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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE JOHN HATZISTERGOS AM
CHIEF COMMISSIONER

PUBLIC HEARING

OPERATION HECTOR

Reference: Operation E19/1595

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY 18 APRIL, 2023

AT 10.00AM

Any person who publishes any part of this transcript in any way and to any person contrary to a Commission direction against publication commits an offence against section 112(2) of the Independent Commission Against Corruption Act 1988.

This transcript has been prepared in accordance with conventions used in the Supreme Court.

THE COMMISSIONER: Yes, Ms Davidson.

MS DAVIDSON: Chief Commissioner, the next witness is Mr Stanculescu. I might commence by the tender of relevant documents of the brief.

THE COMMISSIONER: Yes.

MS DAVIDSON: Or volumes of the brief, I should say.

10 THE COMMISSIONER: I think we have an appearance for Mr Stanculescu.

AKTHAR: Akthar, Chief Commissioner, A-k-t-h-a-r.

THE COMMISSIONER: Yes. You are seeking authorisation?

AKTHAR: Yes, that's so, Chief Commissioner.

20 THE COMMISSIONER: Yes. Authorisation is granted.

AKTHAR: Thank you.

THE COMMISSIONER: Thank you. Yes, Ms Davidson.

MS DAVIDSON: I tender volume 12.1 of the Stanculescu Dalski brief, which I understand will be Exhibit 174, Chief Commissioner.

THE COMMISSIONER: Exhibit 174.

30 **#EXH-174 – PUBLIC INQUIRY BRIEF - VOL 12.1 STANCULESU-DALSKI**

MS DAVIDSON: I tender volume 12.2 of the Stanculescu Dalski brief.

THE COMMISSIONER: Exhibit 175.

40 **#EXH-175 – PUBLIC INQUIRY BRIEF - VOL 12.2 STANCULESU-DALSKI**

MS DAVIDSON: I tender volume 12.3 of the Stanculescu Dalski brief.

THE COMMISSIONER: Exhibit 176.

#EXH-176 – PUBLIC INQUIRY BRIEF - VOL 12.3 STANCULESU-DALSKI

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MS DAVIDSON: I tender volume 12.4 of the Stanculescu Dalski brief.

THE COMMISSIONER: Exhibit 177.

#EXH-177 – PUBLIC INQUIRY BRIEF - VOL 12.4 STANCULESU-DALSKI

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MS DAVIDSON: I tender volume 12.5 of the Stanculescu Dalski brief.

THE COMMISSIONER: Exhibit 178.

#EXH-178 – PUBLIC INQUIRY BRIEF - VOL 12.5 FINANCIAL DALSKI

30 MS DAVIDSON: I tender volume 12.6 of the Stanculescu Dalski brief.

THE COMMISSIONER: Exhibit 179.

#EXH-179 – PUBLIC INQUIRY BRIEF - VOL 12.6 STANCULESU-DALSKI

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MS DAVIDSON: I tender volume 12.7 of the Stanculescu Dalski brief.

THE COMMISSIONER: Exhibit 180.

#EXH-180 – PUBLIC INQUIRY BRIEF - VOL 12.7 STANCULESU-DALSKI

MS DAVIDSON: I tender volume 12.8 of the Stanculescu Dalski brief.

THE COMMISSIONER: Exhibit 181.

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#EXH-181 – PUBLIC INQUIRY BRIEF - VOL 12.8 STANCULESU-DALSKI

MS DAVIDSON: And finally I tender volume 12.9 of the Stanculescu Dalski brief.

THE COMMISSIONER: Exhibit 182.

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#EXH-182 – PUBLIC INQUIRY BRIEF - VOL 12.9 DALSKI EMAILS

MS DAVIDSON: Thank you, Chief Commissioner. Mr Stanculescu is present now at the back of the Commission.

THE COMMISSIONER: Would you come forward, please, Mr Stanculescu? Thank you. Ms Akthar, have you informed the witness of section 38 of the Independent Commission Against Corruption Act and if so is the witness seeking direction under that section?

30

MS AKTHAR: Yes, Chief Commissioner.

THE COMMISSIONER: Yes, thank you. Mr Stanculescu, do you wish to take an oath or an affirmation?

MR STANCULESCU: I'll take an oath, Chief Commissioner.

40 THE COMMISSIONER: Yes, all right. If the witness can be sworn.

THE COMMISSIONER: Mr Stanculescu, I just want to remind you that as a witness you must answer all questions truthfully and produce any item described in the summons or required by me to be to be produced. You can object to answering a question or producing an item and the effect of an objection is that although you must still answer the question or produce the item your answer or the item produced cannot be used against you in any
10 civil proceedings or, subject to two exceptions, in any criminal or disciplinary proceedings. The first exception is the protection does not prevent your evidence from being used against you in a prosecution for an offence under the ICAC Act, including an offence of giving false or misleading evidence for which the penalty can be imprisonment of up to five years. The second exception only applies to New South Wales public officials. Evidence given by a New South Wales public official may be used in disciplinary proceedings against the public official if the Commission makes a finding that the public official engaged in or attempted to engage in corrupt conduct. Now, I understand Ms Akthar has explained
20 to you the provisions of section 38 of the Independent Commission Against Corruption Act. That enables me to make a declaration that all answers given by you and all items produced by you will be regarded as having been given or produced on objection, and that means you won't have to make an objection with respect to each answer or the production of each item. I understand you wish for me to make such a declaration. Is that the case?---
Yes, Chief Commissioner.

Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by the witness and all documents and
30 all things produced by this witness during the course of the witness's evidence at this public inquiry are to be regarded as having been given or produced on objection and there is no need for the witness to make objection in respect of any particular answer or document or thing produced.

**DIRECTION AS TO OBJECTIONS BY WITNESS: PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT ALL ANSWERS GIVEN BY THE WITNESS AND ALL DOCUMENTS AND ALL THINGS
40 PRODUCED BY THIS WITNESS DURING THE COURSE OF THE WITNESS'S EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE**

**REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON
OBJECTION AND THERE IS NO NEED FOR THE WITNESS TO
MAKE OBJECTION IN RESPECT OF ANY PARTICULAR
ANSWER OR DOCUMENT OR THING PRODUCED.**

THE COMMISSIONER: Yes, thank you.

MS DAVIDSON: Mr Stanculescu, could you state your full name and age
10 for the Commission.---Vlad Stanculescu, 38.

And do you hold a Bachelor of Engineering in Computer Systems?---Yes.

And did you obtain that degree in 2007?---Yes.

And was that from the University of Western Sydney?---Yes.

And do you also hold a Master of Engineering Management?---Yes.

20 And when did you obtain that qualification?---I don't remember the year.

Was that in 2012?---Might have been, yep.

From the University of Technology?---Correct, yes.

Are you currently employed?---Yes.

By whom?---Dalski.

30 And what is your role presently at Dalski?---Project manager.

And since when have you been employed by them?---Roughly February.

February of which year?---2022, sorry.

Are you currently a director of Mercury Road Equipment Pty Ltd?---Yes.

And what does that company do?---Nothing. It's a stagnant company.

All right. What did it formerly do?---It owned some road maintenance equipment and which was leased out, so it was effectively a lease hire company.

Were you involved in the management of that company during the time that it was operating?---Yes.

And what was the period that it was operating?---Somewhere between 2015 and 2017.

10

All right. If the company was established in 2016, does that help you place with any more accuracy the period of time that it was operating?---Not really, no, yeah.

All right. You said it rented out a piece of equipment in relation to road maintenance, did you say?---Correct.

And was that road maintenance equipment or that road maintenance activity activity that took place in a particular geographical location?---Not a specific one. Yeah, so there was two locations.

20

Where were those locations?---Regional New South Wales and Queensland.

All right. During the time that the company was in operation, were you employed by Downer?---Yes.

And during the time that the company was in operation, did that company have any contractual relationship with Downer?---No.

30 What's caused the company to cease operation?---The, the business plan came to, to an end naturally. It, it was a natural progression for it.

That is you always planned for it to cease operations or - - -?---Yes.

Right.---Yeah.

Does the company still retain the piece of equipment?---No.

40 Right. When were you first employed at Downer?---My first employment with Downer was in 2008 and I worked for them for roughly three years, I think.

Was that your first job - full-time job, that is - out of university?---No, I held, I held another, another job before that.

And what was the other job that you held before that?---United Group.

I'm sorry?---The United Group. I was a designer for United Group.

Right. And after that you moved to Downer in 2008?---Yeah.

10

And you worked for them until when did you suggest?---I think it's two and a half to three years, somewhere around there.

All right. Early 2010, does that sound accurate?---Yeah, yep.

And what were you doing there during your first stint at Downer?---I was a, a graduate engineer, overhead wiring.

Did you become a project engineer during that first period?---I became an assistant project manager.

20

Right, which was a senior position to a project engineer or just in a different stream?---It's hard to place, yeah. Yeah, it's hard to place exactly where I sat.

All right. All right. Did you progress through being a project engineer at any point or you went straight from being a graduate engineer to being an assistant project manager?---Correct.

All right. And after you left Downer in that first period of employment, where were you next employed?---Abbey Group.

30

And what were your responsibilities there?---Senior project engineer, I believe.

Right. And how long did you stay at Abbey Group?---Three years, I think, from memory.

If I was to suggest to you that it was only about a year, is that inaccurate?---Sorry. Yeah, then I went to Thiess, yeah.

40

Yes. And at Thiess, what were your responsibilities?---Senior project engineer, yeah, looking after overhead wiring installation in Queensland.

Did you also hold a project management role within Thiess?---No.

Right. When you were both at Abbey Group and at Thiess, did those jobs or roles involve overhead wiring specifically or were they broader than that?
---Correct, overhead wiring.

10 And then after you left Thiess did you return to Downer?---Yes. Yes.

Was that from approximately February 2014?---Sounds about right.

And - - -?---I think maybe April, yeah. It might have been April.

In 2014?---Yeah.

Right. And what was the role or capacity in which you returned to Downer?---Senior project engineer overhead wiring.

20

And did you progress to being a project manager during your time at Downer?---Correct.

When did you leave Downer?---November '21.

Right. Was that a period of time at which you both submitted a resignation and were stood down?---Correct.

30 Did those two things occur effectively simultaneously?---I resigned the day prior to finding out about my being stood down.

All right. So you resigned on 17 November 2021. Is that correct?---I believe so.

And the following day you were informed that you had been stood down.
---Correct. It might have been one or two days. I don't remember exactly.

Did you return to work after the date that you submitted your resignation?
---I did.

40

When was that?---Sorry, I don't understand.

Did you continue to work after you had submitted your resignation?---Yes.

Was that only until the date that you were stood down or beyond that date?

---Only until I was stood down.

All right. What was your last day at Downer?---I, I actually don't remember the, the specific date.

10 All right.---Yeah, it's, it would have been a month, as I'm required to give a month's notice.

Were you informed that your employment had been terminated by Downer?---Correct.

And was that at or around the same time that you understood to be the end of your notice period - - -?---Correct.

- - - following resignation?---That's correct.

20

In fact, did those two things occur simultaneously, that is, the end of your notice period and, or the end of what you understood to be your notice period and being informed that your employment had been terminated? ---Yes. Correct.

Can you explain how that occurred? What was the communication with you?---Downer sent me a termination letter.

30 Right. And that was on what you understood to be your last day, was it? ---Correct.

Right. I think you'd indicated you commenced as a senior project engineer. Were you approached to return to Downer?---I don't remember. Very likely, yeah.

