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INDEPENDENT COMMISSION AGAINST CORRUPTION

THERESA HAMILTON ASSISTANT COMMISSIONER

PUBLIC HEARING

OPERATION CAVILL

Reference: Operation E12/1191

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON WEDNESDAY 24 JULY 2013

AT 10.03AM

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

ASSISTANT COMMISSIONER: Please be seated. Yes, Mr Downing.

MR DOWNING: Thank you, Commissioner. The next witness will be Mr Norm Cerreto.

MR NEIL QC: Commissioner, while Mr Cerreto is coming forward can I indicate that he would take an affirmation and I've explained to him the effect of section 38 of the Act and he would ask for a declaration.

10 ASSISTANT COMMISSIONER: Yes, thanks for that. Take a seat there, Mr Cerreto. Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness and all documents and things produced by him during the course of his 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 given or document or thing produced.

20 **PURSUANT TO SECTION 38 OF THE INDEPENDENT  
COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT  
ALL ANSWERS GIVEN BY THIS WITNESS AND ALL  
DOCUMENTS AND THINGS PRODUCED BY HIM DURING THE  
COURSE OF HIS 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 GIVEN OR DOCUMENT OR THING PRODUCED.**

30 ASSISTANT COMMISSIONER: Could the witness be affirmed please.

ASSISTANT COMMISSIONER: Yes, Mr Downing.

MR DOWNING: Thank you, Commissioner.

Mr Cerreto, could you please state your full name for the Commission?  
---Norman Cerreto.

10

And your date of birth?---20/12/75.

And your address?---.....

And you're a resident of the Ryde Council area?---Yes, I am.

And you have a number of business interests situated in the Ryde area?  
---Yes, I do.

20

Commissioner, there are a bundle of documents that I'm going to be referring to Mr Cerreto during the course of his evidence. I'll tender them now and can I indicate for the record there are, first part of the - are some emails between Mr Cerreto and Councillor Petch. There are then some bank account statements for Delitalia Gourmet Foods and for the Weekly Times and then finally another email from Councillor Petch to Mr Cerreto. I'll provide - and we'll have copies made available to the interested parties, Commissioner.

30

ASSISTANT COMMISSIONER: Yes. That bundle of documents in respect of Mr Cerreto will be exhibit 62.

**#EXHIBIT 62 - BUNDLE OF DOCUMENTS IN RELATION TO MR CERRETO**

MR DOWNING: Thank you, Commissioner.

40

Now, Mr Cerreto, correct isn't it that one of the businesses that you operate is Delitalia Café and delicatessen in Coxs Road - - -?---Yes.

- - - North Ryde? And is that through a company Delitalia Gourmet Foods?---Yes.

And is the land that that operates from, well first of all could you tell us the address that that operates from?---144 to 148 Coxs Road.

And is that land owned by a different company?---Alramon Pty Limited.

Is that A-l-a-r-a-m-o-n?---Yes.

ASSISTANT COMMISSIONER: Mr Cerreto, do you mind moving a little closer to the microphone, thank you?---Sure.

Thank you.

10 MR DOWNING: And does that company Alramon Pty Limited do something else besides own the land?---No.

All right. Separate to Alramon is there another company in which - I withdraw that. Are you a shareholder and director in Alramon?---Yes.

And is there another company that you have an interest in Senaca Projects Pty Limited?---Yes.

And again are you a director and shareholder?---Yes.

20 And what does that company do?---That just owns a house.

Is that a house - - -?---That's a house out - - -

Is that at 12 and 14 Hunts Avenue?---Yes.

In which suburb?---Eastwood.

30 And, actually just coming back to Alramon for the moment and the building in which Delitalia operates from has that, has the company owned that land for some time?---Yeah, I think for 20, 30 years, yeah.

And was there a period approximately 10 years ago where the company put in a development application and made some alterations to the property? ---That's correct.

In order to configure it as it currently is with shops and offices?---Correct.

Or shops, cafes and offices I should say?---Yes.

40 So that, there was a DA put in, approval obtained and some works were done?---That's right.

And can I ask the offices upstairs do you use that partly for your own purposes?---Yes.

And is part of it leased out to Mr Laface the solicitor?---Yes.

And he operates an office from there?---Correct.

All right. Well coming back I think - Senaca Projects is that, it only owns the land in Hunts Avenue, Eastwood?---That's correct.

And has it put in some applications to develop that land?---It put in an application I think '09 I think or '10 for a DA.

And was it approved?---Yes, it was.

10 But have the works not been done?---The DA expired.

Right, okay. Now is there another company which you have an interest AGG Group Pty Limited?---Yes.

And is that a company which is a form of joint venture?---A form of joint venture. Me and Simon Goubran are a director of that company.

Right. And Simon Goubran being John Goubran's son?---That's correct.

20 And does the company, sorry. And are the shares hold, owned, in that company owned by you for one part?---My family trust.

Your family trust company. Sorry, you need to verbally respond rather than just nod?---Oh, yes,. My, my family trust.

And is that a company?---Yes.

And what's the name of the company?---Alramon.

30 So that's Alramon Pty - - -?---Yes.

- - - Limited? And - - -

ASSISTANT COMMISSIONER: I'm sorry, Mr Cerreto, you're not really being heard very well. Can you speak up and please try to speak above the microphone?---Sure.

Thank you.

40 MR DOWNING: It just helps to get closer. I had the same difficulty, Mr Cerreto?---My stomach's in the way.

Now so - - -?---Is that better?

- - - Simon Goubran also had an interest in, in AGG Projects?---Yeah, he's a director.

Oh, sorry. The AGG Group Limited isn't it? I don't want to get the name wrong?---The AGG Group, yeah. AGG Group I think, yeah.

So does, does he or does the company that he has an interest in also own some of the shares in the AGG Group Limited?---Yes, it's his family trust.

Okay. And what does that company do, or what does it own?---It owns a property at Concord, 38 Burton Street.

10 And is that a property with the company tends to develop?---Ah, no. It's run as student accommodation to rent.

Okay. But no intention to develop the land?---At this stage, no.

All right?---But in the future you never know.

All right. Now, I think I asked this already but the café Delitalia, is that operated through a company, Delitalia Gourmet Foods Propriety Limited?---Yes it does.

20

And are you a director of that?---Yes.

And a shareholder?---Yes.

And is there another company in which you have an interest, Arthur Street Developments Propriety Limited?---Ah, yes.

And what does that company do?---Um, I think that might be just a holding company. Doesn't do anything.

30

Doesn't own anything?---I don't think so.

Doesn't undertake any activities?---No.

And what's it a holding company of?---Oh, we just set it up one day with a, we were going to purchase something in that name but we never did.

All right. And is there also an Arthur Street Facility Management Propriety Limited?---Yes. Yeah. That owns a block of land in Arthur Street.

40

In Arthur Street, which suburb?---Ryde.

Right. And are you a director and shareholder in that company?---Yes I am.

And is that land, is it a residential premises?---Residential block of land, that's all.

And is there a plan to develop that land?---No.

All right. Now, are you also, do you also have an interest in Salcorp Property Investments Propriety Limited?---Yes.

Is that a company in which you're a director and shareholder?---Yes.

And does that, can you tell us what does that own or what does it do?---It owns nothing. It's just another holding company.

10 All right. And then Salcorp Facility Management Propriety Limited?---  
That's correct.

Is that a company of which you're a director - - -?---Yes.

- - - and shareholder?---Yes.

And does that own anything or undertake any activities?---It does, it does fitout works, commercial fitout works and it also owns another block of land in Ryde.

20

And where's that located?---Um, in Arthur Street.

Is it adjoining the loan, the land that the Arthur Street company owns?---Ah, there's a road in between it.

All right. So is there any plan to have those two blocks being developed?---  
At this stage, no.

30 And do you have an interest in Cerreto Investments Propriety Limited?---  
Yes.

Are you a director and shareholder?---Yes.

And what does that company own or do?---Nothing.

Does it - - -?---Doesn't do anything.

All right. Now, is it the case that across the road from Delitalia in Coxs Road there is another type of shopping centre?---Yes.

40

And is that a shopping centre which you understand is owned by a family called the Bietola family?---Oh, not just by them, but yes.

Them and others?---That's correct.

Is all, is it partly owned by Mr Fazzolari?---Yes.

And is it the case that the landowners, being on your side of the road, your company, Alramon and on the other side of the road, is it owned by a company, the shopping centre across the road?---Enrico Bietola Pty Limited.

How do you spell the first name?---Enrico.

Oh, E-n-r-i-c-o?---Yes.

10 Did those two companies, that is Enrico Bietola on one side of the road and Alramon on your side of the road get together and form a landowners group for the purposes of creating a master plan?---Um, I was invited to on behalf of Council.

Right. And can you tell us roughly when that was?---Towards the end of '09 from memory.

20 And was the idea that the, well can you explain to us what you understood the purpose of creating a master plan was?---Oh, well Council wrote to us to, for the landowners to get together, which included the church across the road and Council, to come up with a blueprint for the next 20 years of the future of Coxs Road.

And was it for the purpose did you understand, to have the Local Environmental Plan for the area revised?---Yes.

30 And, so do you, your company, Alramon and Enrico Bietola Propriety Limited then cooperate for the purposes of having a landowner's master plan created?---Yes. Along with the church.

Along with the church. And can you tell me when was that that the landowner's master plan was brought into existence?---Oh, somewhere along the lines of 2010.

In 2012 were there particular events happening in respect of the - - -?---It was the public exhibition period.

40 And by that point was there one master plan that had been created by the Coxs Road landowners?---Yes.

Being your company, Alramon and Enrico Bietola?--- Yes.

Was there also a competing Council master plan?---Yes.

And were they both up for the public exhibition?---Yes.

And was part of your master plan, that is the landowners' master plan to redevelop the Coxs Road area on both sides of the road?---Yes.



To put in certain new facilities?---Correct.

So there would be shops?---Yes.

Restaurants?---Yes.

Residential units?---Yes.

10 A footbridge?---Yes.

And other community facilities?---That's correct.

And was the idea that it would be redeveloped, that is both sides of the road would be redeveloped to put in those facilities?---One day.

And that between your company Alramon and Enrico Bietola then the commercial part of it, that is the shops, restaurants and units would be rented out or sold?---Well, the master plan's just an idea, it had a lot to go through before - - -  
20

Oh, I understand it was a long-term plan?---Yeah, yeah. Ultimately, maybe within 15, 20 years, yeah.

Okay. Now, can I ask you about your relationship with Councillor Petch, he's someone you've known for many years?---Yes.

And would you count him as a friend?---Yes.

30 Can you tell me how many years back does your relationship with Councillor Petch stretch?---When I was a child, maybe 30 years.

Right. And is he someone that you speak to regularly?---Yes.

Is he someone that you meet with regularly?---Oh, every now and again, yeah.

Is he someone that comes to your café Delitalia from time to time?---Yes.

40 And I take it you talk about some matters that have nothing to do with Council?---Yes.

You also talk about Council matters from time to time with Councillor Petch?---From time to time.

And are you also familiar with John Goubran?---Yes.

Now, can you tell us how long you've known him?---Oh, I've known John for maybe 10 years.

And is he someone who is a property developer in the Ryde area as well?  
---Yes.

And have you - you've told us - - -

10 MR NEIL QC: Well, Commissioner, could I just take an objection in that that seems to assume that Mr Cerreto is a property developer. Now his evidence is not to that effect and there may be some importance on the point, I don't know, but I just want to draw my learned friend's attention to the, to the point that I don't think he would concede he's a property developer.

ASSISTANT COMMISSIONER: Well, I think he has developed property hasn't he?---No.

20 So you've never built anything or - - -?---No.

Never had a DA before the Council?---I've had a DA before Council for five villas but it lapsed, I've never built anything.

I guess you were a prospective property developer.

MR DOWNING: Perhaps I'll just explore that. I understand my friend's objection. In respect of the premises on Coxs Road - - -?---Yes.

30 - - - you've told us that some, was it about 10 years ago a DA was put in - - -?---Yes.

- - - and it was reconfigured if I can put it that way?---Not really reconfigured. We bought the property next door and we joined the first floor together with offices, that's all.

But you made some alterations what, on the first floor?---No, the second floor.

40 Did you make any alterations to what was on the land?---Ah, yes.

Sorry, on the ground floor of the land?---On the ground floor, yes.

