

Memorandum



CITY OF DALLAS
(Report No. I16-001)

DATE: October 26, 2015

TO: A.C. Gonzalez, City Manager

SUBJECT: Investigative Report:
Theft – Department of Dallas Water Utilities

This report provides results of an administrative review by the Office of the City Auditor (Office) of an allegation involving a Department of Dallas Water Utilities (DWU) Senior Crew Leader selling City of Dallas (City) parts and tools without the permission of the City.¹

In January 2015, DWU Management reported to the Office and to the Dallas Police Department-Public Integrity Unit (DPD-PIU) that they had obtained information implicating the Senior Crew Leader of selling parts and tools to a non-City employee who was illegally connecting DWU water service for non-paying DWU customers. The evidence was not sufficient to move forward with a criminal case, and DPD-PIU forwarded the complaint to the Office for administrative review.

Cell telephone text messages, from April 2012 to June 2014, implicate the Senior Crew Leader of selling DWU parts, such as crooked brass or elbows (a part used to reconnect water service). The text messages also incriminate the Senior Crew Leader of selling a titan key to the individual illegally reconnecting water service. This key is used to remove a titanium plug which may be placed on the pipe bringing water service to the meter. The titanium plug is used to prevent citizens from illegally reconnecting water service.

The evidence obtained is sufficient to support the finding that the Senior Crew Leader violated City Personnel Rules, specifically: dishonesty, theft, misconduct, and disregard of public trust.

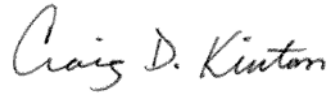
The DWU moved to discharge the employee from employment. The employee resigned his position on October 1, 2015, pending a pre-termination hearing scheduled for October 7, 2015.

¹ City of Dallas' Administrative Directive 2-14: *Fraud, Waste and Abuse Procedures* directs the Office to report to the City Manager specified investigative audit findings.

A.C. Gonzalez, City Manager
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If you have any questions or would like to be briefed regarding this matter, please contact me at 214-670-3222 or Amy Messer, Assistant City Auditor, at 214-670-5347.

Sincerely,

A handwritten signature in cursive script that reads "Craig D. Kinton".

Craig D. Kinton
City Auditor

C: Honorable Members of the Budget, Finance & Audit Committee
Warren M.S. Ernst, City Attorney
Mark McDaniel, Assistant City Manager
Jo M. Puckett, Director – Department of Dallas Water Utilities
Cheryl Orr, Ethics and Diversity Officer