Do you recall what prompted you thinking that you wanted to return to Downer?---I was wanting to return back to Sydney and reduce my travel, so I was going to take - - -

40 Had you been working interstate - - -?---Correct.

- - - during the period that you were at Thiess?---Thiess and then prior to that Abbey Group in Melbourne and then Adelaide, so I was over travelling.

When you say it was very likely that you were approached to return, do you recall any conversations with anybody in relation to that?---No, not specific conversations.

All right. Did you progress to project manager during your time at Downer?---Yes.

10

Are you able to indicate approximately when that occurred?---Around 2017.

Was it about May of that year?---Possibly.

And after the period that you were appointed as project manager did you continue to work on projects related to overhead wiring?---As required, yes.

Were they, at that point, rail projects? That is after you started working at project manager?---I mostly worked on rail projects.

20

Was there a progression in terms of the types of rail projects that you were working on over the period between 2017 and the end of 2021? Were they all TAP rail projects, were they other kinds of rail projects? Can you explain a summary of the kind of rail projects you worked on?---Yeah. So I worked on Newcastle Light Rail, which is heavy rail. I did some work for Queensland, Gold Coast Light Rail, Parramatta Light Rail, some minor consultant work through Downer. So it was anywhere between heavy rail and light rail.

30 And when did you start working on TAP rail projects?---I believe it was Kingswood. 2019, I think it is.

Kingswood was the first one that you'd worked on?---As a - sorry, no. I take that, I withdraw that. I did do a small stint on Toongabbie Station.

Did you also work on North Strathfield?---In a different capacity, but yes.

Was that as commissioning manager?---Correct.

40 So can you explain what the difference is between the commissioning manager and the project manager role?---A commission manager is, is

responsible for the integration of all the systems such that an asset can be handed over to the client.

So in your role as commissioning manager what stations were you responsible for?---All of the - so North Strathfield, Glenbrook, Hazelbrook, Kingwood in that, in that program.

And Toongabbie as well?---And Toongabbie. However, I, I didn't see that one through to the end.

10

And did your role as commissioning manager overlap with your time as project manager in relation to Kingswood?---Overlap in what way, sorry?

Well, just in terms of time. That is were you both acting as commissioning manager and as project manager at the same time?---Yes.

Was that an unusual situation from your perspective, do be both project manager and commissioning manager?---Yes, yes.

20 Did that cause difficulties in relation to your workload?---Yes.

Was there a period of time at which you ceased to be commissioning manager, that is to hold both roles?---Yes.

Are you able to say when that was?---When we recruited a commissioning manager. I believe it was around mid-2021.

Somebody took over from you, did they?---Yes. But even so there was still a transition period to hand over that sort of role.

30

And you then continued as project manager in relation to Kingswood?---Correct.

And after Kingswood did you move on as project manager to another project?---Yes. I stayed as the project manager for the business from that point on.

And what projects did you work on after Kingswood?---I'm drawing a blank here, sorry.

40

Banksia?---Yes, yes, definitely Banksia.

And did you also work on Wollstonecraft?---No.

Who was your supervisor during the period of time that you were working as project manager at Downer?---The entirety of my employment with Downer? It has changed.

10 Well, no, as project manager. So since 2017 are you able to indicate who was supervising you over that period between 2017 and 2021?---Initially it was a gentleman by the name Khaled Manus and Karl McCarthy. So between those two.

THE COMMISSIONER: Sorry, Khaled Manus and who's the second one? ---Karl McCarthy, the current General Manager, I believe, of, of Downer.

MS DAVIDSON: And what period were they supervising you?---So Khaled Manus and Karl McCarthy was during the Mortdale project, so around the 2017 time frame. And then after that, at the first round of station upgrades, it was Greg Barnes, who was the project director at the time. And
20 then after that it was Andrew Bedwani.

Were you managed during a period - and I apologise for the mispronunciation - by Adam Adamczewski, A-d-a-m-c-z-e-w-s-k-i?---Not - so I, at - sorry, at Mortdale he was working as the construction manager technically under me. So he was working for me and reporting to me. However - - -

30 Were you the project manager at Mortdale?---Correct. However, he then took up a role with Downer as operations manager and in effect became my manager.

All right. Are you able to say what period that was?---No.

Did you work closely together in that period?---In the period that we worked on - - -

40 On Mortdale.---I wouldn't say particularly closely because on Mortdale I was on, under multiple roles. So I also held, on top of the project manager role I was also the design manager and the commissioning manager and the interface manager, which is why Adam was brought on board to deal with

the construction of that project. So he was physically out onsite. I was doing a lot of client face-to-face type, type meetings.

And after he became operations manager, did you then work more closely together?---No.

Did he go on to work at Dalski?---Yes.

Does he still work at Dalski?---No.

10

What was the role that he held at Dalski?---Operations manager.

All right. And are you able to indicate what period he worked there?---Not specifically. I think he took up a role with someone else around February or March last year.

And do you know when he started at Dalski?---No.

20 Did you play any role in encouraging him to take up employment with Dalski?---No.

When you were employed by Downer, you declared a conflict of interest in relation to your directorship with Mercury Road, is that correct?---Correct.

You didn't declare any other conflicts of interest, is that correct?---That's correct.

30 Did you recall giving consideration to declaring any other conflicts of interest?---No.

Did you regard yourself as understanding the concept of conflict of interest during your employment at Downer?---At the time I did.

At the time you did. And what did you understand that concept to mean? ---That I couldn't, with relation to Mercury, having, having a directorship in a company was inappropriate. That was the extent of what I thought.

40 And why did you think that was inappropriate?---Because I had a stake in another company.

Right. You indicated that was the extent of it. Have you now reached a broader understanding in relation to conflict of interest?---Yes.

And what's that now?---That friendships in a work context can also count as a conflict of interest.

What led you to form that broadened appreciation of the concept of conflict of interest?---My current predicament.

10 That is the Commission's investigation?---The, the termination by Downer and subsequently ICAC's investigation.

All right. So it was first the termination by Downer that led you to that appreciation?---Yes.

Do you recall when you first learned of a company called RJS Projects?
---Yes.

20 And when was that?---2019, sometime in 2019.

And was that in the context of the Kingswood project?---Correct.

Do you recall how you first came across them?---I believe they were doing work for Downer on other projects. One that - - -

Had you heard about that?---I beg your pardon?

30 Had you heard about that from other people working at Downer at the time?---Yeah. Yeah. It was, it was, I guess going around the traps that there was a new, there was a new contractor that was performing quite well, I guess, yeah.

Did you recall at that point giving consideration to whether they might be an appropriate contractor in relation to Kingswood?---Yeah.

Did you discuss that with others who were working with you in relation to Kingswood?---I don't remember specific conversations but I may have, yeah.

Were you involved in the procurement process for the building package at Kingswood?---The, elements of the building process, yeah, of the building package, yes.

Elements of the building package. What elements were those?---Well, the, a procurement package has a start and a finish so at some point I was involved in it, whether it was administering the contract or closing out, closing out defects.

10 All right, but that was after the award of the contract.---Correct.

In relation to the procurement process specifically, the building package, there was an issue of the tender. Do you recall discussions in advance in that? Were you involved in that process of issuing the tender for the building package?---No. As I said in my compulsory examination, that was right around the time that I went on my honeymoon with my wife so I don't, don't really remember having any involvement in the procurement phase or the decision of who to engage.

20 Chief Commissioner, the section 112 order hasn't been varied in respect of Mr Stanculescu's compulsory examination. I just note that for the record, given that it's just been mentioned.

THE COMMISSIONER: Yes. All right. Well, I grant the variation.

VARIATION OF SUPPRESSION ORDER: THE SECTION 112 ORDER IS VARIED IN RESPECT OF MR STANCULESCU'S COMPULSORY EXAMINATION OF 28 NOVEMBER 2022

30

MS DAVIDSON: Could we have volume 1.4, page 303 brought up on the screen. This is an email sent by Mr Pilli, the project engineer, in relation to the Kingswood project, to Mr Harman and Kevin Watters as to the building works package for Kingswood. And it's sent on 4 June 2019. Was that a period that you were on your honeymoon?---I believe so, yeah.

All right. When did you get married?---February.

40 Right, but you went on honeymoon later in the year, is that - - ?---Correct.

- - - correct?---Yeah. We went during the summer in Europe.

Right. So are you able to place the month or months that you were away on honeymoon?---It would, would have been, yes, it would have been June.

It would have been June.---A six, a six-week period around that time.

All right. Did it extend into July, do you think?---Possible, yeah. I could recall my records maybe in the break and get back to you on specific dates.

10

All right, but to your recollection you were at the time that this email was sent. Is that correct?---Correct.

And was Kevin Watters filling in as project manager during that period?
---Yes.

You'll see that there are five contractors referred to in that email, RJS, CNH, NHR, SDL and Constructicon. Do you recall having discussions with Mr Pilli in relation to any of those contractors?---No.

20

Do you recall suggesting to them that any of them be added to the list?
---No.

Do you know what process, if any, Mr Pilli would have gone through in order to compile the list of contractors that were on that email?---I don't know what process he would have, he would have gone through, no.

Was there a process that he should have gone through?---Not that I'm aware of.

30

All right. So were project engineers expected to simply pull potential contractors from thin air? Was there a list or a consultation process that you were aware of as project manager for selecting who tenders would go out to?---There, it was a, an informal list that was - - -

An informal list.---That was circulated, which people referred to as the procurement register and it had a number of companies listed for varying trades.

40 And who created that list?---I don't know.

Was it something that anybody could add to?---Effectively, yes.

Do you recall adding to it at any stage?---Yes.

Did you put Dalski on it?---I did.

Were there others that you recall adding to that procurement register?---No.

10 Was there any instruction or expectation in relation to referring to that procurement register as a means of sourcing potential contractors?---Not at the time.

Not at the time. Subsequently?---Subsequently, for the TAP 3.3, which was the Banksia line of projects, the, a, a more rigid process was introduced.

Is that via ARCUS?---No.

20 No?---No. It was more, it was still relatively informal. However, the project director initiated discussions with the teams to refine the list and - - -

Was that Mr Bedwani?---Correct.

When you say he initiated discussions to refine the list, were you part of those discussions?---Correct.

30 And what was the nature of those refinements? What did he seek to do?---It was effectively to, to, to identify contractors, have a, have a consistent list that all the projects could use so that we were being more consistent across all our procurement packages.

And did individuals still have the opportunity to add to that more formal list?---Correct, yes.

And was there an expectation then, that is by the time of Banksia, that contractors would only be approached if they were included on that list? ---Effectively, yes. However, this, that list, the, the more rigid list was only introduced as part of those projects. It was, I would say it was still evolving, yeah.

40 And did contractors simply carry across from the previous informal list onto the more rigid list or do you recall whether there was some editing process?

---I, I wouldn't say there was an editing process. It was just a list that kept getting circulated.

And do you know what Mr Bedwani's purpose was? Was it simply consistency or was there any attempt at confining individuals who might - that is individuals working for Downer who might approach other people?

---I, I can't speak to his motives.

10 What did you understand to be the purpose?---I understood the purpose is that we would pick appropriate contractors for the type of work and we would do so consistently.

So that is once a contractor had worked on one project it was more likely that they would be picked for another, is that right?---Past performance is important, yes.

Do you recall any discussions about processes for introducing new contractors to that list?---Not specific processes or - yeah.

20 Do you recall whether Dalski continued over onto that more formal list? ---They did, yes.

Did you have discussions with Mr Bedwani about their inclusion on that more formal list?---Yes.