And after those works were done you've told us that - - -?---We rented them out.

You've told us that a DA was put in for the purpose of doing those works?  
---Yes.

The Council approved it?---Yes.

And at the end of it you rented out what, some shops and restaurants?---Just shops and offices.

All right. Thank you. Now, would you accept that that amounts to undertaking some form of property development?---Not really.

10 So you say what, buying land, making improvements to it and then renting it out doesn't amount to property development?---In my opinion it doesn't.

All right. I understand. Well, to your understanding is Mr Goubran a property developer?---Yes.

And do you understand that he has some interests, that is business interests in the Ryde area?---Yes.

And that he owns some land in the Ryde area?---Yes.

20 Are you aware of particular land that he owns on Victoria Road?---No.

Well, could you tell me what land you understand that he owns in the Ryde area?---I know he owns a property in Waterloo Road and a property - - -

Is that in Ryde, sorry?---Yes, yes, yes, and a, and a property in Eastwood.

All right. And where in Eastwood, is that Trelawney?---Yes.

30 Trelawney and Rutledge Street?---Yes.

Do you understand that he has, that he along with others own a particular strata property somewhere in Victoria Road?---No. College Street I do but not Victoria Road.

Does College Street meet Victoria Road?---Ah, I believe at some point, yes.

40 Right. Okay. And do you understand that the College Street property that you've referred to, is that a property you understand that Mr Goubran has been seeking to change the zoning so that he can change the use of the property?---I believe so, yes.

And, sorry, I asked you this before but I don't recall the answer, for how many years have you known Mr Goubran?---About ten years.

And how did you first come to know each other?---Through his son Simon.

Was that because you had business dealings with Simon or he was a friend?--Just friends.

All right. Now you also know Mr John Booth don't you, the editor of - - -?  
--Yes.

- - - Weekly Times? And for how long have you known him?---Probably about twenty years.

Now he's someone that you've placed ads with from time to time?---Yes.

10 Have you known him prior to placing ads?---Yes.

So it's always been on the basis of your relationship as a customer who places ads?---And also he's been in the area for a long time. He's come through and shopped at our place.

Okay. So he's actually - - -?---A customer.

- - - a customer at your, your Delitalia business?---And previously a fruit shop many years ago when my father was there.

20

And were the ads that you've placed to do with the businesses the fruit shop and then Delitalia?---Yes.

And then more recently the Coxs Road landowners master plan?---Yes.

All right. Do you know Mr Anthony Stavrinos?---Yes.

Is he someone that you understand to be a publicist - - -?---Yes.

30 - - - or a PR person?---Yes.

And how long have you known him?---About 12 months.

And in what circumstances did you first come to meet him?---I had a meeting with Bill Pickering and Bill Pickering advised me to use Anthony for the Coxs Road master plan as a publicist.

That is to assist you in having it publicised?---That's correct.

40 And did that, sorry, did that then lead to a series of ads being placed in the Weekly Times?---That's correct.

In order to promote the Coxs Road landowners master plan?---Yes.

Now, Mr Cerreto, do you recall becoming aware earlier this year that a complaint had been made against John Neish? Now you, I'll stop there. You knew John Neish as a former General Manager of the Council?  
---Correct.

And you knew that he ceased his work as General Manager in early this year, early 2013?---Yes.

Do you recall some time early this year prior to his cessation of employment learning that a complaint had been made against him to the effect that he'd accessed pornography on his laptop computer?---Yes.

10 Can you recall who you first heard that from?---I think it was Ivan.

When you say Ivan you mean Councillor Petch?---Yes.

And can you recall and just in order to set the time frame around it do you recall that it was on the 8 February that Mr Neish finished up his employment?---I couldn't tell you that, no.

Do you recall seeing a media release around the time about him finishing up work?---I remember it was advertised, yeah.

20 Doing your best how did you first come to hear about it from Councillor Petch?---I think we, he came and saw me once and said that they've found porn on his computer.

All right. What, in person?---Yes.

And had you discussed Mr Neish and his employment with Councillor Petch previously?---Not particularly, no.

30 Well did you have a view about Mr Neish?---I did.

And what was that?---I thought they acted appropriately in sacking Mr Neish back in June.

Right. Well prior to them sacking to Mr Neish did you have a negative view about him as General Manager?---Not so much a negative view of himself, no, but the way he handled the situation, yes.

40 Do you mean, when you say the situation are you referring to the, the Ryde Civic Precinct redevelopment?---Correct.

And had you spoken to Councillor Petch about that?---Oh, yes, we did.

Well you're aware weren't you that he was very much opposed to the Ryde Civic Precinct redevelopment?---Yes.

Had he ever expressed to you the view that Mr Neish was actively promoting it?---Yes.

And had he ever expressed the view that because Mr Neish was actively promoting it he wanted to get rid of him?---Not in those terms, no.

You don't recall him saying that at all?---No.

So you say you recall what Mr, Councillor Petch coming to see you and telling you about the discovery of pornography on Mr Neish's - - -?  
---correct.

10 - - - computer? And was that before Mr Neish finished work?---I don't recall.

All right. Well can I ask you first of all to listen to a particularly piece of audio which will be played, now the transcript will come up.

**AUDIO RECORDING PLAYED**

**[10.26am]**

20 MR DOWNING: Now, Mr Cerreto, you heard that call then and I take it you saw the transcript in front?---Yes.

Do you accept that's a phone call between yourself and Councillor Petch?---Yes.

The date on the transcript is 1 February, 2013 and the time is 8.35 in the morning?---Yep.

30 Does that assist you to recall now that that was the time at which Councillor Petch - - -?---Yes.

- - - telephoned you? Commissioner, I tender the audio and the transcript.

ASSISTANT COMMISSIONER: That will Exhibit 63.

**#EXHIBIT 63 - COPY OF AN AUDIO CASSETTE AND  
TRANSCRIPT OF A TELEPHONE CONVERSATION BETWEEN  
MR CERRETO AND COUNCILLOR PETCH ON 1 FEBRUARY 2013  
40 AT 08:35:09**

MR DOWNING: Now, to the best of your recollection was that the first time at which you heard about the discovery of the material on Mr Neish's laptop?---Um, from my recollection it was. But possibly it was mentioned before. I can't remember.

Well when you say mentioned before do you think there might have been an earlier conversation with Councillor Petch?---Possibly, but I'm not, I can't recall.

But you, you believe that it was him who revealed it to you the first time?---Correct.

10 Now, in the conversation Councillor Petch asked you whether you were going to be up there today. Was that a reference - - -?---To my work.  
- - - to your understanding to Delitalia?---Correct.

And do you recall, or in the discussion Councillor Petch suggested that about half past 10.00 might be a time that he would be up. Do you recall if he came up that day?---No, I don't think I was there that day. That's to my recollection.

20 You don't recall seeing him at all that day?---Not to the best of my ability, no.

Do you recall being present at a time when Councillor Petch came up to the café and saw a succession of people?---No.

You don't recall being present when he sat down at the café with Robbie Patterson?---Not that I recall, no.

Do you know Robbie Patterson?---No.

30 A journalist for the Northern District Times?---No.

Do you recall being present when he came and sat down with John Booth?--  
-No I don't, I don't recall that.

Do you recall, being present when he came and sat down with a lawyer, Mr Bryan Belling?---I don't recall that, no.

Do you know Mr Belling?---I've met him once.

40 So to the best of your recollection you weren't present at the café that day?--  
-To the best of my recollection, that's right.

Now, in the, in the phone call Councillor Petch reveals to you that someone has been found surfing the net for pornography?---Ah hmm.

And did you understand that was a reference to Mr Neish?---I did.

Now, Mr Neish wasn't actually named was he, in the conversation?---I don't believe so.

So you'd obviously been speaking with Councillor Petch beforehand about Mr Neish?---Possibly.

Do you recall now that there might have been a discussion before this point when Councillor Petch expressed the view that he wanted to get rid of him?--It's a possibility.

10 Do you recall after, you were aware weren't you in 2012 of the Supreme Court proceedings that had been commenced?---Yes I was.

And the injunction that had been obtained to prevent the Council in effect sacking Mr Neish?---Correct.

Do you recall Councillor Petch ever indicating to you that despite that injunction he was still looking for a way to get rid of Mr Neish?---Not really.

20 Now, in the conversation Councillor Petch indicated to you that he had the whole, leaving out the obscenity, the whole files?---Yes.

And I take it that matters to do with complaints against staff for inappropriate use of their computers, you'd understand that would be Council business?---Ah, not really.

30 What, would you think that it would be appropriate for Councillor Petch to be discussing that with persons who weren't part of the Council?---I thought if Ivan's able to discuss it he'd know better than anyone what he can talk about.

So you figured that if it was talking to you then it must be okay?---Yeah.

You didn't give any thought to whether he might be actually disclosing something that was confidential and internal to Council?---No.

Well, you indicated to him in the course of the conversation that you, you needed to get that in the right hands. I take it you meant hands that could make sure that this was made public?---No, I mean in legal hands.

40 So you were suggesting that he should see a lawyer?---Oh, I suggested he should, yeah.

Are you being honest in that response, Mr Cerreto?---I believe so, to the best of my recollection.

You laughed, you said, "God love you, mate, we've got to get that in the right hands."?---Mmm.



And you, you suggest that was a reference to wanting to get it into a lawyer, a lawyer's hands?---After I discussed that later on with him that's what I told him.

Well, I'm talking about the conversation here. What you were suggesting weren't you was that you were excited about the discovery of this and you wanted to get it into hands so that it could be used to damage Mr Neish?  
---I don't recall it meaning that at all.

10 Well, when you laughed and said, "God love you, mate," what were you trying to express?---Just a bit of a joke.

You thought it was funny that this had been revealed to you?---Yes.

Can I suggest to you that what you meant was you wanted to make sure that this material was provided to people who could then use it in a way to publicise it and damage Mr Neish?---No.

20 Did you know Mr Stavrinis at this point?---Yes.

Do you think he might have been referring to Mr Stavrinis?---No, I don't recall.

Because he was someone you knew that would be good at publicising something like this, didn't you?---Not really.

Well, he was a PR person, a publicist wasn't he?---Correct.

30 You don't think you were referring to him?---No.

Well, Mr Cerreto, Mr - Councillor Petch in the course of the conversation says he'd show it to you and that he'd bring you a personal copy?---Correct.

Do you recall that he in fact did that?---Yes, he did.

So the copy that he gave you, was it a disc or was it a page with thumbnail pictures?---I think it was a disc and thumbnail pictures.

40 So you got both. Now, do you recall when it was that he gave you those things?---I think it was on the Sunday.

Well, do you recall 1 February, 2013 was a Friday, are you saying you believe it was on the weekend, a Sunday two days later - - -?---Correct.

- - - that he gave it to you?---That's right.

And did he come and see you at Delitalia then?---Yes.

And delivered it to you. Did you give any thought to whether this was something that you should have?---Not really.

You obviously weren't a Councillor?---No.

You're not a member of the Council staff?---No.

10 Did Councillor Petch indicate to you that, that the way he'd had this, the way he'd obtained this material was that there'd been a complaint made against Mr Neish by someone from the IT department?---On the Sunday?

Yes?---Yes.

So you understood it was a complaint against Mr Neish, the General Manager by another member of the Council staff?---Correct.

And did you give any thought to whether in those circumstances this was something that you should have?---No, I thought it was okay.

20 Is it the case that you didn't really care whether it was material that you should have?---Perhaps, yeah, but I was of the understanding that if, if Ivan was giving it to me he'd know what he can and can't give out.

You were just assuming that if Ivan was giving it to you then that's good enough for me?---Yeah.

What I'm suggesting to you is you knew at the time that this was confidential and quite damaging material that Councillor Petch was giving to you?---No.

30 Do you recall getting a SMS from Councillor Petch on the following day, that is Saturday, 2 February, 2013?---It's a possibility.

Well, I'll ask you to have a look at a document. Have a look at what's on the screen in front of you and you'll see that it's described as a SMS from Councillor Petch to you reading, "Hi, Norm, are you at Coxs Road this afternoon? I have the data we discussed. Regards, Ivan."?---Yes.

40 Do you recall receiving that?---No.

But do you, you say that you did receive the disc and the pictures you think on the day following this that is the 2<sup>nd</sup>?---I, I remember it because I think it was, he was coming from church.

I, I'm sorry. I think I confused the - sorry, it was Sunday 3 you said?  
---Yeah.

