

Memorandum



CITY OF DALLAS
(Report No. I16-005)

DATE: February 4, 2016

TO: Honorable Mayor Michael S. Rawlings
Honorable Jennifer S. Gates, Chair – Budget, Finance & Audit Committee
Warren M.S. Ernst, City Attorney

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

This report summarizes the results of an administrative investigation of a criminal case concluding that Mr. Harold Nolen, a Department of Dallas Water Utilities' (DWU) Water Plant Operator, committed theft by unlawfully appropriating property of the City of Dallas (City) and two construction contractors.¹

In August 2015, DWU Management provided information to the Office of the City Auditor (Office) and Dallas Police Department-Public Integrity Unit (DPD-PIU) that an undetermined Central Wastewater Treatment Plant employee was suspected of stealing copper wire from a City contractor working at the Central Wastewater Treatment Plant. The DPD-PIU investigated the case and subsequently charged Mr. Nolen with three counts of felony theft of material – aluminum, bronze, copper, or brass. Mr. Nolen was observed transporting the stolen property in a City truck to a vacant home near the Central Wastewater Treatment Plant, returning to the worksite after his work shift ended, and placing the stolen property into his personal vehicle. Mr. Nolen admitted stealing spools of copper wire to DPD-PIU Detectives. On December 3, 2015, Mr. Nolen pled guilty to theft and was sentenced to nine months confinement in State Jail for these offenses.

On January 12, 2016, the Office received a memo from DPD-PIU indicating their investigation was complete and the Office began its administrative review. The evidence the Office reviewed supports the finding that Mr. Nolen's actions violated City Personnel Rules, specifically: (1) dishonesty; (2) theft; and (3) misconduct.

The DWU Management has taken the following actions as a result of the investigations:

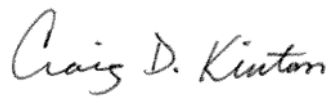
- Mr. Nolen was terminated from employment with the City on September 18, 2015, in accordance with City Personnel Rules
- All on-site contractors at the Central Wastewater Treatment Plant have been advised to safe guard their materials, supplies, and other items

¹ Council Resolution 90-4027 requires the Office of the City Auditor to report to the Mayor, the Chair of the City Council Budget, Finance & Audit Committee, and the City Attorney any apparent violations of law, apparent instances of misfeasance, or nonfeasance by City of Dallas employees.

- A staff advisory memo related to theft has been issued to the employees within the Wastewater Operations Program
- The DWU's Security Manager has contacted the City's contract security firm to provide increased awareness of suspicious activities that could be related to theft by DWU employees

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,



Craig D. Kinton
City Auditor

C: Honorable Members of the City Council
A.C. Gonzalez, City Manager
Mark McDaniel, Assistant City Manager
Jo M. (Jody) Puckett, Director – Department of Dallas Water Utilities
Vanessa Gray, Interim Ethics and Diversity Officer