Do you recall the nature of those discussions?---It was part of the open meeting with all the other project managers and engineers.

30 That is there was discussion of individual contractors who were on the informal list and carrying it across to the formal list, were there?---Correct, yes.

And what do you recall saying about Dalski in the context of that meeting? ---I was positive about Dalski in my recommendation of them.

And was that as a result of your experience working with them or some other factor?---Both.

40 Both. And when you say both, was that your friendship with Mr Sensicle? ---No.

What was the other factors, apart from your experience working with them?---There was a tendency within Downer whenever there was a problem with a particular contractor for project managers to distance themselves from the issue by blaming it on the contractor, and they did so on a number of other, with a number of other contractors, and having been with Downer for a very long time and having endured projects from start to finish, I felt that that was inappropriate and that contractors were being written off without being given correct consideration.

- 10 All right. Did you regard Dalski as being in the category of being written off?---That's what people were trying to do, yes.

And that's at the time that the informal list was being carried across into the formal list?---Correct.

Right. And what was - do you recall what was being said about Dalski that was causing them, to your understanding, to be written off?---Vaguely I can recall people just summarily saying that they're a shit contractor.

- 20 Right. And do you recall why they were saying that?---No.

In pushing back against that, do you recall what you said about them?---Not specifically.

Do you recall referring in that meeting to work that you'd done with Dalski at that stage?---Correct, yes.

That is work on the Kingswood project?---No.

- 30 Other work that you'd done with them?---Mortdale.

Right. And do you recall what you said about Mortdale?---Not specifically.

Right. Was there a discussion about Kingswood given that that was a more recent project that they'd worked on?---No. So I obviously read the brief. There is a reference in there to, to Kingswood. I just want to make it clear that Dalski was awarded that work prior to me commencing on Kingswood and they delivered that work prior to me commencing on that, on that project. So any work they did do at Kingswood was before me commencing on that project.

40

Right. But do you recall knowing about the quality of it one way or the other?---Yes.

And do you recall there being discussions of difficulties that Dalski had in relation to the performance of that work?---Yes.

And what did you know about that?---I knew that there was a possession weekend, fairly critical time frames around it, and that Dalski did not perform.

10

Right. Are you aware of Downer having to allocate resources to assist Dalski in relation to the work that it was meant to perform on that possession weekend?---Not work it was meant to perform.

Did this relate to the erection of fencing and hoardings?---Hoarding.

I'm sorry?---Hoarding, yes.

Hoardings.---Yes.

20

And the work wasn't able to be completed, was it?---No.

And did you - what were you told about why that was?---When I joined the project I was told that Dalski turned up without materials to perform the work. Sorry. Dalski turned up without the materials to perform the work and then, subsequently to that, I found out that Downer had agreed to provide materials and it was Downer that didn't provide those materials.

30

All right. Where you say - - -?---And therefore Downer - Dalski couldn't perform.

Where you say subsequently you found that out, did you find that out from somebody at Dalski?---No, no, at Downer.

All right. So do you recall who at Downer told you that Downer had agreed to provide the materials?---It's, it's written on the purchase order. It's written on the basic agreement that was put together for them.

40

That is did you consult those documents - - -?---Correct.

- - - in relation to knowing that there was to be a discussion about Dalski?
---Correct.

And you discovered that there were things written on there that hadn't been discussed, is that - - -?---Correct.

That is, hadn't been discussed within Downer.---Yeah. And there may have been some other emails. I don't remember specifically, but I do remember that situation because it was quite, you know, quite an embarrassing thing
10 for Downer to go through and, and not perform on that possession.

An embarrassing thing for Downer or an embarrassing thing for Dalski?
---Embarrassing thing for Downer. Because it's always - - -

Right, but also embarrassing for Dalski?---No, because they performed the work they were supposed to perform.

I thought you'd indicated they weren't able to perform the work.---The work they were able to perform, they performed. But - okay, so imagine if
20 you, if you're told you're coming out to site and you're going to assemble a structure and Downer is going to provide this structure to you, and you turn up and the bolts are missing for the structure so you can't physically assemble it. You still come out to site, you still spend the time, and some of the work got done and some of the work didn't get done.

All right. But that was not a possession that you were responsible for supervising?---Correct, yep.

Okay. And so during the meeting, that is the meeting where there was
30 discussion of Dalski as a shit contractor, did you bring up this example?
---No, I don't think so.

Okay. So was that later that you investigated the purchase order?---Correct. Well, sorry, not later. I just don't think I brought it up in that specific meeting.

All right.---Yeah.

Did you bring up that possession though? Was there discussion of that
40 possession and Dalski failing to - - -?---Not specifically. I don't think people were talking in specifics.

Okay.---Yeah.

There was just a, “They’re shit. We shouldn’t use them anymore,” kind of discussion. Is that right?---Correct. Yes.

And in response to that did you bring up something more specific to try to tie it down?---I said that my experience with them at Mortdale was good and that it’s how you manage a contractor, how we, Downer, manage
10 contractors that is important in the end of the day.

Right, and do you recall Mr Bedwani’s response to that?---No.

But Dalski were included on the, what you’ve been referring to as the more formal list?---Correct.

So presumably your advocacy succeeded, at least to some extent.---I think reluctantly, but yes.

20 When you say you think reluctantly, what gives you that impression?
---People were still not happy with engaging Dalski.

At Banksia?---Yeah.

Right. Well, we’ll come to that but did you after that meeting recall a list being circulated by Mr Bedwani? What was the process by which he effectively approved the list? Was there an indication from him as to which contractors would or wouldn’t be included?---No, I don’t think it was anything of that sort. I don’t think he personally circulated the list. I don’t
30 remember the instance and because it wasn’t a formal process, that list stayed relatively informal. It was a uncontrolled document.

Right. So it was fluid.---Yes.

Okay. What was your relationship with Mr Bedwani like?---In what sense, sorry?

Well, would you describe it as a close working relationship during the time that he was managing you?---Yes, and also personal.
40

It developed into a personal friendship?---Yes.

Had you been friends before you, well, had you had any contact with him or knowledge of him during your first stint at Downer?---No.

And so it was after you came back that you started to develop a friendship with him. Are you able to place when that was?---The first time we worked together was at North Eveleigh. I don't remember the year specifically. And that was a, that was a good project, and I think we built some good rapport from that, and then it just, we continued working together. Yeah.

10

Was he your supervisor at North Eveleigh?---Not initially, but yes, eventually he became - - -

Right. And you say you developed some good rapport. Was that in a professional sense or you started to develop a friendship outside of work? How did it develop?---Look, I can't place that specifically. We are friends.

Yeah.---I can't place a specific time for that.

20 All right. Are you able to explain the sense in which the relationship evolved, that is, presumably you were working together? Did you start to see each other socially as well?---Yes.

And are your families friends with each other?---Acquaintances more like it, yeah.

Did you have regular social contact with Mr Bedwani outside of work? ---Regular, yeah. Yeah.

30 And are you able to say from what period of time that commenced?---No.

Was it happening in 2019?---Probably not that far back, no.

Not as far back as 2019.---No, I don't think so.

So at the time of your wedding, which I think you'd indicated was February, is that right?---February 2019.

40 In 2019. Was Mr Bedwani invited?---Correct. Yes.

Did he play any role in your wedding?---He was our, him and his wife were our godparents.

Godparents.---Yeah.

So did you have a baptism.---No, it's like a wedding godparent.

Okay.---Yeah.

10 So are you able to explain what that involves?---It's, it's more of a tradition or a ritual and his family is Orthodox and we're Orthodox so we, you know, we're friendly. We asked them to become our godparents and they accepted.

Were there others who played that role as wedding godparents?---No. No.

Just he and his wife.---Correct. Yeah.

20 So would that indicate that by the time of your wedding you were reasonably close friends with him?---Well, yeah, yep.

'Cause you would want to confer that honour on somebody you were close to?---Yeah, and it's someone that, you know, ideally in, traditionally in the Romanian culture it's someone that, that you respect and look, look up to and you could go to for guidance and advice in, you know, in a spiritual sense.

30 And did he understand that aspect of it, that is that you were asking him because you regarded him in that way?---I hope so.

Did you have - - ?---I can't, I can't speak to his understanding, but yeah.

All right. Did you have a discussion with him about the nature of the role before you asked him to take it on or did he already know, from sharing the Orthodox culture, are you able to say one way or the other?---I, I would hope he knows from the Orthodox culture, yeah.

But did you discuss it with him?---No.

40 All right.---No, not in, not in an explicit way, yeah.

Did you simply ask him to be your wedding godparent, is that how it worked out?---Correct, yeah.

So, are you able, thinking by that timing, to indicate whether you think you were having a regular social contact outside of work with Mr Bedwani by February 2019?---Sorry, say that again?

10 Are you able to indicate, thinking back to that timing of your wedding, whether you were having regular social contact with Mr Bedwani outside of work before February or by the time of February 2019 when you got married?---Well, the timing would suggest that we were probably close before that time.

Yes.---I, I, I can't place a specific - yeah, sorry.

All right. But you would agree you were close before that time?---Yes, yeah.

20 And did that continue, that closeness, throughout 2019?---Yes.

And did it continue throughout the remainder of your time at Downer?
---Yes.

Does it continue today?---Correct, yep.

30 We've just been looking at this page that's up on the screen in relation to the building works package. Could we have volume 1.4, page 359 brought up on the screen? Sorry, we might come back to that. If you can take it from me that the go-ahead was given to RJS in June 2019 in relation to the works.---Sorry, am I supposed to look at - - -

No, no.---Oh, okay.

40 The building package went out, I think during a period while, I think you said, you were away, the whole of June, a go-ahead was given to RJS in relation to the building package. There was then a subcontractor recommendation that was competed in September. Are you able to indicate why a subcontractor recommendation for the building package was only completed in September 2019?---I can only tell you my thoughts on the matter.

Yep.---And that is that there was a backlog of work on these projects and, and it just simply wasn't done in the time that it should have been done.

So, should a subcontractor recommendation, to your understanding, have been completed prior to a company being given the go-ahead for the work?
---Absolutely.

10 And that's because the formal sign-off process, that is those at Downer who are meant to approve that subcontractor recommendation, only did so when the documentation was provided to them, is that correct?---That's how it would work, yes.

And you say there was a backlog of work. Are you able to indicate what that backlog related to?---I would only be making general statements but suffice to say that the designs always ran late which then pushed procurement which then pushed everything else out but the contractual milestones dates with Transport for NSW were immovable.

20 That is Downer wanted to achieve those contractual milestone dates, is that right?---I don't think it's a desire, I think it's a contract that they signed up to, yeah.

That is that they would be in breach of that had they not achieved the milestones?---Potentially, yes.

30 And so procurement processes you indicated lagged as a result of designs being late. Obviously the subcontractor recommendation process was an aspect of the procurement process. Do you recall more informal processes being used for procurement as a result of those time pressures?---Informal, sorry, in what way?

Well, that is, for example, contractors being given the go-ahead to proceed without a subcontractor recommendation having been approved.---That did happen, yes.

Were you aware of that happening in relation to the Kingswood building package?---Well, when I returned I became aware of that, yes.

40 Right. And did you attempt to take steps in relation to addressing that situation?---I don't remember, but I, I would have done something about it.

Right. Were you concerned when you came back and found that there had been no subcontractor - well, did you recall learning there had been no subcontractor recommendation signed off for the Kingswood building package?---I can't, I can't recall that. But what I do recall was rejoining a project that was in disarray while I was gone.