So sorry, he was coming from church, on the way back from church - - -?

---That's what I recall, yeah.

- - - he dropped off the disc?---Well he came into see me. That's what I recall anyway.

What, indicating that he'd just been to church?---Yes.

All right. I know you say you don't recall receiving this SMS but you don't deny it?---No, I don't, no.

10

I tender the transcript of the SMS, Commissioner.

ASSISTANT COMMISSIONER: That will be Exhibit 64.

**#EXHIBIT 64 - TRANSCRIPT OF AN SMS MESSAGE FROM CLR  
PETCH TO MR CERRETO ON 2 FEBRUARY 2013**

20 MR DOWNING: Now you were aware weren't you that soon after this Mr Neish resigned from his employment at the Council?---That's correct.

Do you recall at all seeing a media release that the Council put out?---Not really, no.

Well have a look at Exhibit 2 page 71 which we'll bring up on the screen. And we'll scan down so you can have a look at it. But you'll see it's dated Friday 8 February 2013?---Yes.

30 So a week after that first phone call that we played you the 1 February?  
---Yes.

And it's a media release quoting from Mr Neish and also Councillor Petch?  
---Yeah.

Indicating that Mr Neish was moving on. Do you recall on looking at that now do you recall seeing it?---I don't.

40 Well - - -?---But I don't doubt it.

Do you recall if prior to this time Councillor Petch said to you that he intended to ask Mr Neish to resign and to indicate to Mr Neish that if he didn't then the information that had been found on his laptop might accidentally find its way into the media?---I don't recall that, no.

Do you recall a discussion with Councillor Petch at all about how he intended to use this material?---Yes.

Do you recall him suggesting to you that he wanted to use it to try and get Mr Neish to resign?---I don't recall that conversation.

Well tell me what do you recall discussing with Mr, Councillor Petch about his intended use of this material?---He was going to go off and get a legal advice.

Well he was going to get legal advice about what?---About what to do with the contents of the disc.

10

Do you recall if he indicated that he wanted to do, what he wanted to do was get a legal advice to confirm that it was genuinely material from, that Mr Neish had accessed?---Perhaps.

But do you say what - that you don't recall any discussion at all about, with Mr, Councillor Petch where he indicated an intention to try and get Mr Neish to resign because of this discovery?---I don't recall that conversation, no. I recall he was going to get legal advice as to his options.

20

Do you recall if Councillor Petch indicated to you that as well as trying to get Mr Neish to resign that he was, that there'd been a proposal that Dominic Johnson would resign as well?---No, I don't I don't recall that.

Do you recall if you ever got a message to that effect from Mr Laface the lawyer?---No, I don't recall that.

Do you recall any discussion with Councillor Petch about possibly getting Mr Johnson to resign?---No, I don't recall.

30

You know Dominic Johnson don't you?---Yes, yeah.

And you understand that he's a particular official at the Council?---Correct.

Group Manager Environment and Planning?---Correct.

Do you have a view about him?---I did. We had a bit of a run in probably 12 months ago during the master plans where he defamed me in an email to Councillors and I corresponded with him legally and he apologised and since then we've never crossed paths.

40

I take it you had a dim view then as a result of that exchange?---Well at the time of it, yeah.

But you say you don't recall any discussions with Councillor Petch at all about whether he might be able to get not only Mr Neish to resign but Mr Johnson to resign as well?---Not at that time, I don't recall.

Do you recall later discussions about that matter?---Later?

About Mr Johnson?---After, after Mr Neish resigned. Yes I do.

All right, well we'll come to that later. Do you recall meeting with, attending a meeting on 7 February, 2013, which you'll recall from the date of the media release is the night before the media release was - - -?---Yes.

- - - in respect of Mr Neish's employment went out, do you recall meeting that evening at the Eastwood Rugby Club?---Yes.

10

Can I ask you to have a look at page, Exhibit 43, pages 850 and 851. Do you see, if we got to the next page please, 851 and then we'll come back?---Yep.

Do you see that's your, is that your handwriting?---Yes it is.

And you've written your name and an address in Hornsby?---Correct.

20

Now, is the reason you wrote that was because, because of licensing - - -?---So I could get a, yeah.

- - - restrictions in New South Wales you can't live within a certain distance of the Eastwood Rugby Club if you want to go in?---That's right. I live about eight doors down. I'm not a member.

All right. So you're not a member so that's another premises, that's another unit that you own in Hornsby?---I own, correct. Correct.

30

All right. And if we go back do you recall that Mr Laface the lawyer - - -?---Yeah, he was there.

- - - was also present?---Yes. Yes.

Now - - -?---And there's another signature there too, a good friend of mine, Steve Iannello.

Steve?---Iannello.

40

Is that I-a-n - - -?---N-n-e-l-l-o.

All right. So was he present at that meeting as well?---Yeah.

And was John Goubran there at some point?---Ah, I think he turned up at the end, yeah.

Did you call Mr Goubran and ask him to attend?---I did call him not to attend, but I called him, yes.

Can I ask you to listen to another recording.

**AUDIO RECORDING PLAYED**

**[10.43]**

MR DOWNING: Mr Cerreto, do you recognise that as a call from, between yourself and Mr Goubran?---Yes.

And in the call, you'll see from the transcript that it's dated 7 February, 2013 at 21.23?---Correct.

10

And do you recall that that was call that you received while you were at the rugby club?---Yes.

And you indicated that, to Mr Goubran that you were at the rugby club?---Yep.

And he indicated he would come?---Yes.

And did he attend?---Yes.

20

Commissioner, I tender the audio and the transcript of that phone conversation.

ASSISTANT COMMISSIONER: Yes. That will be Exhibit 65.

**#EXHIBIT 65 - COPY OF AN AUDIO CASSETTE AND  
TRANSCRIPT OF A TELEPHONE CONVERSATION BETWEEN  
MR GOUBRAN AND MR CERRETO ON 7 FEBRUARY 2013 AT  
21:23:28**

30

MR DOWNING: Now, do you recall at that meeting, there was obviously a part before Mr Goubran was there?---Yep.

And, with Mr Laface, your friend Steve Iannello - - -?---Ah hmm.

- - - and yourself?---Correct.

40

And was that to discuss a particular matter?---Yeah, I was doing a fitout for Steve's work.

Right?---At Pinpoint where he works.

Right. Now, after Mr Goubran arrived did you, do you recall discussing the issue of Mr Neish and the discovery of the material on his computer?---No I don't.

You don't believe that was discussed at all?---I don't recall that.

Do you recall what was discussed with Mr Goubran?---Ah, not particularly. He was coming down because I was having a baby oh, that weekend and he wanted to wish, wish me well. I said, "Come down and have a drink."

Do you recall whether Mr Goubran was aware of the discovery of the material on Mr Neish's computer at that point?---I don't recall, no.

10 Is it the case that to your recollection that at times Councillor Petch communicates via you with Mr Goubran?---Ah, not that I'm aware of. Not really.

Did he send you material that you then send on to Mr Goubran?---Ah, at one stage it happened, yes.

And that sometimes Mr Goubran communicates with you and asks that things to be passed on to Councillor Petch?---Perhaps.

20 So just on occasion are you something of a go between between Mr Goubran and - - -?---Not, not really a go between, no.

Do you recall on 8 February, 2013 having a further conversation, having a telephone conversation where you called Councillor Petch?---I don't recall that.

So, and again just in terms of timing, so 7 February was the date upon which the meeting at the Eastwood Rugby Club occurred - - -?---Ah hmm.

30 - - - that I've just asked you about?---Ah hmm.

8 February's also the date on which Mr Neish finished up his employment and the media release went out. Does that assist you at all in recalling whether there was a discussion then with, over the phone with Councillor Petch?---I wouldn't recall anything. I'm sure you've got it but I don't recall it, no.

All right. Can I ask you to listen to another conversation.

40

**AUDIO RECORDING PLAYED**

**[10.48]**

MR DOWNING: Mr Cerreto, do you recognise that as a telephone conversation between yourself and Councillor Petch?---Yes.

And you'll see from the transcript it indicates 8 February, 2013 at about 8.30 in the morning. Does that assist you at all in recalling a call that day, that is the day that Mr Neish resigned?---Ah, yes.

Commissioner, I tender the audio and the transcript.

ASSISTANT COMMISSIONER: That will be Exhibit 66.

10 **#EXHIBIT 66 - COPY OF AN AUDIO CASSETTE AND  
TRANSCRIPT OF A TELEPHONE CONVERSATION BETWEEN  
COUNCILLOR PETCH AND MR CERRETO ON 8 FEBRUARY 2013  
AT 08:32:54**

MR DOWNING: Mr Cerreto, I wanted to ask you some questions about that conversation. You make reference in it to the source that Councillor Petch wanted and some water and that it was coming. Can I ask did Councillor Petch from time to time ask you to arrange deli items for him?  
20 ---Yes.

And did he ever pay for any of them?---Yes, he did.

He did. What in cash, by card?---Either or, probably cash.

Are you sure about that?---Yes.

And when he would come by and frequent the coffee would - sorry, the coffee shop would he sometimes not pay for meals or drinks?---Oh, I'd offer  
30 him coffee from time to time, yes, I would.

Now, in the course of the conversation he indicated, and this in the transcript, page 1 of 5, that he'd probably be up some time in the afternoon, "I'm dealing with, as you know, yesterday I sacked Neish"?---Ah hmm.

So do you recall that he had told you beforehand that that's what he was planning to do?---No, I don't.

40 So in seeing the words that he spoke in the conversation, "I'm dealing with, as you know, yesterday I sacked Neish," what, do you say you don't recall any discussion beforehand about a plan to get rid of Mr Neish?---Not particularly, no.

On reflection you can't recall him indicating to you some time between 1 February when he told you about the discovery of the material on the laptop and this point that he was going to use that as a means of getting Mr Neish to resign?---He told me he was going to go discuss his legal options.



Now you say, you recall also in the conversation that Councillor Petch indicated that he almost had the other fellow but he wanted 38 weeks' severance and that they'd laugh at him if he put that up. Do you see that at the bottom of the page?---Yes.

Did, did you understand that as a reference to Dominic Johnson?---Not particularly, no.

10 Well, in the course of the conversation you didn't ask him who he was referring to, you must have had some idea at the time I take it?---Not that I can recall.

Well, you see later in the conversation at page 4 of 5 towards the bottom of the page you actually say, "Good, good, fantastic, and see what we can do for that second one, huh."?---Mmm.

20 And Councillor Petch said, "Yeah." You said, "The second fellow." He said, "Yeah," Councillor Petch said, "Yeah, we will." You said, "All right, mate." You obviously had someone in mind because you were suggesting that with Mr Neish gone there was a second fellow you were hoping Councillor Petch might be able to deal with as well?---Mmm.

On reflection do you think that might have been a reference to Mr Johnson or was there someone else at Council?---It could have been Mr McCann, I can't recall.

30 Were you keen for Mr McCann to be gotten rid of as well?---Oh, not particularly but - - -

Well, looking, thinking back and remembering as best you can who did you understand Councillor Petch was referring to when he told you that he almost had the other fellow?---I, I, I was going to ask him in person.

Well, you didn't stop him at any point in the conversation and say who are you meaning did you?---No, I wasn't really interested.

40 Well, it would suggest given what was said later in the conversation that you had a pretty clear idea in your mind about someone that you were hoping that Mr, Councillor Petch might be able to get rid of as well? ---Perhaps.

So let's go through people - - -?---I can't recall who it was.

- - - it might have been. Mr Johnson is someone that you were quite keen that would be gotten rid of at that point?---Oh, not quite keen, not really.

All right. Mr McCann?---Perhaps.

All right. Anyone else?---Not that I can recall.

Now, you also in the course of the conversation will recall that Councillor Petch said he'd have a long talk to you that afternoon about "our strategy". Now, did you have any understanding of what he meant by that?---Not really. Ivan would from time to time talk to me about his thoughts and Council and that was very important to me but I had very little interest for it.

10 Well, he didn't say my strategy, he said "our strategy"?---Mmm.

Did - had there been occasions when you and Councillor Petch had spoken about his plans for instance to get rid of Mr Neish in order to prevent the Ryde Civic Precinct project going ahead?---It's a possibility, yes.

That's earlier in time?---It's a possibility.

Had he also spoken to you about his, his plans regarding getting rid of other staff?---It's a possibility, yes.

