ruling brought to \$35,451,057 the sum the county has been awarded in restitution, settlements, judgments and credits in connection with the scandal.

"The county is pleased but not surprised. The ruling from the appellate judge is yet another reminder that today's county is worlds apart from the county as it was a decade ago," said Board of Supervisors Chairman Paul Biane, noting that the county is approaching the 10-year anniversary of Hlawek's August 1998 resignation and the unveiling of the scandal.

Hlawek's departure brought about an immediate purge of everyone in county government who might have had ties with the former CAO and his illegal activities. It also brought about a historic series of reforms designed to ensure against future corruption by making county operations and decision more transparent to the public.

The reforms focused on heightened spending oversight, background checks, leasing and purchasing rules, and availability of information on the county website, www.sbcounty.gov.