Right. That is, did you regard Mr Watters as not having satisfactorily performed the fill-in duties as project manager?---I can't pin it on one person. This isn't, this isn't a "one person didn't do their job and therefore everything fell over".

So in what respect did you regard the project as being in disarray?---Well, for example, the contracts weren't executed. The recommendations weren't done correctly. One thought that I had with the building works package for Kingswood was that the scope of works wasn't very well constructed, which led to poor control of the subcontract, poor administration of the subcontract.

And where you say poor control or administration of the subcontract, is that in respect of the number of variations that then had to be approved? ---Correct.

Right. Do you recall when you had that thought?---Not specific time frames, no.

Could we have volume 1.5, page 97, brought up on the screen. You'll see this is a payment schedule in respect of the Kingswood Station project, and if we scroll to the next page - well, actually we'll go back to 97 for a moment. You see the original subcontract sum and then the variation sum there exceeding the amount of the original subcontract?---Correct.

Do you recall that being the case?---Yeah.

And was that a reflection of what you regarded as a poor scope initially in relation to the building works?---Not entirely. Not entirely.

And what was it also a result of?---There was often situations where scope items that were never intended to be in the building package or in a specific package end up being added to that package.

All right. Well, let's come to the list, which is on the following page, and we'll come to some of the more specific examples. You see there the agreed variations start at the bottom of the page. And if we could scroll to the following page, there's a variation - or reasonably large variation - in respect of stair nosing, and one in respect of fencing, and one in respect of re-sheeting, WE19. What was Mr Pilli's role in relation to the approval of variations?---I think he made recommendations. I don't think he had any level of approval.

10 Right. Do you recall him pushing you to approve variations?---Only so far as reminding me, if he had put forward a variation to be approved, that it needs to be progressed.

All right. Do you recall him advocating for approval of variations and you pushing back on that?---In some instances, yes. I was, the re-sheeting weekend 19, I think that's the scope I'm thinking of, is platform re-grading. I was, I was against - - -

20 Is that asphaltting, effectively?---Asphaltting, yeah. I was, I was against doing that scope in its entirety.

And where you say you were against doing that scope, you didn't regard it as necessary to be done or you were against it being done by RJS?---I didn't think it was necessary to have been done. But I was overruled.

So what was - can you explain what the context was for you being overruled?---I don't, no, I don't actually remember specifically.

30 Who would have overruled you?---Very likely the commercial manager for the project.

So Mr Patel?---Possibly, yeah.

What role did he play in relation to deciding whether scope should or shouldn't have been performed given you were the project manager?---So for context there was a budget allocation for the re-sheeting but in this instance the client effectively requested to put it in, to perform that work.

40 And when you say the client, was that Mr Abdi specifically?---Yeah, it would have been, would have been Transport for NSW but through Mr Abdi, yeah.

Right. And do you recall him requesting that be added or be put in?---It wasn't a formal request but he did have a lot of conversations with a lot of people to manoeuvre that outcome.

Did that include with you?---He tried with me, yes.

Right. And did you push back on that?---I did.

- 10 And do you remember the nature of the conversation?---Not specifically. All I remember him saying, "I don't see any benefit of doing this work."

And what did he say about that?---He said things like, "Just do it, you know. Sydney Trains want it. Sydney Trains need to be happy. Transport needs to be happy. We're your client." Things along those lines.

All right. Do you recall him advocating for anybody in particular to perform the asphaltting variation?---No.

- 20 Was there a tender process in relation to that variation?---No.

Should there have been, given the scale of the work?---It's unclear.

Unclear.---Correct.

- 30 What is it that in your understanding made it unclear?---You have a, a procurement timeframe in the contract. There is a period where you go and let all the contracts out to market and then you go into the delivery phase of the project, and this work happened so far into the delivery phase of the project that initiating another 14, 16-week procurement was just not a feasible exercise, and this is quite a common occurrence across all of the projects that you would run into, especially when scoping was done very poorly at the start.

And you regarded that as being the case in relation to the Kingswood project more generally or the building works specifically, that is scoping being done poorly?---I think across the process, yeah.

- 40 Who was responsible for scoping? Was that Downer or Transport for NSW?---Downer.

Right. Do you recall there being time pressure in respect of getting the asphalted done during a particular possession?---Yes.

And did that, to your understanding, lead to the selection of RJS - I'm sorry, are you okay there, Mr Stanculescu?---Sorry, I dropped the, yeah.

Do you recall that leading to time pressure in relation to the selection of or the method that is used, that is a variation to have RJS do the work as opposed to approaching anybody else?---Not in that specific sense, no.

10

All right. Do you recall any pressure or discussions from Mr Abdi in relation to stair nosing?---No.

And what about from Mr Pilli?---No.

And as to fencing, that was \$81,000, do you recall the process by which that came to be approved as a variation?---No.

20 Do you recall any pressure or urgency in relation to that work being performed?---No more than usual.

All right. Was that fencing variation in part a result of work that was not able to be performed by Dalski that you'd given some evidence about previously?---Sorry, just repeat that question for me again.

Was that fencing variation that was awarded to RJS partly the result of work not being able to be performed on fencing by Dalski?---No, two completely different scopes.

30 Right.---Yeah.

So what was the fencing that was meant to be performed by Dalski? Do you recall?---So the, the temporary hoarding package was to protect which we build the stairs, to, to the new concourse for Kingswood Station.

Yeah.---The, this fencing is the permanent fencing once we finished the station.

40 Right.---So it's the railway fencing that protects people from walking into the railway.

Do you know who ultimately performed the temporary fencing work that was mean to be performed by Dalski?---From memory it may have been Grand Eagle.

It was another subcontractor?---Was it?

I'm asking you.---Oh. Yes, yeah.

10 Did you suggest to anyone that Dalski be engaged to perform the temporary fencing work at Kingswood?---I don't remember. If I was asked for a recommendation for a builder I would have put Dalski forward but I don't remember a specific - - -

Do you remember alerting Dalski in relation to the potential for there being work on fencing at Kingswood?---Not specifically, no.

Do you recall discussing with Dalski the tendering process in relation to their engagement at Kingswood?---Yes.

20 And what was the nature of those discussions?---Well, I remember when I was trying to identify the, the work they had completed, how we measured the work that they had completed. So for the hoarding package it was less on a, purely on a purchase order, which is not the way that we were taught to do things. You had to have a subcontract in place. So when I joined the project in mid-March and Dalski was chasing up for payment I had no way of assessing what they had performed against. In fact there was no temporary works design or any quality documentation produced for that work. So it's as if it was just fabricated and brought to site with no real oversight from Downer's behalf.

30 Did you then make inquiries within Downer as to how that had occurred? ---Yes. Well, not so much how that occurred but I was more interested in the temporary works design and how it was installed and how it was certified because this was a very high risk portion of work that Downer was looking after.

And what did you find out about that?---That it was very poorly managed.

40 And my initial question was had you had discussions with anybody at Dalski in relation to their engagement on the work at Kingswood? Did you go to Dalski to find out some of that information?---I did. I did, yeah.

And who at Dalski, was that Mr Sensicle or someone else?---No, Martin.

Martin.---Yeah.

Is that one of the directors of Dalski?---Correct, yep.

What's his name?---Martin Szkudlarek.

10 And what was the nature of the discussion you had with him?---Well, I think he phoned me chasing up for payment and I used that opportunity to try and glean whatever information I could, what, you know, what were you given, where is the temporary design that you followed, what have you got on this, photos, records from, from that, from that installation.

And did the information he gave you enable you to approve a payment to Dalski in relation to that work?---Not initially, no. So I had to have further consultation with Andrew Gayed, who was my predecessor on that project, to try and get more information. I wasn't able to get much. There would be
20 numerous emails from myself to, to Andrew Gayed and to Amit Patel, the commercial manager, enquiring about this specific matter.

Did you understand that Mr Gayed was the one who approved it being let on a purchase-order basis?---Correct.

Do you recall discussing with Mr Gayed in advance, that is in advance of him letting the work, who might be suitable to do it?---I don't remember.

Did you have a relationship with Mr Gayed prior to taking over at
30 Kingswood, did you know him?---No, no.

Had you ever worked together?---No.

So you say you made inquiries, you weren't able to find out much from him. You also had contact or discussions with Mr Patel?---Correct.

Do you recall what the nature of those discussions were?---At that point I guess my phone calls with, with Mr Patel would have been to try and identify, you know, how we, how we manage this portion of work because
40 we were on a, on a reimbursable, reimbursable contract where you have to have subcontractors in place for this type of work, especially where there's

temporary works and design involved. So it would have been something around that nature of how do we clean this mess up.

And do you recall what steps you took following those discussions with Mr Patel?---I don't think there was anything we could do. The work was done. We had been invoiced for the work. The invoice, I think, lined up with the purchase order that was given to them. It was unclear what they, what Dalski did or didn't do in respect of their purchase order because there was not enough granularity in the purchase order.

10

All right. So you weren't able to make a deduction from their payment in relation to the difficulty that occurred during the possession?---Oh, there may have been. I can't recall exactly, but there may have been a deduction. But that, I think if that happened it was only by discussion with, with Martin.

Right. As in by agreement with Martin - - -?---Correct, yeah.

- - - rather than anything, other than any decision that you made?---Correct.

20

Did you regard yourself as having a close relationship with Martin at that point?---No, not close relationship. We knew each other. Obviously we worked at Mortdale together.

So he had also worked at Downer during that period or he had worked at Dalski?---No, he was, he's in Dalski, yeah, yeah. So - - -

Had he been a director of Dalski since the inception of the company, to your knowledge?---I'm not sure.

30

Right.---Yeah.

So was Mortdale your first contract with Martin?---Correct.

After working together at Mortdale did you keep in contact with each other?---Occasionally, yes.

In a social sense or in a work sense?---Hard to place. Possibly socially but very ad hoc.

40

Would you regard him as a friend? That is at that time?---No.

Right. But he was somebody that you did see socially.---Again, it would have been through a project of some sort. It wasn't, you know, it'd be a catch-up once every six months, probably BD on his behalf, keeping in touch with past clients. Nothing, nothing beyond that.

Did he attend your wedding?---No.

10 Did you, during the time that you were working on Kingswood, notice anything about the relationship between Mr Pilli and Mr Abdi?---Sorry?

Did you notice anything about the relationship between Mr Pilli, that is your project engineer Sairam, and Mr Abdi?---No, I can't say that I did. I mean, I've followed the investigation and I, I'm trying to recall but I, I can't place that at all.

Were you involved in the landscaping tender process for Kingswood?
---Only so far as receiving the recommendation from Sairam.

20 All right. Could we have volume 1.5, page 140, brought on the screen?---So this is an email sent by Sairam to Ms Yip in relation to the landscaping package and subcontractors for tender. You'll see TJ Patel, sorry, Ballyhooly Civil, Marble Arch and RJS Infrastructure are nominated there. Do you recall having any discussion at all with Mr Pilli in relation to people he would approach for landscaping?---No.

Do you recall receiving this email?---No.

30 Okay. This was 7 November 2019. If we could have volume 1.5, page 58. That may be the wrong page. I'll come back to that one. If you can take it from me there was an approval for - that is an email for informal approval in relation to that landscaping package on 2 December 2019. Could we have volume 1.5, page 165. This is a subcontractor recommendation that's signed by you on 20 December 2019. Do you see that?---Correct, yep.