20

So you think that there - might there have been some discussions with him about plans to get rid of Mr McCann and Mr Johnson?---Not that I recall but it's a possibility.

Well, he did tell you during the course of that conversation wasn't, didn't he, that it would all work out well, and this is at page 2 of 5, and that "when we appointing the acting General Manager one of her first choices will be to sack Bruce McCann."?---Yes.

30 Did you understand by his reference to her as the soon to be appointed acting General Manager he was referring to Ms Danielle Dickson?---Ah, possibly, yes.

So had you discussed with Councillor Petch before a strategy where he would get rid of Mr Neish, put in Ms Dickson and then have her carry out certain things he wanted done?---Not particularly, no.

Well, when you say not particularly do your best, do you think there'd been a discussion?---Not that I can recall.

40

Well, did you ask, you didn't ask him in the course of this conversation who he meant when he was referring to appointing a particular female acting General Manager did you?---No.

So would you agree that tends to suggest that you and Councillor Petch had discussed it before hand?---Well, I understood from a previous motion that her name was on a motion to replace, she was the one that was going to replace Mr Neish so - - -

From when?---Oh, last year.

What, in 2012?---Yeah.

All right. Now, he indicated to you that one of her first chores would be to sack Bruce McCann?---That's correct.

10 So you understood from that that he was going to ask Ms Dickson after she was appointed as acting General Manager to get rid of Mr McCann?---Yes.

Did Councillor Petch often discuss with you issues about the performance of staff or whether staff should be sacked?---From time to time he mentioned his frustrations with staff, yes.

Now, if we go to page 3 of - - -

20 ASSISTANT COMMISSIONER: Sorry, could I say on that topic when he told you about Mr McCann being sacked you said, "Fantastic." It seems to show a level of interest that you're trying to deny now?---Well, fantastic, fantastic for him, not really for me, I couldn't care less.

MR DOWNING: Well, Mr Cerreto, you didn't say that's of no interest to me, Ivan, did you?---Sorry?

You didn't say that's of no interest to me?---I didn't on the phone, no.

30 You didn't say why are you telling me about this, I'm not interested, Ivan? ---He's very happy here with the information, I'm not going to burst his bubble.

ASSISTANT COMMISSIONER: And Mr Cerreto, towards the end of the conversation you yourself raised the second fellow again of your own volition?---Yes.

Trying to get rid of him?---Perhaps.

40 Well, that shows a level of interest doesn't it?---Not really, not in my opinion.

Well you weren't just responding to what he was saying, you yourself brought up again the topic of getting rid of the second fellow?---Not in my opinion.

Well it's not a matter of opinion you did?---Mmm.

Didn't you?---That's what - - -

You can read it?---Yes.

Well? So that shows a level of interest doesn't it?---Oh, for him, for Ivan yes, make him feel good but for me I had no real interest.

So you were just feigning interest to make him feel good?---Yeah.

Thank you. Yes, Mr Downing.

10 MR DOWNING: Mr Cerreto, at page 3 of 5 at the top of the transcript Councillor Petch said words of, "So many bits of pieces I got to fill in that and then I was trying to get a hold of the other fellow John and let him know" and you said "Yeah" and you, Councillor Petch said "That I'd, I'd" and then you stepped into the conversation and said, "Oh, don't worry we were informed, anyway that's fantastic"?---Mmm.

Did you understand that he was referring to John Goubran?---Possibly.

20 And in indicating we were informed anyway what were you indicating you and Mr Goubran had been informed of?---Perhaps the news of Neish resigning.

Right. Do you think it might have also involved the, the news of why Mr Neish had resigned that is the discovery the material on his computer?  
---Perhaps.

Thinking about it now do you think there might have been a discussions where you told Mr Goubran about that?---Perhaps.

30 And you'll see Councillor Petch said, "And I asked Stefano to" you said "Yeah", Councillor Petch said, "Update people what was happening." So do you recall if Mr Laface had updated you or Mr Goubran to your knowledge about what was happening with Mr Neish's employment?---I don't recall that night he was saying anything regarding that. Possibly that morning there was. He used to pass through my work very early on the way to his work so maybe - - -

Sorry, who's that Mr?---Stefano.

40 Laface?---Yeah.

Do you think what, he might have mentioned to you what was happening?  
---Perhaps that morning but I don't recall that evening him saying anything.

All right. Now at page 405 of the transcript of that phone call you actually say, sorry Councillor Petch indicates about half way down the page that he had lots of things to do and get a press release out and you recall I showed you a press release that was issued that day. You say to him, "Well if you

need a hand writing that up you know I've got a guy coming for coffee this morning with me in half an hour", and Councillor Petch says, "Yeah, he was with me until half past 1.00 this morning", you say, "Good I know, good fantastic and see what we can do for that second one." Did you understand that Councillor Petch - I withdraw that. Were you indicating that the person coming in half an hour for a coffee with you was Mr Stavrinis?---Possibly, I don't recall.

10 Well who do you recall you met with that morning, do you have any recollection now?---I think it was Laface.

Well, Mr Laface would he someone that would write a press release?---He could possibly help him do a proper one legally.

Well normally the person that you used for press releases and publicity related matters was Mr Laface wasn't it?---No.

I'm sorry, I meant Mr Stavrinis?---Yes.

20 So looking at what you said at the time do you think it might have been that it was actually Mr Stavrinis who was coming - - -?---It's a possibility.

And Councillor Petch responds without again naming the person saying yeah, he was with me until half past 1.00 this morning. Did you understand at this time that early February this year that Mr Stavrinis was doing some work assisting Councillor Petch?---I wasn't aware, particularly, no.

30 Mr Cerreto, would you agree with me that on reflection the material that Councillor Petch was providing in respect of the discovery of material on Mr Neish's laptop was confidential and sensitive material?---No.

You still don't accept that now?---I don't.

And, and as, as you answered before you do say that on the basis that well if, if Councillor Petch was telling me than that must be okay?---Well I've got no understanding of what confidential is so Ivan's been a Councillor for over what, 35 years he should know what he can and can't give.

40 Well just on what's confidential when, you understand don't you that when for instance an application for a development goes to Council the Council looks at it and considers it?---Correct.

It gets advice from internal Council staff?---I assume so.

Well you assume that there'd be town planners and people of that nature who would be looking at it and giving advice to the Council about to approve or not approve?---Correct.

And you understand don't you that that advice that's received by individual Councillors from town planners is not normally something that's released to members of the public?---Sorry?

That would be something that wouldn't normally be released to members of the public?---Oh, I don't know, maybe it would.

10 Well I'll deal with another example. For instance when Council goes to tender for things like say garbage services they would get a number of tenders. You'd understand that wouldn't you?---Perhaps, yes.

And that Council would then look at them and compare them and decide, try and rate them?---I don't know how they do their things.

Well you understand about tenders don't you? I mean you do building fit out work, presumably from time to time you need to tender for work?---No.

20 Do you say you have no understanding what a tender involves?---No, I understand what a tender is but I don't really understand what's involved on behalf of Council.

Well, well let's just deal with the basics. A tender would normally involve asking a number of people to express an interest in perhaps competing for a job?---Yes.

And then once the tenders are all in looking at them and working out which one you think is best?---Yes.

30 And you'd expect wouldn't you if Council was for instance looking at say a tender for waste services it would get tenders from different parties?---Yes, yes.

It would get some, it would give some consideration to which one was the best and suited Council, Council's needs and interest best?---Yes.

40 And that there might be some internal advice to Councillors about the assessment that had been done and the recommendation as to which one should be accepted?---I'd imagine there'd be something like that. And that wouldn't normally be released to the public would it?---Not particularly, no, no.

For instance particular tenders that have been received or evaluations that had been made and forwarded to Councillors so that they can vote. That wouldn't normally be released to the public would it?---I don't know if they go in the Council documents but I, I'm not aware.

What I'm suggesting to you is that the material that Councillor Petch had released to you involving a complaint against Mr Neish by someone from the IT section - - -?---Ah hmm.

- - - related to the use of his laptop was something which you understood was confidential?---No.

10 Now it's the case isn't it that at various times over recent years Councillor Petch has forwarded you by email communications in respect of Council business?---Yes.

Now can I ask you to have a look at Exhibit 62 which is I think in front of you and open that to, well, sorry. Before I get you to open it, are you on Facebook, Mr - - -?---No.

No. Can I ask you to look at page 1169 which should be the first page. Were you previously on Facebook?---My wife might have put me there but no, I will not, never been on Facebook.

20 Well do you see that at page 1169 there's an email from Facebook to Councillor Petch indicating that Norm confirmed you as a friend on Facebook?---Yes, yes.

And just in terms of who Norm is it's got the name Norm Cerreto?---Yes.

And it refers to below to viewing Norm's profile. Do you see say that you had nothing to do with - - -?---No.

30 - - - you having a Facebook - - -?---I wouldn't have a clue about Facebook.

Did your wife tell you that she confirmed Councillor Petch as a friend on Facebook?---No.

Now, Mr Cerreto, could I ask you to have a look at page 1172. Tell me when you've got that open. Do you have that open?---Sorry, which one was it, sorry?

Sorry. Top right numbers, top right - - -?---Yes.

40 - - - corner of where the numbers are and it's page - - -?---Yes, yes.  
- - - 1172. And do you see at the top of the page that's an email from Councillor Petch to, to you with a hotmail address of 26 May 2011?---Yes.

At 17.38?---Yes.

Now do you recall whether Councillor Petch has more than one email address?---I think he may have two.

So he has a work one for his Council duties obviously. Do you know if he had a separate a hotmail address or - - -?---For memory he's got two, yeah.

Do you know when he would send you emails of this type where they would come from?---No.

Can't recall?---No.

All right. Now this is an email of 26 May 2011 to you?---Yes.

10

And Councillor Petch says, "I just received this email from Terry Dodds." Now did you know that Terry Dodds was the Group Manager of Public Works?---Yes.

And do you recall receiving this email from Councillor Petch?---Yes.

And it was an email that had been received by Councillor Petch earlier that day from Terry Dodds where he had made reference to the waste disposal and waste collection contracts for Council?---correct.

20

Indicating that they were for seven years and they were expiring on a date in April 2013?---Correct.

And Mr Dodd's also in that email set out the actual costs to Council for disposal and collection?---Yes.

And provided some commentary about it. Now, do you recall whether you had a discussion with Councillor Petch at or around this time where you'd asked for some information about the waste or collection contracts?---Yes.

30

I recall - - -

So doing your best did you - - -?---Ah hmm.

- - - ring him up or speak to him in person?---No, I remember, my recollection of this event is that he was talking to a few people at my work. One of the guys - - -

That is at Delitalia?---Delitalia. One of the guys I knew, he was talking to a bunch of them. He came over and said, "Look, I want to forward you a tender because someone needs to know how to fill out a tender. They want to - - -"

40

Sorry? Sorry? Who said, "I'm going to forward you a tender"?---Ivan.

So he came over to you?---Yes, at work.

At work?---Yeah.



And who else was present?---Um, a friend of mine and a couple of other people I, didn't know who they were.

Sorry, and Councillor Petch came over and said, "I'm going to forward you," that is - - -?---Yeah. He said he'd been requested from somebody that um, how to put a tender together and they wanted to know how to put it together.

10 And he was going to forward it to you?---Yeah, if I could forward it to them.

So you had no, did you have any understanding about who it was you were supposed to be forwarding it to?---Ah, no. I forwarded it to the person I knew in that group.

Well this email, you say that it was that conversation where this person, Councillor Petch said that he was going to forward to you an email and you were to forward it on?---Yeah.

20 Because the person that you were to forward it to wanted to know how to put a tender together?---He wanted to know how to put a tender together for waste and they met a couple of times after that from memory.

Do you know who this - - -?---And - - -

Can you recall now who the person was that you sent it on to?---Ah, Antonio Salerno.

30 Antonio Salerno?---Yeah. Tony Salerno, yeah.

And who's Antonio Salerno?---He's a friend of mine.

Do you think it might have been that Antonio Salerno approached you and said, "Can you get some material for me"?---No.

So Councillor Petch approached you and indicated that he wanted you to send this on to Antonio Salerno?---Correct.

40 Because Antonio Salerno, according to Councillor Petch wanted to know how to put - - -?---He didn't want me to forward it to Antonio Salerno, he said it was a group of guys that they want to know how to put a tender together for waste - - -

Oh, he indicated that Antonio was present?---Yes, yes, yes.

So Mr Salerno is a friend of yours?---Yes.

What's his business?---Childcare.

Does he have any other businesses besides that?---At that time, no.

Has he gone into any other businesses since?---Um, he's, he does a bit of ah, building works.

Building works?---Yes.

10 Do you know if he'd ever had an interest in perhaps getting into the waste disposal - - -?---No.

- - - and waste collection business?---Not at all.

All right. So were you meeting with Mr Salerno that day?---No, they just turned up for a coffee and Ivan, as usually we do we'll be sitting at the front having a coffee.

20 Right. Well, can I ask, you say that Councillor Petch indicated that Mr Salerno wanted to know how to put a tender together?---Not Mr Salerno, Mr Salerno's friends.

MR NEIL QC: I object. He didn't say that.

MR DOWNING: I'm sorry.

30 MR NEIL QC: Well, I think my friend understands what I'm saying. The witness said that it was someone in the group who wanted it. And Petch was going to send it to the witness to send to Salerno because Salerno was one of the group, not that Salerno wanted it.

MR DOWNING: I'll clarify that, Commissioner. Did you understand from what Councillor Petch was saying to you that he wanted you, he was going to forward you an email to do with waste and - - -?---Yep.

- - - waste disposal and waste collection, he wanted you to send it on to someone - - -?---Correct.

40 - - - and was that person Mr Salerno?---He didn't say Salerno. He said, "Forward it on to the young fellow over there so he knows how to put a tender together."

And - - -?---And I didn't know who this young fellow was so I just gave it to Tony and that was it.

Did you forward it on or print it out and give it to him?---I forwarded it from my phone.

So the young person that, that Councillor Petch was motioning towards, you didn't know who he was?---No, not particularly.

Did you ask Councillor Petch who it was that it was to go to?---He said, "The young fellow over there."

Did you ask Mr Salerno who that person was?---Yeah I did.

And what was his name?---Alf.

10

Alfonso?---Yes.

All right. So Alfonso wanted to have this material so he could know how to put a, a tender together?---Correct.

Now, so you don't, you didn't know Alfonso?---No.

So you didn't know for what purpose Alfonso might want this material?---  
From what I understood it was for an assignment of some sort or a  
20 university, putting together a tender, that's all.

Well, you were, but how did you say you understood that it was for a university assignment?---Well Ivan indicated to me that he needed a hand to know how to put tenders together.

Well, that could have meant couldn't it that it was for the purpose of him actually putting a tender together?---No.

30

Well, on what basis can you say that that wasn't the reason?---It was, it was basically he wanted to know like, a generic way of putting together a waste tender.

You say that Councillor Petch said to you, "I'm going to send you an email and I want you to send it on so it gets to that young fellow over there because he wants to know how to put a tender together"?---That's my recollection.

40

Well that could mean couldn't it that he's interested in actually putting a tender together for a particular business?---I didn't get that feeling, no.

Well, you didn't make any inquiry about it did you?---No. I didn't care.

You didn't care. So the material you received in this email on 26 May, 2011 - - -?---Ah hmm.

- - - you would understand that would be commercially sensitive material from Council wouldn't you?---Not really.

So you're told about when the contract is going to expire in the email and what the actual cost to Council is for disposal and collection?---I don't know, I didn't read it. If that's what it says that's what it says.

So what, you took no interest in the content of it?---Couldn't care less.

All right. Can you then go to page 1173?---Yep.

10 And you'll see that's another email from Councillor Petch to you of 29 September, 2011?---Yep.

Sorry, the date this time being 29 September, so later in that year, at 17.37. And if you look at that page and the next page do you see that in the email Councillor Petch has said, "I've just received this information as an email. Would you please read through it and let me know if that's what you need"?---Ah hmm.

20 And then he goes on. Now, do you recall you'd actually asked Councillor Petch to, to send you this material?---Yeah, I remember because um, Ivan had met a few times afterwards at my work with these people and apparently the young fellow had asked for a break up of some rates of some sort. Ivan said to me, "Mate, can you just shoot me an email to remind me of this so I can get the information the young fellow needed."

So he wanted a break up of rates?---Of some sort, yes.

30 Would that tender suggest to you that Mr Alfonso's interest might have been more than perhaps putting together a university assignment but actually to look at, I don't know, tendering for the waste and disposal contract at Council when it might come up?---No it didn't. I didn't particularly think of anything.

Didn't cross your mind?---No.

So you'll see that in this email Councillor Petch had obtained from Terry Dodds, the Group Manager, Public Works some material in respect of the particular waste collection and disposal at the Council?---Yeah, I can see that's there.

40 Do you see that?---Yep.

So that there was a Council resolution to accept a particular contract, a WSN Environmental Solutions on 18 October, '05 and the report to Council regarding a tenders received and the letter of offer?---Yes. It's all there, it's there.

And that was something that was, they were all attached as documents to the email weren't they?---I'm sure they were, yeah.

And you forwarded them on?---Yes.

And so Councillor Petch had asked you if you could read through it and let him know if that was what you need?---Ah hmm.

You say that that was not something you had any interest in at all?---No. Nothing. I didn't even read it.

10 Do you recall if you actually confirmed to Councillor Petch that what he'd sent you was what you needed?---No, after this we never discussed it again.

Never again. All right. Can you go to the next document, 1175. And do you see Councillor Petch on 3 November, so later in that year again, sends you an email? And do you see it seems to attach the same documents, that is tender reports - - -?---Ah hmm.

20 - - - waste collection disposal tender resolutions, a letter of offer, and it's again comes originally from an email that Terry Dodds has sent to Councillor Petch?---Yes.

So it looks like, do you recall if, I'll withdraw that. Do you recall if you asked Councillor Petch to send it through to you again?---No I don't.

Do you know how it came to be that he sent you this email attaching the same documents in September and then again in November?---I don't.

30 Is it possible that you asked for him to send it again?---I don't recall. I don't think so.

Well, look at the documents that follow. You see at 1177 there's an actual report?---Are they the attachments?

Look at 1177?---Yep.

40 There's a report from the Group Manager, Public Works. And do you see there's then, if you go through the pages a report to Council setting out the different tenders that had been received in respect of the waste collection and waste disposal identifying the companies that had put in tenders?---I don't know, I - - -

Look at 1180?---1180. I'm sure they're all there.

And do you see a recommendation at the bottom of 1183 about who the particular contract should go to?---Yes. Is this back from 2006?

Ah, you'll see the - - -?---2005, yeah.

- - - document is 2005?---Yeah.

So that was the actual waste contract that was in place at that time?---Yeah, okay, yeah.

10 And you'll see at 1185 there's a report from the Group Manager, Public Works again setting out the different criteria by which the tenders were to be judged, look at 1186, the reference there to pricing being 40 per cent, technical matters being 30 per cent, environmental matters being 20 per cent and social matters being 10 per cent and again at 1188 there's the recommendation from the Group Manager and the General Manager about who the contract should be awarded to. Now, if you look at 1191 and 1192 you'll see there's the actual letter of offer to the successful tenderer back in 2005?---Yes.

So this is an email you got receiving those documents as attachments for the second time?---Okay.

20 Did you look at them?---No.

You didn't have any interest?---No.

Mr Cerreto, are you making an honest attempt to answer these questions? ---Yes.

Would you accept onlooking at the documents that these were confidential and commercially sensitive documents from Council?---Oh, if Ivan had forwarded them to me I would assume they were all okay.

30 So if Ivan sends you anything then you assume that it's all okay?---Yes.

So is it the case you don't feel the need to look at them at all?---They're not confidential to me.

Well, on the basis that anything that Ivan sends to you or says to you isn't confidential?---Not particularly, no.

40 Well, sorry, when you say not particularly do you say you give no thought at all to these issues because if it comes from Ivan that's good enough? ---Well, they're not confidential to me. None of these emails are confidential to me.

Explain what you mean by that please?---Well, what's confidential about this document to me? If Ivan is, Ivan should know what he can and can't send me, I'm assuming he knows what he, what he's allowed to do.

You'd understand wouldn't you that if different companies were quoting for, or I withdraw that, tendering for waste disposal and waste collection

contracts, knowing for instance exactly what the criteria by which Council were judging and the prices different tenderers had put in and why one bid was successful and another wasn't, it would be very advantageous information to have available?---Well, I'd assume this is all public, on public record. Any contract that Council would enter into would be on public record wouldn't it?

10 On what basis do you assume that all of this material, that is internal reports making recommendations about who the contract should be awarded to is public information?---I would assume it was.

Because Ivan gave it to you?---Yeah.

All right. And if you then go ahead to page 1194 you'll see it's another email from Councillor Petch to you, this time it's 16 November, 2011? ---Yes.

20 And do you see this time Mr Dodds has forwarded it to Councillor Petch which he then forwards on to you - - -?---Yes.

- - - specific information about the 2006 rates?---Yes.

And the particular component of rates, if you look at the bottom of page 1194 going to 1195 that relate to garbage collection?---Yes.

General clean up and green waste clean up. Now, this is a document that didn't require any - sorry, I'll withdraw that. This was an email that didn't require you to open any attachments did it?---Oh, I don't know.

30 Well, if you look at it the actual information is set out in the email itself, that is the information about the particular components of 2006 rates that referred to garbage, general clean up, green waste clean up?---It looks like that, yeah.

And do you see the words in capitals and in bold, "Commercial in confidence"?---Ah, yes.

40 Now is this again material that you forwarded on to your friend? ---Possibly, yes.

Mr Salerno?---Possibly, yes.

On the understanding that he was going to then send it on to Alfonso? ---That's correct.

Did you at this point pause and wonder about the nature of the university assignment Alfonso was doing?---I didn't think, give it two thoughts because I didn't really care.

Mr Cerreto, you're not giving honest responses to these questions are you?  
---I am.

You would understand wouldn't you looking at these documents as you did in 2011 that what was being sent through was very sensitive and commercially, commercially confidential information about the Council's waste collection contract and waste disposal contract?---I didn't read it.

10 Well, you understood what, that Alfonso was doing a university assignment to do with, something to do with putting together a tender?---Correct.

So that he needed to know something about how to, you know, generically put together what would amount to a tender?---Correct.

Did you think the information that you were getting for instance in this email was a little bit beyond what would be required to put together a generic university assignment?---Not really, I didn't give it any thought.

20 Is it the case that Ivan Petch was your friend, correct?---Yes.

You knew that if you asked him for something he'd give it to you?---No.

And you knew that if he gave you this information well, that's good enough for me?---That's not correct.

Well, this email on its face indicates that the information contained is commercial in confidence?---Yes.

30 You read the email didn't you?---Not really.

When you say not really does that mean yes, I did but I don't want to tell you that or does it mean I didn't at the time?---No, I didn't even - this means nothing to me.

You are desperately trying to distance yourself from any knowledge of the contents of these emails aren't you?---Not particularly, no.

40 Because you knew at the time that Councillor Petch was your friend and he was doing you a favour?---No.

And you understood, didn't you, that this was material that could be used by whoever received it in a way to compete for the contract for waste collection and waste disposal at Ryde?---No, that's not correct.

Now, can I ask you to look at the document at page 1196 and 1197. Do you see 1196?---Ah, yes.



Now, that's an email from you to Councillor Petch?---Yes.

On 6 December, 2011 at 15.07?---Yes.

And you see it refers as, to an attachment being a Council minutes document?---Yes.

And below - well, I withdraw that. It indicates doesn't it that it's been sent from your iPhone?---Yes.

10

And underneath that you'll see you were forwarding on something else and that is a communication that Christina at Senaca Project sent to you?---Yes.

Now, Christina was someone was she that worked for you at Senaca Projects?---Correct, correct.

And she'd forwarded you an email earlier that day?---Possibly yes, yes.

20

Well, have a look at the next page which is the attachment and you'll see what it appears to be is a proposed motion to go to Council?---Yes.

Now thinking back about it do you recall that you'd had someone assist in drafting a motion that might go to Council?---Possibly.

Do you recall who it was?---No.

Can you recall why it was Christina was forwarding this on to you?---No, I don't.

30

Well, if you look at the actual text of the document at 1197 it seems to be a motion in respect of the landowners master plan, do you see that?---Yes.

And was that something to do with the Coxs Road landowners' master plan? ---Possibly.