40 If the approval was given informally or to go ahead, again some two weeks in advance of this, do you recall whether this was another example - that is this document is approved by you on 20 December - was that another example of backlog, to use your words? That is the subcontractor approval being signed off weeks after approval's been given for the work?---Yes.

Do you recall there being a backlog at the time of this landscaping subcontractor approval?---Yes.

And are you able to indicate what was causing that? By this point you'd been project manager and back from your honeymoon for some time.

---Yeah, I think generally speaking once you fall behind you find it almost impossible to, to recover.

10 Was that your experience in relation to this project?---It's, that's generally what happens on most projects.

But in relation to your experience of this project?---Yeah, it would be no different.

You found it almost impossible to recover?---Correct.

20 The subcontractor recommendation notes that this contract, or this subcontract, involves a loss for Downer, \$9,790, do you see that, relative to the budgeted figure. Was that a concern for you in relation to your capacity as project manager, that is approving subcontracts that involved a loss to Downer?---Absolutely.

Do you recall a discussion of that with Mr Pilli?---Yes.

What was that discussion?---I vaguely remember him saying that the proposal that was put together was the most compelling and that this contractor was the only one that's available and willing to, to do the work in the timeframe that we needed it done.

30 Did you ask what the competing proposals were beyond seeing the figures that were included there?---I would have, yeah, and I would have reviewed that previous email that was sent to Elaine that had the, the, the tender evaluation at the time. I can't recall it now but I would have reviewed that information.

40 Were there steps that you had to take in terms of discussion of matters that went above budget with others before you approved them? That is subcontracts that went above budget.---I'm not sure. My rationale is project wide. So, if we lost \$10,000 on, on one area of the project, which is not too uncommon to happen that you have a loss making part of the project, but

you, you do a balance of everything. So, my judgement call on that would have been we've lost - - -

You were managing the overall budget.---We've, we've lost 10,000 but we've made 10,000 somewhere else, for example.

10 Were you aware of overall consequences for Downer in relation to going over budget for the project as a whole? That is under the managing contract.---Oh, yeah. I mean, not - aware in, in the sense of it's not ideal to, to lose money. That's, we're in the business of making money, yeah.

But did you understand there were consequences for Downer in addition to consequences for transport under the managing contract?---Oh, such as?

Well, there was a painshare/gainshare clause.---Painshare/gainshare. Yeah, yeah, sorry. Yep.

20 That was something in your role as project manager that Mr Bedwani discussed with you, was it, in relation to management of the overall budget?---I'm not sure if it was a specific conversation and I'm not sure how I became aware of that but it's, it's something that's, I guess commonly shared by the project teams but that, it's a general knowledge - - -

All right. I'm just interested in how you became aware of, you as a project manager working under a managing contract that Downer had with Transport, were there steps taken to make you aware of any of the requirements of that contract?---Not that I, yeah, not that I know of.

30 How would you describe your working relationship during the Kingswood project with Mr Pilli?---Very good.

Very good. Was there tension at times during that relationship?---Not that I can recall, no.

40 Were you aware of him feeling that were a lot of things delegated to him? ---No. In fact it's the opposite. He, he would come to me and say, you know, "Vlad, I'm ready for more responsibility. I want to take, I want to take more on." You know, "I, I really want to learn from you and what you do and, to get me more involved."

Was that a singular conversation or was that something that he said

repeatedly?---Maybe not that same thing repeatedly but things along those lines he did, he did repeat and part of the reason that we moved across to Banksia was because he wanted to work with me, is my understanding.

He said that to you?---Yeah.

That is towards the end of the Kingswood project he said that to you?
---Yep. And, and I remember asking him, you know, "How would you feel about working on the next project together? I'd like to keep the team
10 together." And he said, "Yeah, that's great."

Are there times where you were aware of him making repeated attempts to contact you and being unable to contact you?---Not specific times but that wouldn't have been, that wouldn't have been uncommon.

Were there times when you were, for extended periods, other than over your honeymoon period, absent from presence on site at Kingswood?---Yes.

And why was that?---Because of my dual role as commissioning manager, I
20 was between Glenbrook, Hazelbrook and other projects that I was being delegated internally to Downer that maybe the project team didn't have visibility of.

Right. Did you regard that as meaning that you were not present as Kingswood as much as you would ordinarily have been as a project manager had you not had that dual responsibility?---Absolutely, yeah.

Did you make others at Downer aware of that?---Yes.

30 What steps did you take to manage that conflicting dual role - perhaps not conflicting, but the burden of that dual role?---I did the best that I could.

And when you say you made others at Downer aware, was Mr Bedwani aware that that was causing difficulty?---Downer as a business was aware of this and, and we recruited, eventually finally finding someone to, to fill that role. I think at some point it became more and more obvious that other than me not being physically there for, for a project, it was becoming more evidence that my performance was starting to drop because of my dual role.

When you say it was becoming evidence that your performance was starting to drop, what was making that evidence?---I was not meeting my obligations in some areas.

What, what areas were those?---Reviewing documentation for other stations for commissioning plans.

Was that something that you discussed in some performance management context with Mr Bedwani?---That was regularly discussed.

10

Right. Was there a formal performance review that you recall that becoming evidence or was it simply a discussion of your ongoing workload?---Just the, the latter.

Right.---Yeah.

And what was Mr Bedwani's response to that?---The response was we need to recruit a commissioning manager.

20 Right. Did you discuss with Mr Pilli, do you recall, your absences being a result of your responsibilities as a commissioning manager?---I can't say that I was that forthcoming with him about that.

Right. You indicated he might not have had visibility on that.---Correct.

Did you - - ?---And I didn't have the time or the luxury or the want to explain myself for every single thing that I did, yeah.

30 All right. Was he, to your understanding, effectively the person on site that people would have gone to if they couldn't contact you?---To some extent, yep. There were limits to that, of course.

I'm sorry. There were limits to it.---There were limits to what he could do, but, yeah, of course.

Sure, but he would have been effectively the next in line in terms of questions.---Correct.

40 Do you recall him complaining about that time you?---No.

Right. Did you ever in the context of the Kingswood project recall commenting adversely to others at Downer on his performance?---No, absolutely not.

Do you recall commenting on his performance one way or the other during the Kingswood project?---No.

Were you asked to give any evaluation of his performance during Kingswood?---Yes.

10

Was that in some formal sense or just informal conversations with Mr Bedwani?---Informal conversations, yes.

Were they with Mr Bedwani or other people?---I think it was with Mr Bedwani?

Right. Did you have any conversation with Mr Watters in relation to his performance when you came from your honeymoon?---Yeah. I vaguely recall a conversation, yeah.

20

What was the nature of that? What do you remember about it?---I don't, I don't remember it, yeah.

Okay. How would you describe your relationship with Mr Abdi during the Kingswood project?---I'd say it was good.

Did you ever discuss with him, or did you ever have any indication from him as to him having a relationship with RJS?---No.

30 Did you regularly have contact with him in the course of the Kingswood project?---Yes.

What was the nature of that? Were there site meetings, meetings offsite? ---Site meetings. We would go out for a coffee once every, every while, yeah.

Did you notice anything in terms of the time that he did spend on site that suggested to you any relationship between him and RJS?---No.

Did you have much contact with Mr Nguyen during the time of the Kingswood project?---Very little. I don't remember a specific time when I spoke to him.

Right. Do you remember seeing him onsite?---I did, I did meet him once, I believe, yep.

10 Was that at the outset of the project or - - -?---No. 'Cause I wasn't, I wasn't there for that. But at some point I did meet him and, you know, I've got his contact in my phone and I can only imagine that I've spoken to him at some level, at some point.

All right. Did Mr Abdi ever approach you during the time that you are working together on Kingswood in relation to the work on the Banksia project? That is, participating in some agreement with RJS about the work on Banksia.---No.

20 Did he ever approach you in relation to doing some kind of project together, not specific to Banksia or anything within Downer?---No.

Did you have a sense that he was working on any other projects outside Transport?---No.

Did Mr Nguyen ever approach you in relation to working with RJS on Banksia or otherwise?---No. No.

30 Did you ever have a conversation with Mr Nguyen as Kingswood was coming to an end or towards or in relation to the Banksia project that was coming up?---I, if I did, I can't recall a specific conversation.

Right. Did you ever tell Mr Pilli to appease Transport as a client?---In what way?

Well, Transport, as the client, should always be appeased. That is, presumably, their wishes followed.---If I did, that would contradict my statement around the asphaltting.

40 Well, I'm asking for your recollection as to whether - - -?---I can't remember a specific time that I asked him to appease Transport but it wouldn't be too uncommon to, to soften some discussions with Transport for, for the sake of relationship building and progressing the work.

All right. Is that a - that is, the notion of appeasing Transport as a client - something that was conveyed to you by others at Downer?---Yes, yes, it's very much, you know, part of relationship building to make a client feel good about that the work that you're doing together.

Would the words "appease, appease, appease" in relation to Transport as a client be the kind of instruction that you would have given to Mr Pilli?

---No. That's not the way I speak.

10

Do you recall anybody else who might have given that instruction in your presence?---I don't remember, no.

Did you discuss Dalski with Mr Pilli?---Yeah.

Do you recall the context of those discussions?---No, not specifically.

No.---Is there a specific time or conversation that - - -

20 What did you tell him - well, I'm asking for your recollection first. What do you recall telling him about Dalski?---Well, we had a number of conversations. In the Kingswood days I would have just recalled my experience with Dalski.

That is your experience at Mortdale?---Correct, yeah.

And what is the context in which you would have recalled that to him?---I would have said that they're a small contractor who are not commercially aggressive and that they were good to work with.

30

And what was the context in which you would have brought that up with him? Was it in the sense of pursuing further work opportunities for Dalski?---No, it had to have been a specific conversation around performing building works, something that's, you know, within the realm of what Dalski do.

But they weren't invited to tender for the building works at Kingswood.---I don't remember. I don't think so.

40 No, they weren't.---Okay.

Do you recall suggesting that they should be to him?---I may have but I, I don't remember.

All right. So you said there were a number of conversations that you recalled. What else do you recall in terms of conversations with Mr Pilli about Dalski?---Are we restricting this to Kingswood or do you want to - - -

Well - - -?--- - - - have a more broader conversation?

10 First during the period of Kingswood - - -?---Yeah.

- - - is there anything else you recall as to discussions with him?---No, not specifically.

And then as the Kingswood project came to an end, you were both working together in North Sydney for a period, is that correct?---That's right, yeah.

And during that period do you recall discussions with him about Dalski?
---Not specifically, no.

20

Right. Chief Commissioner, might that be a convenient time?

THE COMMISSIONER: Let's take a break and come back in 20 minutes.
Adjourned.

SHORT ADJOURNMENT

[11.30am]

30 THE COMMISSIONER: Ready to resume? Mr Stanculescu, you're subject to the same oath you took at the commencement of your evidence to say the truth. Do you understand?---Understood.

Thank you. Yes.

MS DAVIDSON: Mr Stanculescu, we've been discussing your conversations regarding Dalski with Mr Pilli and we just moved to a period where you were working in North Sydney, that is between the Kingswood and Banksia projects.---Yes.

40

Do you recall discussing Dalski with Mr Pilli during that period?---Not specifically.

Do you recall any general discussion with him during that period?---There may have been, yes.

Did you ever tell Mr Pilli that you worked for Dalski?---No.

10 Is that a conversation you would expect you would remember?---I don't remember a specific - yeah.

Do you recall saying to Mr Pilli that you had worked with Dalski?---No, not specifically, no.