40

And the motion which seems to be set out in the text of that document is, "In view of the landowners' master plan being satisfactory that Councillors direct planners to incorporate the landowners' master plan and conditions into the current LEP" and then there's further content there in terms of directions to staff about bringing a report to Council?---Correct.

Now, can you think about this please, at this time in December 2011 had you spoken to Councillor Petch and suggested that you had a motion that you wanted him to put up to Council?---No.

Well, can you think why it was you were sending him this document, this draft motion?---I think there was a, I think there was a, on that date a staff

workshop, a Councillor workshop with representatives that was there doing a presentation.

Well, what, what would this particular draft motion have to do with a Council workshop?---Well, perhaps they were going to get up and discuss it that night.

Well, you had an interest didn't you in the Coxs Road landowners' master plan?---Of course.

10

You had a significant commercial interest in it?---Of course.

And would you agree that what this seems to be is you suggesting to Councillor Petch the text of a motion that he would put up in respect of that item?---He can't put it up, it's a workshop, it's just a general around the table discussion.

Well, this document, I thought you'd agreed with me that it appears to be a motion to be put before Council, a draft of one?---I didn't agree with that.

20

You don't?---I said it looks like something of that sort but on the 6<sup>th</sup> that was a staff workshop I recall.

You have a clear recollection of that now, Tuesday, 6 December?---Yeah, it was a staff workshop. On, on that night there was David Furlong there representing the church, there was our representatives there, they got up and spoke on behalf of all landowners.

So what, was there a meeting to do with the landowners master plan?---Not a meeting it was just a workshop where there were staff present and Councillors that could be bothered to turn up.

30

But to do with the Coxs Road master plan?---Of both master plans, yes.

Okay. So it was a meeting at which, at which what, the Councillors would be present?---Some, yeah.

Council staff would be present?---Yeah.

40

And they would discuss what might happen with the Coxs Road landowners master plan?---Well not the landowners all of them. What they were going to do with the, what they were going to do with the master plan.

Right. And - - -?---It was just a workshop.

But you were keen on promoting the landowners master plan weren't you?--  
-Of course

So was the idea of sending Mr Councillor Petch that you wanted him to put up at that meeting this particular proposal that is set out at page 1197?---Not that I can recall.

Well can you think of any other reason why you were sending this Councillor Petch?---I can't recall why I sent it to him.

Well can I suggest this to you - - -?---I don't even remember him being in that meeting.

10

Can you recall a discussion with Councillor Petch where you asked him whether he could put this up so that the Council would be, with a view to possibly persuading the Council to accept as satisfactory your landowners master plan?---No. I can't recall.

Do you think you might have had a discussion with him where you asked him if you could put it up so that it would assist in making the landowners master plan be the one that the Council then settled on and - - -?---No.

20

- - - incorporated into the LEP?---No, not that I can recall, no.

ASSISTANT COMMISSIONER: Well why did you send it to him?---I don't recall why I sent it to him at the time.

Well have a think, have a think?---Well I can't.

MR DOWNING: Commissioner, is that a convenient time?

ASSISTANT COMMISSIONER: Yes. We will adjourn for 15 minutes.

30

**SHORT ADJOURNMENT**

**[11.31am]**

ASSISTANT COMMISSIONER: Please be seated. Yes, Mr Downing.

MR DOWNING: Thank you, Commissioner.

Just before the break, Mr Cerreto, I was asking you about the document at page 1196 and 1197?---Yes.

40

Can I suggest to you that what you were doing through sending that document through to Councillor Petch was trying to, or seeking that he push your interests at the Council workshop to promote the landowners master plan to be adopted?

MR NEIL QC: Well, your Honour, Commissioner, I object. The matter is one in which you've made a plan that the merits of these matters are not to be got into and he was in favour of it, in my submission he would be entitled

to ask for Councillors to favour it. I thought the Commission was not going to go into the merits of the matters.

ASSISTANT COMMISSIONER: Well I don't think it's going into the merits, just to ask him what his purpose was in sending this message to Mr Petch.

MR NEIL QC: Well there could hardly be any wrongful purpose in asking for what in his view was a mediatory development to be considered.

10

ASSISTANT COMMISSIONER: Yeah. I think it's just part of the relation, evidence about the relationship between him and Councillor Petch.

MR NEIL QC: If it please the Commission.

ASSISTANT COMMISSIONER: Yes.

MR DOWNING: Were you seeking through sending this document to Councillor Petch to have him promote your interests at the committee with the view to having the landowners master plan adopted?---I would have probably sent it to him so it can be around the table discussion between all the Councillors there that night and staff.

20

Can I ask you to have a look at - - -

ASSISTANT COMMISSIONER: Sorry, can I just say on the point that's been raise by Mr Neil so, so we all understand where we're going you had a commercial interest in a, this master plan didn't you?---Yes.

30 And eventually the Council was going to have to decided whether to incorporate that master plan into the LEP or not. That was one of the issues - - -?---One day. - - - they had to look at?---One day, yeah.

And if they did incorporate your suggestions then that might have some commercial benefit to you?---Correct.

40 Yeah. So that was your interest which is fine, you're a businessman you've got a commercial interest. Now obviously the Council's interest is quite separate. The Council has a duty to the whole community and Councillor Petch had a duty to the whole community. So I just want to put on the record that I see this as being an issue where conflicts of interest could arise between the commercial interests of Mr Cerreto and the good of the community and it's in that context that we have to examine the relationship between Councillor Petch and Mr Cerreto to see how the tension between those interests was handled and whether there was a conflict of interest which was not declared. Thank you.

MR DOWNING: Thank you, Commissioner.

Can I ask you look at page 1198 and 1199 of the exhibit. And do you see that's an email from Councillor Petch to you of 2 December, sorry, 2 February 2012 at 18.24?---Yes.

And what he was forwarding onto do you see was an email he'd received from the Council in respect of a particular development application regarding 3 to 5 Trelawney Street - - -?---Yes.

10

- - - Eastwood?---Yes.

Now that's the land that you understood or you know is owned by Mr Goubran?---Correct.

And you'll see the document that's sent on is a summary for Councillors of, from Mr Johnson the Group Manager Environment and Planning of particular submissions that had been received in respect of the development?---Correct.

20

So setting out, identifying particular persons who'd made submissions and indicating what their position was?---Correct.

Did you forward that onto Mr Goubran?---Possibly, yes.

Well you would have understood in receiving it that it was something that was of interest to him?---Possibly, yes.

Well it was of no interest to you was it?---No.

30

Do you recall having a discussion with Councillor Petch about the fact that this was a matter that he would be forwarding some documents to you in respect of?---No.

Do you, do you accept that oh, I'll withdraw that. At the time did you give some consideration as to whether this was a document that was available to the public generally?---Oh, not really.

40

Do you think a document identifying by name people who'd made submissions and indicating their positions would normally be a communication that would be from Council staff to Councillors but not made available to the public?---Oh, I think that's made available to the public.

And what basis do you have for that belief?---From my experience in the past. If people object to it you can find out who and why.

So you think a table summarising the issues raised by the people who'd made submissions from Mr Johnson that's sent to Councillor Petch, that would be something available to the public?---Correct.

ASSISTANT COMMISSIONER: Is that on the basis of some development you've done?---Yes.

10 What was that?---Well, not a development, like a, if you've lodged a DA and there's objections, you know, Council notify you of the objections.

Yes, so is that in respect of a DA you've lodged?---Yes.

Which was that?---Ah, Hunts Avenue for the, the villas. And um, yeah. And from other experiences I understand from other people.

20 And in respect of the Hunts Avenue application you were provided with information about the objectors and the grounds?---No, but you can ring Council and you, you um, tell them your DA number and they'll tell you over the phone if anything's wrong and they can email you the submission if someone's put a submission in on a particular DA.

So they'll send you the submission and the name of the person - - -?---Correct.

- - - who's made the objection?---Correct.

Thank you.

30 MR DOWNING: Can you go next to page 3021 and 3022 which is at the back of the bundle, the last two pages?---Yes.

You see that's an email again from Councillor Petch to you this time - - -?---Yes.

- - - 3 September, 2012?---Ah hmm.

And again it's forwarding on something from Dominic Johnson to the Councillors?---Correct.

40 Copied to Mr Neish, the then General Manager. And again to do with this development application for Trelawney and Rutledge Street?---Correct.

And is this something you also forwarded on to Mr Goubran?---Possibly, yes.

Can I ask were you getting communications of this nature from Councillors other than Councillor Petch?---Not that I recall, no.

So he's a personal friend - - -?---Yes.

- - - and he's sending you these communications?---Ivan was sending me all types of emails during this time.

Did you, did it ever occur to you that what you were getting was something that members of the public might not be able to get?---No.

10 Notwithstanding the fact that you weren't getting communications like this from any other Councillors?---No.

You didn't think that you were getting some particular treatment or favouritism through your friendship with Councillor Petch?---Not particularly.

Would you say that in respect of this document you regarded that as something that was just available to the public as well?---Oh, I assumed if Ivan's sending it off ah, it's available to anyone.

20 Well, is that your approach that you don't care what the content of a document is, if it comes from Ivan then it must be available to everyone?---Pretty much.

All right. Can I ask you then to go to pages 1200 to 1202, that'll be back in the bundle. Now, do you recall in about June of last year there was an article in the Sydney Morning Herald and the ABC to do with the Coxs Road master plan?---Yes. I remember it well.

30 And there was a suggestion raised at that time that in some way the community support for the, the master plan hadn't been, well it wasn't legitimate?---Correct.

And do you recall at that time receiving this email from Councillor Petch?--  
-Yes I do.

So he forwarded on to you on 12 June a report from - - -?---What page was that sorry, 1200?

40 1200 to 1202?---Yep. Yep. Yeah.

A report from Mr Neish, the General Manager to Councillors and also forwarding on Dominic Johnson's report in respect of that matter?---  
Correct.

And did you regard these as matters that were available to the public or did you regard these as internal Council communications?---I didn't think anything of it. I just forwarded it straight to my solicitor.

Right, so again because it came from Councillor Petch you thought it must be something that's - - -?---Correct.

- - - publicly available? Can I ask you to look at page 1204 and you'll see that's an email to you from Councillor Petch of 16 June, 2012 on a Saturday?---Yes.

10 And do you see it's an email forwarding on a particular statement of position that had been received from a resident of Ryde in respect of the different master plans?---Correct.

And it's one that indicated some issues about parts of the Coxs Road master plan study that objected to the landowners master plan as a gross overdevelopment?---Yes.

And this was forwarded to you by Councillor Petch?---Correct.

20 And again it's a document that identified the person who was making the, stating her position?---Yes.

Did you understand this to be something that was publicly available?--- Yes.

Can I ask you to go to page 1206. And do you see at pages 1206 to 1208 what you have was an email from Councillor Petch on 25 June - - -?---I don't have '08.

I'm sorry?---I've only got 1206.

30 I'm sorry. Can we - we'll need to add them.

MR NEIL QC: Commissioner, ours jumps from '01 to '06 to 2290.

MR DOWNING: Well, I'm sorry. The pages should have been included. We'll have them brought up on the screen and we'll have them added so that everyone gets them for their exhibit.

If you have 1206 physically in front you - - -?---Yes, I do.

40 If we could bring up 1207 on the screen. Do you recall in June 2012 becoming aware of a particular community organisation the Ryde Concerned Citizens Association?---Not particularly, no.

Well do you recall that Councillor Petch on the 25 June forwarded to an email that he received from John Mahony?---I can see it in front of me but I didn't mean much to me at the time.

Well what it, what it enclosed if you, if we go down you'll see that there's an email from John Mahony to Councillor Petch?---Mmm.



If you go to the bottom of the page you'll see that was indeed forwarding on a further email from Gary Best at Clayton Utz to Mr Mahony?---Ah hmm.

And if we could then bring up 1208. Do you see the other part of the email that was enclosed was the letter from Mr Best at Clayton Utz of 25 June 2012?---Yeah, I can see that.

Now that was sent to you at the time?---Yes.

10

And you'll see in the email Mr Mahony is asking Councillor Petch about details about the particular association that Councillor Petch had formed and also asking for some money?---Correct.

And Councillor Petch then sent it onto you?---Correct.

And Councillor Petch was asking you what, what, what do we do next and asking you to speak to Mr Fazzolari as a matter of urgency?---Yes.

20 So Mr Fazzolari I think you've indicated was one of the owners of the - - -?--correct.

- - - land across the road - - -?---Correct.

- - - in Coxs Road. Well at the time accept from me for the moment that the Ryde Concerned Citizens Association had retained lawyers Mahony Taren and they sent a letter threatening to Council with proceedings in respect of the Ryde Civic Precinct redevelopment?---Yes.

30 Accept from me that the letter from Clayton Utz was a response on behalf of the Council and you'll see from the letter that Clayton Utz asked for details about who the Association is and seeks information or asserts that information contained or referred to in the letter that Mahony Taren Lawyers had sent was confidential?---Yes.

Can you recall at the time speaking to Councillor Petch about this Ryde Concerned Citizens Association?---No.

40 Did you have any understanding about what he was sending this email and attached document to you for?---No, I don't.

Can you think of any reason why he would have been asking you what we should do next?---No.

Yeah. 'Cause do you see it does tend to suggest the email that he was seeking your advice or input about what might be done in response to the lawyer from Clayton Utz?---Correct.

Did you have any involvement with the Ryde Concerned Citizens Association?---Not at all. I didn't even know who they were.

And it asks that you speak to Ray Fazzolari - - -?---Yes.

- - - as a matter of urgency?---Yeah.

10 Do you say there'd been no discussions at all with Councillor Petch about the Ryde Concerned Citizens Association and its activities?---Correct. What I understood from Ivan was that he was contemplating putting a, an injunction of the Civic Centre and he needed an advice of a solicitor someone that could get him some media exposure.

Sorry, he was contemplating placing an injunction?---That's what I understood.

Well, but did you read these documents at the time?---No.

20 So you, you got them and did nothing?---That's correct.

Despite Councillor Petch asking you to speak to Ray Fazzolari as a matter of urgency?---Correct. Oh, I spoke to Fazzolari.

About what?---Well Fazzolari had a good relationship with Mahony and Alan Jones. Ivan was wanting to get some media out there and get onto the radio.

You say that was the limit of your involvement?---Yeah.

30 So there had been no discussion prior to that with Councillor Petch - - -? ---None whatsoever.

- - - about this association?---I didn't even know it existed.

40 Can I ask you then to have a look at page - and we will have those pages added, we'll get copies made so they can be added to the exhibits. Can I ask you to have a look at page - I'm sorry, that is the last of them. Now, can you then go to page 2290. Now do you see that was an email from Councillor Petch to you on 26 July, 2012 - - -?---Yes.

- - - at 9.48?---Yes.

Now you recall don't you that the Council elections were held on 8 September last year?---Yes.

And you recall that in the July period the Councils were starting their campaigns for re-election?---Correct.

And Councillor Petch sent you this email asking you to ring him and indicating that he has to get his brochure prepared that week and that we are running out of time?---Yeah, I can see it.

Do you recall receiving this?---Not really.

Do you recall having some discussion with Councillor Petch about getting brochures prepared?---I remember him asking me, yes, if I knew of anyone.

10 If you knew of what, someone that could print a brochure?---Correct.

You say he was asking for advice from you about a company that might print brochures?---Correct.

Did you have any involvement with organising the brochures?---Not that I can recall.

Did you pay for brochures?---No.

20 So are you suggesting to the Commission that the limit of your involvement after receiving this call was to give him some advice about a particular printer?---Ah, perhaps, but I also helped him during the - put him in touch with the right people.

Well, right people for what?---Well, for what he needed for the election.

Well, what, what are you referring to?---Oh, advertising or the, the pamphlets or whatever like that, just put him in touch with the right people.

30 You weren't backing him financially in some way?---No, I wasn't no.

Not paying for advertising material?---No, I wasn't.

ASSISTANT COMMISSIONER: I can't understand why Mr Petch who'd been involved in many elections would be coming to you for advice about all these issues?---I don't know, you'll have to ask him.

Well, I'm asking you at the moment?---Oh, I don't know, he'd come to me with all sorts of things.

40

MR DOWNING: Now, I wanted to ask you about a different matter, Mr Cerreto. Do, do you recall - well, I withdraw that. You live at a house at 29 Vimiera Road, Eastwood?---Do I close this, are you finished with this?

For the time being you can close it, thank you?---Yeah, sure.

You live at - - ?---Yes, I do, I do.

And have you had some works undertaken there in recent times?---I have.

And that house is owned by Alramon Pty Limited, isn't it?---Correct.

Were works done last year?---Ah, started in December, yes.

Right. And did you obtain Council approval for them before the works were done?---No, I didn't.

- 10 And was there then an issue with Council where you were aware that the Council was seeking a demolition order?---Correct.

And do you recall that earlier this year the matter's been before Council on a number of occasions?---Yes.

And do you recall that on 4 June, 2013 that the matter came before a planning and environment committee because you'd put in an application retrospectively to get approval for the works?---A building certificate, yes.

- 20 And at that point the Council had already commenced steps to seek a demolition order?---Correct.

And it's currently before the Local Court isn't it?---And Land and Environment.

Sorry, and the Land and Environment Court, okay. Now, did you ever talk to Councillor Petch about the way Council was handling the issue with your home?---Not that I recall.

- 30 Can I ask you to have a listen to a telephone conversation and the transcript should come up on the screen.

**AUDIO RECORDING PLAYED**

**[12.10pm]**

MR DOWNING: Mr Cerreto, do you recognise that as a phone conversation between yourself and Councillor Petch?---Yes I do.

- 40 And you'll see from the transcript it indicates the date 4 March, 2013 at 8.32 in the morning, does that - - -?---Correct.

- - - accord with your recollection about - - -?---Oh, it doesn't, I don't recall it but I'm sure it's there, it's there.

Do you recall that Councillor Petch had been unwell or had had a procedure around that time this year?---He had a heart problem I think.

I tender the transcript and the audio, Commissioner.

ASSISTANT COMMISSIONER: Yes, that will be Exhibit 67.

**#EXHIBIT 67 - COPY OF AN AUDIO CASSETTE AND  
TRANSCRIPT OF A TELEPHONE CONVERSATION BETWEEN  
COUNCILLOR PETCH AND MR CERRETO ON 4 MARCH 2013 AT  
08:32:1**

10

MR DOWNING: Now, having heard that call do you now recall that you did have a conversation with Councillor Petch where you mentioned the Council dealing with the, your house?---Yes.

And your knowledge that it had been, that Dominic, I take it that was Dominic Johnson - - -?---Yes.

- - - was handling the matter?---Oh, yes.

20

And that it was for the, that Mr Johnson had, was dealing with it as a confidential matter, or issue?---I a, in the committee, yes.

Now, in the course of the conversation you indicated that you would talk to Mr, Councillor Petch about it and he indicated, "All right." Do you recall speaking to him subsequent to that about the Council's handling of the issue with your house and the works that had been done to it?---Possibly, yes.

30

Well, what do you recall discussing with Councillor Petch about it?---Just the fact that I couldn't believe the building certificates had been blown out of proportion like it had been.

Did you ask him to assist you in some way?---No I haven't.

Not at all?---Not for that night that they voted on me, no.

Okay. Now, I asked you some questions before about the Ryde Concerned Citizens Association?---Yes.

40

And is it the case that well, withdraw that. Do you recall learning from someone that such an association had been set up in mid last year?---Not, not, not really, no.

Did you, when did you first learn of its existence?---I can't recall. Maybe around Christmas time. But I already know who they were.

Christmas of 2000 and - - -?---Maybe last year some time.

- - - 12?---Yeah.

Well, do you recall that it was an association that sprung up in the lead up to the Council elections in 2012?---Not particularly, no.

Do you have any understanding about what, what the purposes of the Ryde Concerned Citizens Association were?---No. I don't.

10 Do you, did you have any involvement with that at all?---No I didn't.

And no role in its activities, in its activities?---No.

Do you know John Mahony?---Yes.

Is he a solicitor who's done some work for you in the past?---Yes.

And was that in, before June, 2012?---Oh, around about that time, yeah.

20 Can you recall referring either - - -?---I told you I referred Ivan to them.

Ivan Petch to see Mr Mahony?---Yes I did.

And was that because Councillor Petch had indicated that he wanted to try and take some legal steps to prevent the Ryde Civic Precinct redevelopment going ahead?---Possibly, yes.

30 Did he indicate anything else about whether he was seeking to take those steps on his own behalf or via a community organisation which was to be established?---No, he told me he wanted to go and have a meeting with him to discuss these things and that was it, that's as far as I, my involvement was.

Did you ever meet Mr Cooper, Warwick Cooper?---Never.

Do you know who he is?---No, I don't.

40 So is it the case that you've never provided any funds to Councillor Petch or Mr Cooper for legal costs of the Ryde Concerned Citizens Association?  
---That's correct.

So the only knowledge you had came from that one discussion with Councillor Petch, is that correct?---That's correct.

And he never spoke to you about it again?---No, I received emails but I never discussed it.

Well, you say you received emails, what emails are you referring to?---An email from Ivan to me for that, what you showed me before.

Did you receive a copy of a letter and I'll ask that it brought up on the screen, it's Exhibit 28, pages 1214 to 1215, sorry, 1218, 1214 if we could start there. If you have a look at that and we can scroll down for you, it's a letter of 22 June, 2012 to the Mayor written by Mahony Taren Lawyers setting out certain complaints about the Ryde Civic Precinct redevelopment?  
---Yeah.

10 And if we got to 1218, if we go down the page you'll see at the end of the letter indicating that if the Council wouldn't confirm that it would refrain from doing certain things then Mr Mahony was indicating on behalf of the association that he would take instructions about perhaps seeking injunctive relief in the Supreme Court?---Yes.

Do you recall receiving a copy of this letter at or around 22 June two thousand and - - -?---It possibly was forwarded from Ivan, yes.

20 But you say that you didn't attend any meetings - - -?---No, I didn't, I didn't even read the letter.

- - - with Mr Mahony?---Never.

Can I ask you to have a look at an email at Exhibit 28 page 1206 and it'll come up on the screen again I hope. Do you see that's an email to you from Councillor Petch on 25 June, 2012 and it's the one I took you to before?  
---Yes, yes, yes.

30 And what I asked about before was the letter from Clayton Utz?---Okay, yeah.

What I've shown you just a moment ago was the letter that Mahony Taren sent and the earlier letter I showed you from Clayton Utz was the response on behalf of the Council and seeing that again do you still say that you had no knowledge of what this, this matter - - -?---No, I never even opened the attachment.

You didn't open the letter?---I had no care at all whoever these people are or whatever, whatever - - -

40 Did you speak to Councillor Petch and say to him why are you sending me this material?---Ivan would send me a whole heap of stuff. A whole heap of stuff.

Can I ask you to go to Exhibit 37 and there's some emails at pages 1291 to 1292?---Do I have them here?

They'll come up on the screen in front of you. Now, if we - there's two pages but if you go to the bottom and over the page to 1292 you'll see that it

started off as an email from Mr Mahony to Mr Cooper raising that, raising the issue of recent contact by ICAC but also raising an issue if you go to 1292 about the payment of fees and attaching an invoice?---Yes.

So asking for payment of \$2,001.83?---That's correct.

And you'll see if we go back to 1291 Mr Cooper then forwarded that on to Councillor Petch?---Yes.

10 And Councillor Petch forwarded it to you and said, "Norm, this seems to come from left field"?---Correct.

Did you speak to Councillor Petch about it?---No, I didn't.

Did you think it curious that you're getting this correspondence about ICAC contacting Mahony Taren and the payment of fees for that firm?---No, I didn't even read it.

You didn't read it?---No.

20

You say you had no discussion with Councillor Petch to do with the Ryde Concerned Citizens Association?---Correct.

At around this time?---Correct.

You say you'd never had any discussion where you'd indicated any preparedness to provide funds for it?---Never.

30 Did Mr, did Councillor Petch ever indicate to you that he was intending to establish this community association?---He didn't know.

Did he ever ask you for your support in backing this association that would be opposing the Ryde Civic Precinct redevelopment?---No, he didn't.

Can I ask did, did you have a view about the Ryde Civic Precinct redevelopment?---Yeah, I did.

And what was that?---I thought it was too small.

40 You thought it should be bigger?---It should have been 45 storeys.

Commissioner, I have the additional pages that should be added to Exhibit 62, so they're pages 1207 and 1208. We'll distribute them to the other parties but if I can just provide the two copies now to be added to the exhibit.