Did you mention Mr Sensicle to Mr Pilli?---Yes.

What was the context of that discussion?---Look, I, I don't remember specific conversations but I did mention Mr Sensicle.

20 What do you remember about mentioning Mr Sensicle to Mr Pilli?---That he's a, a friend who went through a rough patch and that I lined him up with a job.

Sorry, you lined him up with a job?---With a job, with Dalski, correct.

With Dalski.---Yep.

Are you able to place when you might have told Mr Pilli that?---Not specifically, no.

30

Do you recall any other aspect of that conversation with Mr Pilli?---I don't know which conversation we're referring to.

Well, the conversation in which you told him about Mr Sensicle.---I'm only telling you a generic thing that I vaguely remember.

Do you recall during that period, that is before the Banksia project, before you've moved onto site at Banksia, talking to Mr Pilli about engaging Dalski to do work at Banksia?---No, not specifically.

40

And once you'd moved onto site at Banksia, do you recall conversations with Mr Pilli during that period about engaging Dalski at Banksia?---We would have had, yes, we would have had some conversations around Dalski, yes.

And do you remember what those conversations were?---I think it would have been within the context of the building works and other discussions that we've spoken about in terms of Dalski being objected to from being on the procurement register, yep.

10

Do you recall Mr Pilli objecting to Dalski being engaged in relation to Banksia?---No. I don't remember that.

You said that others had generally not been happy about the concept of engaging Dalski on Banksia.---Yes.

Do you recall who those others were?---There was Mr Watters, Ross Dean. I think that's, that's, they're the ones I can recall. There may have been more but they're the ones I can recall.

20

Do you recall discussing with them the idea that Dalski should be engaged in relation to works at Banksia?---The idea of them being engaged. No. I don't, I don't think so.

So how was it that you came to learn of their objections?---When we discussed the procurement register.

As in the meeting that we've been talking about previously or some other conversation?---Correct, yes, yeah.

30

And do you recall what they said in that meeting about Dalski or was it just the generic "They're a shit contractor" evidence that you gave previously? ---There may have been a throw-away comment around me being involved with Dalski at, in that meeting.

You recall there being such a comment?---Yes.

What was said?---I don't remember specifically. I just remember feeling that it was inappropriate for such a comment to be made.

40

Why did you think it was inappropriate for such a comment to be made?
---Because at the time there was opposition, not just for Dalski, there was opposition for a number of other contractors and this meeting was supposed to be about reviewing and understanding contractors that we would engage in the future within the context of what's best for the business. So I felt that striking out companies like Mackex and Brefni, contractors that had worked with Downer on a number of projects and had done so successfully, shouldn't have been struck off, and I was equally as vocal about retaining those contractors on the list as I was about Dalski.

10

Were they contractors that you had worked with before?---Not all of them.

Right. So what was the basis on which you were being vocal about retaining them on the list?---That, so in some instances the market has limits on how many contractors can do a specific type of work, so strike out if you've got three competitors that you're going to go out with, and you strike out one or two of those, then you have no competition.

20 Right. And coming back to the earlier question, why was it that you felt it was inappropriate that a connection between you and Dalski be raised in that meeting?---I don't know at the time. I think with what I've heard with this investigation, that comment makes sense in that there seems to have been another, that the other opinion of people was based on their own motives, I would imagine.

Well, when you say their own motives, did you understand somebody at Downer to have the perception at that time that you had some personal involvement in Dalski?---That's how the comment came across, yes.

30 Right. And there wouldn't have been anything inappropriate about that being raised as a potential reason that Downer shouldn't be contracting with Dalski, would there?---Sorry, repeat that again.

There wouldn't be anything inappropriate about that being raised during the meeting as a reason that Downer shouldn't be contracting with Dalski. You were a Downer project manager at the time.---Correct. Yes. Correct. I agree.

40 Right. So it wasn't an inappropriate comment, was it?---I felt it was inappropriate.

All right.---That doesn't mean that it was inappropriate.

Okay, but did you feel it was inappropriate because you didn't think that there was any reason for them to make the comment or because you didn't understand at the time that your relationship with Dalski gave rise to a conflict of interest?---I, I don't know where the comment came from at the time. I felt - - -

As in you don't know what had given rise to it.---Correct.

10

Thinking back to the meeting, do you have any recollection at all of who said that to you?---No.

Did it come out of the blue, from your perspective?---Yeah. And it was - - -

It's obviously stuck in your mind.---It stuck in my mind because it was out of the blue and it was the one and only time it was mentioned as far as I can, I can recall, and I don't think it was mentioned after that so in my mind it was a throwaway comment.

20

Did you say anything about it at the time at the meeting?---No.

You just let it pass.---People make a lot of comments. You choose the ones that you want to fight.

Were people making comments at the meeting about personal relationships between other Downer contractors, sorry, between other Downer project managers and particular companies?---Not that I can recall, no.

30

Did you regard there, you yourself, in terms of your understanding at the time, did you regard there as being relationships between other Downer projects managers and particular subcontractors?---No. I was completely oblivious to that.

Right. So if you were the only one this is being said about, it was likely that you would have wanted to push back on it in some way, wouldn't it?---I didn't buy into it.

40

Right. Did you raise it with Mr Bedwani subsequently to defend yourself?
---No.

Had you discussed Dalski with Mr Bedwani at any stage?---We have discussed Dalski on a number of occasions, yes.

As at the time of that meeting had you had discussions with Mr Bedwani about Dalski?---I think he was in that meeting.

Right, but previously to that?---I can't recall.

10 Right. And after that meeting do you recall going to him or having any conversation with him about that comment?---No.

It wasn't something that you sought to raise.---No.

Did you expect that he as your manager might have been concerned about that?---If he was he could have raised it with me.

Did he raise it with you?---No.

20 Could we have exhibit 137, the transcript brought up on the screen. I'm about to play you a call, Mr Stanculescu. This is not a call that you're a party to. It's a call on 14 May 2020 between Mr Nguyen and Mr Abdi.

AUDIO RECORDING PLAYED

[12.10pm]

MS DAVIDSON: So coming back to page 6 of the transcript. Down the bottom Mr Nguyen refers to you "full bitching about us", that is RJS. You see that?---Yeah. Yeah.

30

And Mr Abdi responds in relation to you trying to get Dalski in for the building works because "that's, that's" - coming over to the top of the next page - "that's his company".---Yeah.

Do you have any idea what might have given Mr Abdi the impression that Dalski was your company?---He's got a very creative imagination.

40 Mr Nguyen says, "Yeah. How? Why?" And Mr Abdi interrupts and Mr Nguyen says, "Why did he call Aidan?" Do you recall calling Mr Cox in relation to Dalski?---Not in relation to Dalski.

Right. Do you remember discussing Dalski with Mr Cox?---No.

Mr Abdi then says, “Yeah, because he’s getting shafted because everyone when they all sit together, like all the PMs and PEs and Bedwani and the commercial lot, they all crossed names and everyone crossed out Dalski’s name.” Do you understand that to be a reference to the meeting that you’d been giving evidence about?---Yes.

10 Do you know Mr Abdi would have known about what went on at that Downer meeting?---I can only assume someone else relayed parts of the discussions and he interpreted it in whatever way he wanted to interpret it.

Was Mr Aziz present at that meeting?---I believe so, yes.

“And the safety manager” - he goes on - “Matt Swanson said, ‘Well, you can’t use Dalski. They’re banned. Transport has banned them.’” Does that prompt your recollection in relation to anything that was said in the meeting about Dalski?---No, not specifically, no.

20 Right. Do you recall Mr Swanson at some other stage saying to you that Transport had banned Dalski?---I don’t remember if Mr Swanson said it but there was, definitely someone had thrown that about and I, I queried it and there was nothing tangible to support that statement at the time.

Right. When you say someone had thrown that about, was that in the context of the meeting or at some other - you don’t know?---Yeah, I don’t know.

30 Right. Mr Abdi says, “‘Cause I used to walk around and say, ‘Nah, Transport banned Dalski. Now Dalski’s not allowed. They’re banned right?’” Do you recall - - -?---Potentially. Potentially that’s, something along those lines. Just broad - - -

Right, but do you recall Mr Abdi ever saying that?---Not, no, I don’t recall him saying it, no.

Right. Do you remember - - -?---I would be making it up based on this, but my memory doesn’t - - -

40 Okay.---Yeah.

I'm not asking you to make it up based on this.---Yeah.

I'm just asking whether this - - -?---No, I can't recall that.

I'm asking you whether this prompts your memory in relation to anything.
---No. Sorry.

10 Then Mr Abdi says, "He's struggling to get Dalski in. He's trying to get, but he'll push very hard to get Dalski into the Banksia job because that's where he is." Did Mr Abdi ever say anything to you in relation to his understanding of you being at Dalski?---Not that I can recall, and I think if this is within the context of Banksia, Nima and I probably only ever interacted maybe one more time before, so between Kingswood and Banksia, I think we really only interacted one more time, which was the, the Hornsby, the Hornsby meeting, yeah.

20 Right. That was in relation to the tendering for Hornsby.---No, nothing to do with that. I'm not sure how it transpired but we caught up for a coffee and he selected Hornsby as the location.

I see.---Yeah.

And what, do you recall what that discussion was at that meeting in Hornsby?---So as I, as I mentioned previously I think the only thing I can recall from that conversation was him mentioning to me that the directors of RJS have had search warrants on their premises and - - -

30 Okay. So that was later. Search warrants on their premises by the Commission?---I'm not sure about the timing.

Right.---Yeah.

Okay. Well, those search warrants were executed at the beginning of December 2020.---Yeah.

Does that assist you in placing - - -?---Look, I, yeah, so I don't, I can't imagine any other conversation that I've had with Nima than, that's the only one that sticks.

40 Right, but that Hornsby meeting didn't relate to Banksia?---Not specifically, no.

Right. The Banksia tendering process was complete by December 2020, was it not?---Yeah. Yeah, it would have been.

Yeah. On page 8 of the transcript Mr Abdi says, "He's like Dalski." Mr Nguyen then responds, "He isn't paying for RJS." And then Mr Abdi says, "He's Dalski." Do you recall discussing with Mr Nguyen anything about Dalski?---No.

10 Do you know how Mr Abdi could have gotten the impression that you were Dalski?---I would only be guessing but if - you know, I was quite open about my friendship with Jack and I told Sairam that Jack and I were friends and at the initial stages of, of delivering Banksia Jack would come to site and assist Dalski in performing some of the works.

So Mr Pilli would have seen Me Sensicle onsite then?---Yeah.

20 What about prior to that, would he have seen you interacting with Mr Sensicle? That is Mr Pilli have seen that.---I'm not, I'm not sure. No. I don't, I don't recall.

And this is May 2020 so Mr Sensicle wouldn't have started coming to site at this point, would he?---I - probably not.

And Mr Abdi wasn't the Transport, wasn't the manager from the Transport perspective in relation to Banksia, was he?---No, absolutely not.

That is you didn't continue to interact with him.---Yeah, yeah.

30 Who was the Transport person that you interacted with in relation to Banksia?---Well, the gentleman that's, that's named here, Ali.

Ali. The deputy?---Yeah.

Right. Did you understand him to be reporting to Mr Abdi?---He made, Nima made comments that, that they, that Ali reports and that people report to him but I, I never held too much stock in, in those statements.

40 As in you didn't think that he actually was or - -?---Correct, yeah.

And why was that?---I just got the impression that that wasn't the case.

As in you thought that Mr Abdi was magnifying the importance of his own position, is that right?---I think so, yeah.

Do you recall when you formed that view?---At Kingswood.

So it predated this?---Correct.

10 At the bottom of page 8 Mr Abdi says, “Vlad can pull it off, Vlad can pull it off on, um, and he can push it, as the PM he can push it and he will get it there for sure.” And then over to the following page Mr Abdi says, “Sairam, so Sairam is working on it right now. So he’s got Matt Swanson and Ross, you know, the supervisor. They’re all three of them pushing against pushing against Dalski, like, using Dalski.” Were you aware of Matt Swanson or Ross Dean pushing against - - -?---Not so much.

20 - - - pushing against using Dalski?---Not so much Matt Swanson but I do remember Ross definitely being quite vocal about Dalski and I found it very surprising that Ross had worked with them at Mortdale. So he had a pretty longstanding history of working with Dalski and his opinion of them changed so drastically.

Did you understand that to have been the result of work that they did at Kingswood?---That was the reason that it was provided to me, yes.

And where you say, “He pushed against them”, was that just in the context of the meeting that you attended or was it subsequently?---I think there were numerous mentions where they pushed back on Dalski.

30 And when you say they, who are you referring to there, Mr Dean and who else?---Sairam, yeah, and Kevin Watters.

And Kevin?---Mr Watters, yeah.

And that was in the context of discussions about Banksia?---Correct.

40 Was that during the tender assessment process or when you were giving consideration of who should be approached or are you able to indicate? ---No. I think once the, once the tender process had commenced a lot of that, a lot of that noise I think started to die down, people became more focused on whatever they were doing. It seemed that way anyway.

Did you have the capacity as project manager, as Mr Abdi suggests, to push through a contractor that others such as Mr Dean or Mr Pilli were not in favour of?---I had a, a higher delegation of authority than they did so I certainly had more authority than they did to, to recommend and award works, yes.

So you could override their opinion effectively?---Yes.

- 10 Do you recall when Mr Bedwani was ever part of the discussions at which they were pushing back on Dalski, that is Mr Dean or Mr Pilli?---Not specifically, no.

Did you respond in those instances where they were making negative comments to you in relation to Dalski?---Yeah, I may have, I may have responded. I, I don't remember exactly what I've said.

- 20 Do you recall the gist of the kinds of advocacy you were doing?---No but I mean if I had to guess I would say that, you know, because Dalski at this point had been performing millions of dollars' worth of work for Downer and the work at Kingswood was, in my opinion, poorly planned, poorly executed by Downer and, and it was somewhere in the order of 60 or \$70,000 worth of work, and for something like that I didn't see a reason as to why a builder that I felt was a good builder should be struck off, and so I would have provided something along those lines.

Right. Were you enthusiastic at that point about Dalski securing the building work at Banksia?---Can't say I was jumping for joy. I was fighting an uphill battle with the prejudice within the business around this.

30

Right, but you were fighting the battle, weren't you?---Correct, yes.

On Dalski's behalf?---Yes.

Right, and you continued to do that throughout the tender assessment process. Is that right?---Correct. Yes.

And ultimately you were successful.---Correct. Yes.

And did you regard that as significantly as a result being - that is, the result as significantly being the result of your advocacy?---I, I don't think that that would be a fair summary of it.

Well, if you hadn't performed that advocacy, is it likely they would have been invited to participate in the tender process?---It was still always my decision.

10 Right, but during the commercial meeting or the meeting I think that you said involved various people, people had been pushing for them not even to be included on the more formal tender list, had they not?---Correct.

And if they hadn't been carried across into that more formal tender list, could they even have been approached in relation to the works at Banksia? ---No. No.

20 Right. So if it hadn't been for you and what you said at that meeting, would you have been free at that point? Would it have been still ultimately your decision to include them in the tender process for Banksia, even if they hadn't been on that more formal list, or would you have - - -?---No.

- - - not been able to do that?---No. I would not have been able to do that.

Right. So you were pretty critical in relation to the ability to approach them. Is that correct?---I think ultimately there was, there was a general buy-in from the collective because they were included on that, on that procurement, but I, I don't want to discount the fact that I did have an important role in maintaining them on that register.

30 Right. And when you say there was a general buy-in from the collective, do you recall things being said in the meeting that indicated that they'd bought in, that they agreed with you once you made the point about Mortdale? ---Yeah, I think the fact that they were included on the procurement register was, was that general buy-in.

Right. So there wasn't anything said. It was simply the fact they were included. Is that right?---Correct. Yeah. And that was the purpose of that meeting, to discuss who was in and who was out.

40 Right. When did you first meet Mr Sensicle?---First or second year of university, so 2003, 2004.

Okay. Did you become friends at that point?---Not immediately. I mean, it was like any friendship, starts off slow and then you become better friends.

But you were friends through university.---Correct.

And did you continue to be friends after that?---Yes. Yes.

10 And you maintained that friendship through the period of your second engagement at Downer?---Not the entirety of it, no.

Not the entirety of it. So are you able to - - -?---There was a period - - -

- - - point to a period where that friendship was not maintained?---Yeah, so there was a period of about two years where we, we stopped talking.

Right.---Yeah.

20 During the second - - -?---During my second tenure with Downer.

Right. Right, and why was that?---We had a, we had a falling out.

Right. Did that relate to something work related or was it personal?
---Personal.

Right. And did you resume your friendship at the end of that falling out period?---We did.

30 Yeah. And when was that? Are you able to say?---Maybe 2018, late 2018.

Right. Okay. And when you resumed your friendship, would you describe that as at that point developing into a close friendship?---Yes, we are, we are close friends.

Right. Was Mr Sensicle a part of your wedding?---He is, was, yes.

Was, a part of your bridal party?---We didn't have a bridal party.

40 Right.---Yeah, but, yes, he was at our wedding.

Did he play any formal role along the lines of the kind of thing that Mr Bedwani did?---No.

Right. Mr Sensicle's Dalski's business development manager.---Correct.

Does he retain that role now?---Currently, yes.

Do you know how long he's worked for Dalski?---I can't place a specific date but it would have been maybe 2018, 2019 maybe, yeah.

10

Right. I think you'd indicated that you were aware of Dalski because you'd worked with them at Mortdale.---Yes.

Did you have any awareness of the company prior to that?---No.

Did you know any of the people who worked for Dalski prior to engaging with them at Mortdale?---No.

Okay.---Sorry, do you mind if I grab a bit more water? Is there another - - -

20

I'm sure that can be organised for you.---No rush. Thank you. Sorry. Thank you.

I thank the associate. Did you, after you resumed your friendship with Mr Sensicle, discuss with him ways in which you could assist in engaging or obtaining work for Dalski?---Yes.

Was his role as business development manager effectively to go out and get work?---Correct.

30

Right. So what was the discussion that you had with him in 2018, do you recall?---No. To be frank, he'd gone through a bit of a rough patch, which was part of the reason why we fell out.

Right.---And when he reached out - - -

Was that in his employment or personally?---In his - both.

40 Right.---Yep. And when he reached out and we, you know, made up and became friends again, I decided to see if I can help him get back on his feet, and the first step to doing that was to help him get a job.

Right. So did you help him get the job at Dalski?---I made the connection between him and Martin and then he eventually took up a role with Dalski.

Okay. So had you maintained contact with Martin during that intervening period between Mortdale and when you - - -?---Correct, yes.

- - - put Mr Sensicle into contact with Martin?---Yes.

10 Mr Sensicle's an engineer by profession, is that right?---By profession, yes.

Okay. Did you have any knowledge of the work that he'd been doing over the period of time up to when you suggested that he start working for Dalski?---Yes.

Had you worked with him in a previous role that you'd had?---No.

Okay. But nevertheless you thought it might, he might be somebody who'd be suitable for work at Dalski?---I think he, he needed a, he needed to get
20 back on his feet. As to his suitability, I, I don't know that I made that consideration.

Okay. Did you try to make connections for him with other companies apart from Dalski?---No, I think, I think I made that connection and then it happened from there, so there was no need to go and seek someone else.

Okay. They were the first people you'd approached.---Yes.

Was there something particular about Dalski or its work that you thought
30 might mean that there would be an opportunity for him there?---Oh, look, I found the director of Dalski, Martin, quite approachable and, and I think it was just in conversation at one point that I asked Martin, you know, if, are you guys looking for someone? Would you be interested in, in taking on a, someone who's, you know, been through the experience of, of building? And, and then it sort of went from there. I don't remember that specific conversation but it was something along those lines.

All right. Is it possible that Martin hired Mr Sensicle as a favour to you?
---It's possible but I would suggest that it's not actually how it happened.
40

Right. Did you ask him to do you a favour in relation to assisting Mr Sensicle?---Absolutely not.

Did you have subsequent discussions after making the initial suggestion to Mr, that is to Martin, did you have initial - sorry, did you have further discussions with him about the process of hiring Mr Sensicle?---Not that I can remember unless you've got something specific that you want me to address.

10 Right. Can we have volume 12.1, page 18, brought up on the screen. This is the company extract in relation to Dalski. Can we scroll down. You see the organisation details. It was previously known as Dalski Stone Gallery. Do you know why the name changed?---I think it's because they, they used to specialise in stone masonry and they weren't doing any of that work. So they were being pigeonholed as a, as a stonemasonry business, which is not, I guess, what Martin wanted.

If we could keep going down. So here you see the directors. Is Martin the second director that you see listed there?---Correct, yes.

20

So that's his anglicised name?---Yes.

And the other director?---Gregory, yes.

Did you have a relationship with him during Mortdale as well?---I met him maybe once or twice during that project.

Is he active in the business?---He, he was until late last year.

30 Does he maintain his directorship?---Yeah does.

Has he retired or stepped back in some way that you're aware of?---He's going through the process of, of retiring due to health.

So in 2018, was it after Mr - well, do you recall when in 2018 it was that Mr Sensicle started working for Dalski?---No, sorry.

Did you then attempt to obtain work for Dalski with a company for which your mother was working?---No. No.

40

Could we have volume 12.1, page 111 brought up on the screen? This is an email in May 2018 that you're sending from your Downer email address to Mihaela Stanculescu. Is that your mother?---That's my mum, yep.

And here you're suggesting some particular wording to use in seemingly an email. Do you see that?---Correct.

10 And you're providing effectively, well some yellow highlighted text which it seems she can substitute for whichever company she needs to insert but the result of the email is that Dalski should be preferred. Do you see that?
---Correct.

Was the purpose of sending that email to enable your mother to engage or recommend the engagement of Dalski for a company with which she worked or for which she worked?---The purpose of this email was to, to help her articulate a recommendation and I think at this point she had gone out to the market and had multiple prices and had already decided that Dalski was the most suitable for the work.

20 It's a recommendation in favour of Dalski, though inevitably, whatever other company is mentioned here though?---It is.

You would agree with that?---Correct, yes. yeah.

So you're assisting her in relation to, putting aside whether she had previously expressed a view to you, it was assisting her in putting the recommendation forward to people with which she worked?---Yes, yes.

30 And was the purpose of doing that to assist Mr Sensicle?---Not Mr Sensicle, no.

Well, Dalski more generally?---Yeah.

Do you recall whether Mr Sensicle was working for Dalski by the time you wrote this email to your mother?---I don't think so. I don't think he was working for Dalski at the time.

40 Was there some reason, that is some other reason apart from Mr Sensicle's engagement, for you in 2018 to start assisting Dalski?---Um - - -

Had Martin got in contact with you, for example, and said, “Can you help us with this”?---No. I think it was my mum who was trying to get some work done at her factory and, and I put Dalski forward as to be considered and then she, she did some of her own market research with whoever, I don’t know, and then this is a, a draft letter recommending Dalski but the initiation came from my mum.

But the name of Dalski was put forward to her - - -?---I put, I put them forward, yes

10

- - - by you?---Yes.

And ultimately this is an email where you’re helping her advocate for Dalski?---Correct, yeah.

Did you talk to Martin or anybody else at Dalski about this job?---Yes.

And that was before she made the recommendation?---Correct.

20

Was that in an attempt to, again, assist them in pricing the job or putting forward whatever they needed to to your mum?---It was, I made the connection. So I put Dalski forward and I provided assistance to Martin, Dalski and to my mum from both sides in, in this particular opportunity, yes.

Right. You wanted Dalski to be successful, yes?---Never to the detriment of my mum’s employment and the work that she was doing.

30

Right. I’m not suggesting it was to the detriment of your mum’s employment, simply that you would try to advocate from both sides that Dalski would be successful.---I was, but the primary interest here was to make sure that my mum got something done that was appropriate and she wasn’t being taken advantage of.

40

All right. Can we have volume, the same volume, page 112 on the screen. This is an email from you to Martin on 25 June, and there’s, you indicate that you have got a new laptop. You’re asking him to review a sketch, “Let me know if you want any modifications made. If you’re happy, please forward on to your client.” You’re sending this from your Downer email address.---Yes.

And if we can see the next page we have the attachment.---Yes.

And it's a sketch in relation to Flourish Australia. Was that the company that your mother was working at?---Correct. Yeah.

Right. So were you in fact working for Martin in relation to a design or other work that had to be done to prepare for this job?---I, no. I recall this drawing. I didn't recall it in the compulsory examination and what happened in this instance was I helped my mum with scoping out what was actually, what she wanted to, to do, so she's, she's not this way inclined in terms of producing drawings and articulating to an engineering company what she wants. So I put a drawing together and then I gave that drawing to Martin to say, "Well, this is effectively what has been priced up," so that there's not confusion as to what was being priced.

Right. So this is a drawing that you prepared?---I prepared this drawing, yes.

Yeah. And it's for the tender phase, at least according to what's indicated at the bottom.---Correct. Yes.

So there was still a tendering process going on.---Whatever that is for them, yeah.

Okay. Sure. But going back to the previous page, do you recall any back and forward with Martin in relation to his review of this drawing and making changes to it?---No. I think he took it and sent it on and they did the work based on that drawing.

All right. They were ultimately successful in getting the work?---Yes. Yes.

Did you discuss with Martin any compensation to you as a result of that? ---No.

What was the reason that you were so keen to assist Dalski at this point in relation to work with your mother?---Again, I'm helping my mum get something for her, for her benefit.

Right, but the work that they had done for you at Mortdale wasn't similar to work to what she was seeking to have done, was it?---Absolutely, exactly the same type of work.

In what respect was it the same?---At Mortdale they refurbished the administration building which was three floors, several thousand square metres worth of office fit-out, and this is effectively the same type of work.

Did you put forward other builders to your mother?---No.

10 And in first going to Martin and saying - well, did you go to Martin and say, "Look, I've given your name to my mum"?---Something along those lines, yeah.

Right. And did he then say to you, "Well, can you help us more in relation to this work?" I guess I'm asking you what was the process that led to you preparing this drawing?---I think my mum was having a hard time articulating to them as to what she wanted so I sat down with her and drew it up and then I sent that to Martin, I sent those drawings to Martin.

20 Right. Did you do other similar kinds of work for Martin or to assist Martin during 2018, do you recall?---No. I think, I think this was the, I think this was the only one.

Right. So once Mr Sensicle started at Dalski, did you start to discuss with him the work that he was seeking to obtain for them?---We did have - yeah, we've had a number of discussions around the work, yeah.

Right. Do you recall the start of those discussions or the process of him commencing and seeking to involve you?---No. No.

30 Right. 'Cause you had a full-time job at Downer through this whole period, did you not?---Correct, yeah.

And it seems as though you were reasonably stretched, would that be a fair description?---Yes.

At least in 2019.---Yes.

With the roles that you were holding.---Correct.

40 Did that - that is, the extent of demands on your time - continue even though a new commissioning manager had been appointed?---I think a commissioning manager was appointed very late on in 2021. Yeah.

Right, that is previous - is it your evidence you retained the commissioning manager role throughout 2020?---Yes.

Right. And I think you'd indicated earlier that there was a period in time during the Kingswood project that you were no longer commissioning manager. Is that not accurate?---If I made that statement, I, I apologise. I was the commissioning manager for Kingswood.

10 Right. But just for Kingswood rather than for other stations?---No, all the stations, for all the stations.

All right. Were those other station projects continuing throughout 2019 and 2020 or had they wound up? That is the other, Glenbrook, Hazelbrook, Toongabbie?---Sorry, I don't remember the specific dates when those projects finished.

All right. But while you were project manager throughout the Kingswood period - - -?---Yes.

20

- - - and then into the Bankia period - - -?---Yes.

- - - did you regard yourself as still having commissioning manager responsibilities in relation to the other stations?---Yes, yep, absolutely.

Right. So that was presumably creating stress for you? That is, holding those dual roles.---Yes.

30 Did it give you much time - well, were you working long hours as a result of that?---Yes.

And were you required to travel between the various sites? That is, to visit them on a regular basis because of your role as commissioning manager. ---Yes.

And some of those were in the Blue Mountains, is that right?---Correct.

Which obviously involved, well, you were living in Sydney at the time? ---Yes, yeah.

40

And throughout that period you were living in Sydney?---Yes.

Okay. Could we have volume 12.1, page 114. This is a printout taken from a site maps123.net in relation to Dalski. Do you know what this site is at all?---No.

10 If we can scroll down. You'll see there's a number of reviews here and then one from you where you say, "I'm a project manager with Dalski. Dalski first worked for me in 2017 on the refurbishment of a maintenance facility in Mortdale. Initially Dalski were brought in to perform building works, but as the project progressed, and due to their great performance, they were awarded more scope. Dalski demonstrated the ability to be flexible, which was especially critical in our specific work environment. Dalski has continued working for Downer on a number of other key infrastructure projects, performing a range of disciplines from demolition to building fit-out and civil works." Do you recall writing this review?---Yeah.

20 What was the reason that you did that?---I think it might have been as a conversation with Jack or with Martin around putting some positive feedback online.

Right. They asked you to do that?---I think so, yeah. Yeah.

What was the reason they would have asked you to do that?---Look, I imagine it was no different to any other company that asked for some sort of recommendation. It's quite common.

Were you commonly in the business of leaving online reviews for your subcontractors?---No.

30 Right. Did you only do it for Dalski?---Correct.

Right. Was that because you wished to support Mr Sensicle in his business development endeavours?---Yeah.

And you wanted to support Martin in relation to the business as well, is that right?---To some extent, yes.

40 And by this point, that is May 2020, you had been more extensively involved than you had previously in relation to assisting Dalski, is that right?---Yes.

Okay. We'll come to some of the timing. Could we have volume 12.1, page 118 brought on the screen? This is an email, if you see down the bottom of that page, that you send to Mr Stanculescu - I'm sorry, that you send to Mr Sensicle.---That's all right. Yeah, I get it, yeah.

In September 2020. Downer contacts that may be interested in Dalski. And then if we scroll down, there's contact details for a number of people within Downer. What was the purpose of sending that email?---Jack wanted to approach Downer and secure more work for Dalski.

10

You had already, by this point, been working with Dalski on the Banksia project? This is 2020.---I'm not sure of the timing. Yeah, I'm not sure of the timing, yeah. That doesn't make sense because by then presumably he had these contacts.

Well, that's what I'm asking you about.---Yeah. I don't know.

You don't know.---No.

20 There's references to Mr Bedwani, Mr Patel and Mr Pilli here but also to Mr Bigdeli, Mr Briscow and David Hammond, the contracts administrator for Transport. Do you know what Mr Bigdeli and Mr Briscow and Mr Hammond were working on around the time that you sent this email?---I think they were working on their respective projects.

Do you know what those projects were?---I remember, so Jason Briscow worked on Birrong and Sina worked on - I'm drawing a blank, sorry.

30 And Mr Hammond? He wasn't a project manager but a contracts administrator in relation to the TAP program.---Yeah. He worked across all
- - -

What was his role?---He worked across all, as part of the procurement division of, of that project.

So did he play a role in discussing or suggesting contractors who could be approached for procurement or - - ?---Oh, not that I can remember.

40 So what would have been the reason for sending his contact details on if you didn't have a role in suggesting contractors for procurement?---Probably so that Jack could reach out as part of the procurement process.

So you understood he wanted to be part of further procurement processes for Downer to the extent that he hadn't already as part of Banksia been involved in those processes?---Yeah. If the timing is correct. I'm, I'm a little bit hazy on that but anyway, yeah.

Well we'll come back in more detail to Banksia so you'll be able to place some more of the timing.---Yeah.

- 10 Did you, beyond sending this email, make introductions so far as you recall of Mr Sensicle to people at Downer?---I don't remember specific but I, I would have done, I would have made some introductions, yes.

Is that in the context of him being onsite or other steps that you took?---No, it was, it was him being a BDM for, for Dalski, yeah.

So do you recall what steps you took to introduce him to people at Downer?---No. Like I said, I don't think a specific instance, yeah.

- 20 What was your involvement in the Muswellbrook pool upgrade that Dalski performed?---I, I put forward a couple of, a couple of people that I had previously worked with or that I had previously worked for, one of which was a previous supervisor that we had onsite who was looking for work.

When you say you'd put forward a couple of people that you had previously worked with or previously worked for, who did you put them forward to?
---To Dalski.

- 30 That is as people who could potentially assist Dalski in relation to the project, is that right?---Correct, yeah.

So that is possible subcontractors or possible employees or what was the - - -?---I think they were subcontractors to Dalski.

So what was the reason that you were putting forward those people? Did somebody at Dalski ask you to do that?---Yeah. I mean, we, I got asked the question, "Do you know anyone that could help us with delivering these projects?"

- 40 You got asked the question by somebody at Dalski?---Yep.

Was that in the context of Dalski already having that project?---I think so, yeah, yeah.

Is that the extent of your involvement in the Muswellbrook pool upgrade for - - -?---No.

So what other involvement did you have?---I assisted Dalski with pricing that, that project.

10 That is in relation to winning the tender?---Winning the Muswellbrook pool tender.

So what did you do in relation to that, that is how did you assist them?---I don't remember specifics but it would have been building up the price. Building up the price that the - - -

So looking at the tender, were you looking at the tender documentation? ---Looking at tender documentation, yes. Reviewing tender documentation, scope, program, assisting with price, methodology.

20

Preparing documents for them?---Preparing documents, yes, yes.

And who were you working with at Dalski in relation to that, was it Mr Sensicle or somebody else?---Correct, yeah. With Mr Sensicle.

And were others at the management of Dalski involved in trying to secure that work?---Yeah, correct.

Was it a reasonably big contract from Dalski's perspective?---Yes.

30

Do you recall how much it was worth?---In the order of 1.3 or \$1.4 million.

Chief Commissioner, might that be a convenient time?

THE COMMISSIONER: Yes. We'll resume at 2 o'clock.

LUNCHEON ADJOURNMENT

[1.00pm]