ASSISTANT COMMISSIONER: Now, Mr Cerreto, I asked you briefly before about your knowledge of particular land interests that Mr Goubran had?---Yes.

And I think you indicated that you were aware of a particular land interest in, in College Street?---Yes.

Is that in Gladesville?---Yes.

10 And is that just off Victoria Road?---Yes.

And are you aware of whether that's a strata title building that he has an interest in?---Yes, I do.

And are you aware that he and other landowners in that building have been seeking to have the use of the land changed?---Yes.

So are you aware that the land is currently zoned light industrial?---I'm not sure what the zone is.

20

Have you ever discussed with him his desire to have it re-zoned to something else?---I think he was happy to get bulky goods.

Hoping to get bulky goods?---As were the other landowners along the street.

Now have you ever discussed with Councillor Petch Mr Goubran's interest in having that land re-zoned?---Possibly.

Thinking back do you recall when that was?---No.

30

Well are you aware of, doing your best now do you think it was this year, last year?---Possibly this year.

Have you ever spoken to Councillor Petch on Mr Goubran's behalf in respect of this issue?---Not that I recall.

Have you ever asked Councillor Petch for information to assist Mr Goubran in his desire to have the land re-zoned?---No, not that I recall.

40 Are you aware of whether Mr Goubran's ever asked for some assistance in getting information from Councillor Petch?---No.

Has Councillor Petch ever sent you information to do with that particular land?---Yes.

Can I ask you to do your best to try and recall when that was?---In that email you showed me before.

Well can I ask you to have a look at Exhibit 19 which is - sorry, it might just take it a moment but we'll bring it up on the screen - - -?---No problems.

- - - Mr Cerreto.

MR DOWNING: I do apologise for the delay, Commissioner.

ASSISTANT COMMISSIONER: Should we just show him the hard copy?

10 MR DOWNING: If we have a spare I'm happy to have him shown and we can bring it up on the screen in a moment.

ASSISTANT COMMISSIONER: Exhibit 19, do you have it there?

MR DOWNING: I think we may have found it. We have.

ASSISTANT COMMISSIONER: Yes.

MR DOWNING: Do you see that that's an email from Councillor Petch to  
20 you of 27 - - -?---Yes.

- - - June, 2012 - - -?---Yes.

- - - indicating that the documents below, or the email below may be of interest to John Goubran?---That's correct.

And do you see that it's a particular email from Dominic Johnson to the Councillors setting out Mr Johnson's views about the proposed rezoning that Mr Goubran and others were seeking?---That's correct.  
30

So did you read this at the time?---No.

So you don't read anything?---If they've got nothing to do with me I don't read it.

Well - - -?---I noted that it said that this may be of interest to John Goubran. That was it.

40 So did you forward it on?---I did.

So in this instance you're nothing more than a messenger from Councillor Petch to Mr Goubran?---I wouldn't say a messenger. Ivan forwarded me the email. I don't even know why. I looked at and forwarded it.

Well, do you think it might have been because you were friends with Councillor Petch, do you think that might have had something to do with it?---I'm sorry?

Do you think it might have been because you were friends with Councillor Petch - - -?---Ah hmm.

- - - and he knew that you were friends with Mr Goubran?---No.

In any event you, looking at it now do you see, I'll described the contents to you, that is a report to Councillors from Mr Johnson?---Yep.

10 Do you accept that that would be confidential internal communication within Council?---No.

Do you normally see all of Councillor, sorry, Mr Johnson's reports to Councillors about particular proposed developments - - -?---No I don't.

- - - or changes in zoning?---I don't but it wasn't a confidential document to me.

Because it came from Councillor Petch?---Correct.

20 Have you thought before giving your evidence today how you were going to deal with the issue of the material that Councillor Petch had sent you?---Not particularly.

And did, did you think about it and settle on the best means of dealing with it being to simply say, "I didn't have any regard to any of it because it just came from Councillor Petch and that was good enough for me"?---Even during the time, Ivan's been a Councillor for forty years. He should know better than anyone what he's allowed to forward. That's not my problem.

30 So that's always been your view, if you get it then good enough for you?---Correct.

Now, do you recall at any time seeing a document, and I'll ask you to have a look at Exhibit 18, pages 854 to 856. They'll come up on the screen. Now, you'll see that it's an email from Councillor Petch to Anthony at Publicitree. Now, stopping there are you aware that that's the email address for Mr Stavrinis?---Correct.

40 Because you've used him for publicity - - -?---That's right.

- - - and PR work yourself?---That's right.

And you'll see it's an email of 26 November, 2012 where Councillor Petch is forwarding on an email that he's received from Linda Smith?---Yes.

And did you understand Linda Smith to be the, someone that assists the Councillors at the Council? Are you familiar with her?---No.

All right. If you go to the next page do you see there is an email from Danijela Karac-Cooke at Planning New South Wales to - - -?---Yeah, I can see that.

- - - to Sue Wotton? And you'll see it deals with zoning of particular land?--That's correct.

Do you recall ever seeing this email from Ms Karac-Cooke to Ms Wotton of 20 June, 2012?---Yes.

10

And can you tell us where you recall seeing it?---Probably in a bundle of documents Mr Parisi had.

And do you recall the origins of that document, did you ever become aware of how Mr Parisi had received it?---From John.

Did Councillor Petch ever forward to you this email?---Not that I believe, no.

20 Did he ever, did Mr Stavrinou to the best of your knowledge ever forward to you - - -?---No.

- - - this email that he received from Councillor Petch which enclosed the communications between Ms Karac-Cooke and Ms Wotton?---Not to my knowledge, no.

But did Mr Goubran give it to you at some point?---No.

30 Do you recall discussing with Mr Goubran in early 2013 the issue of his concern about the way his application for re-zoning was being managed? ---Yes.

And do you recall him indicating that he had a particular concern about Dominic Johnson?---Yes.

40 Do you recall him indicating that he had an email that he wanted to use to try and establish that Mr Johnson had in some way misrepresented advice that he received from the Department of Planning and Infrastructure?---Well I wasn't aware it was an email but he said he had documents and Council documents that he believed there was some corruption.

And he, do you recall him expressing the, the view that he wanted to take some steps to bring Mr Johnson to account?---Yes.

Do, did you make any inquiry from him about where he got the documents?---No.

But do you recall him indicating that he wanted to get some legal advice about whether Mr Johnson may have improperly or corruptly relied upon information or advice from the Department in order to deal with his application for re-zoning?---Yeah. John had a, had a bunch of stuff and he wasn't too sure at all what it all meant and he wanted to get a legal opinion.

Do you recall any discussion with Mr Goubran about having to try and avoid disclosing the fact that, that he had the email?---Not that I recall.

- 10 Do you recall any discussion at all where he made some suggestion to the effect that the email he understood to be confidential and he had to try and explain how he might have got his hands on it?---Not that I can recall, no.

Can I ask you to have a listen to a audio that will be played, audio recording that'll be played now.

**AUDIO RECORDING PLAYED**

**[12.33pm]**

20

MR DOWNING: Now, Mr Cerreto, do you recognise that as a conversation between you and Mr Goubran?---Yes.

And you'll see the transcript on the first page indicates a date of 18 February, 2013?---Correct.

You don't have any reason to dispute that date as the date when you had the telephone call do you?---No.

- 30 Commissioner, I tender the transcript and the audio.

ASSISTANT COMMISSIONER: Yes, that will be Exhibit 68.

**#EXHIBIT 68 - COPY OF AN AUDIO CASSETTE AND  
TRANSCRIPT OF A TELEPHONE CONVERSATION BETWEEN  
MR CERRETO AND MR GOUBRAN ON 18 FEBRUARY 2013 AT  
19:29:24**

40

MR DOWNING: Now, in the telephone conversation, Mr Cerreto, you indicated something about information having come back good from Charles?---Yes.

Was that Mr Parisi?---Yes.

The lawyer?---Yeah.

So for you taking - well, you would take some steps to communicate with Mr Parisi about this particular issue?---Well, Charles has represented me on a number of fronts so I relayed the message back to John.

Right. But were you taking a particular interest in respect of this matter?

---I was, I was interested in it, yeah.

So you've indicated in the phone call that you just spoke to him, that Mr Parisi had rung you?---Correct.

10

So was he actually dealing with you directly in respect of this matter?

---No, no, no, we were talking, we were perhaps talking about other things as well.

What, you say he just mentioned this as well?---At the same time, possibly, yes.

And in the course of the call you indicated that he was waiting for two more bits to come through in the morning from the barrister, the QC, you see that reference?---Yes.

20

Was that a reference to your understanding that Mr Parisi was seeking an advice from senior counsel about this issue?---Correct.

So you'd spoken to him about that?---Yes.

So it would seem from those conversations that you were taking a fair degree of interest in this issue that Mr Goubran had with the zoning of his land?---Oh, not the zoning of his land, just the corruption part.

30

Right. And you indicated in the course of the conversation that the QC was of the view emphatically that it was within the definition of corruption?

---Correct.

So had you spoken to Mr Parisi about that?---Correct.

And he'd indicated what, what counsel had indicated orally?---Yes.

And you say over the page, "So I spoke to all the other fellows and everyone's doing well." Was that a reference to other landowners?---No, not that I can recall.

40

Well, who were you referring to?---I don't recall what, what I was meaning there.

And you refer to the fact that "That correspondence we got isn't really, isn't much to be concerned about because there is a lot of others who got it as well." Do you see that on the second page of the transcript?---Yes.

Was that some correspondence or document from ICAC?---No.

What was it, what were you referring to?---I don't recall what I was referring to, it's a conversation I've had four months ago.

ASSISTANT COMMISSIONER: Four months ago, yes. Do you have some problem with your memory?---No.

10 Got some neurological disease or something?---No, I don't.

You seem to have a very bad memory if I may so?---Oh, I'm very busy and this, a lot of this information really is no use to me and I'm not interested in it so I don't recall things that I'm not interested in.

MR DOWNING: Can I ask you did you have some awareness that some of the documents that Mr Goubran had had come ultimately from Councillor Petch?---Ah, possibly yes, yeah, of course.

20 And did you have some view or concern of your own about whether there might be a problem in disclosing that?---Not that I know of, no.

Did you have any view or concern about whether there might be some confidentiality in what Councillor Petch had disclosed and whether that might be problematic if a complaint was ultimately made about Mr Johnson's conduct?---Not that I can recall.

30 Do you recall discussing that subject matter with Mr Goubran at all?---Not off the top of my head.

So you say you don't remember any discussion where anyone raised a concern about the source of particular information that Mr Goubran was relying on with his complaint about Mr Johnson?---To the best of my recollection John gave all the documents to Charles and Charles would have gone through them all and I don't recall anything.

So you don't recall any discussion at all about having to try and explain where certain documents had been obtained from?---Not that I can recall.

40 That wasn't a subject matter that came up for discussion with Mr Goubran? ---Possibly but I don't recall it.

Well that would be something significant wouldn't it, that you might remember that is if there'd been a discussion about documents that one or one or both of you and Mr Goubran understood to have been obtained improperly and having to try and explain how they'd been located?---Well I don't think I received that document improperly.

But you say you don't recall any discussion about this at all?---Not to the best of my recollection, no.

Can I ask you to have a listen to another telephone conversation which we'll play now.

**AUDIO RECORDING PLAYED**

**[12.41pm]**

10

MR DOWNING: Now, Mr Cerreto, you recognise that as a phone call between you and Mr Goubran?---Yes.

And see that the date shown on the transcript is 20 February, 2013. Do you recall - - -?---That's correct.

- - - that at all now in terms of the, the date of it?---Not really but it's there.

All right. Commissioner, I tender the audio and the transcript.

20

ASSISTANT COMMISSIONER: Yes. That will be Exhibit 69.

**#EXHIBIT 69 - COPY OF AN AUDIO CASSETTE AND  
TRANSCRIPT OF A TELEPHONE CONVERSATION BETWEEN  
MR CERRETO AND MR GOUBRAN ON 20 FEBRUARY 2013 AT  
18:51:24**

30

MR DOWNING: Thanks. And Commissioner, I should have indicated before that the audio and transcript of 18 February, which was Exhibit 68 is in fact an excerpt because there are parts of it that aren't relevant to the matters that are before the Commission - - -

ASSISTANT COMMISSIONER: Yes.

MR DOWNING: - - - which haven't been included. So it is an edited version. Now, is this correct? To date your evidence has been that you weren't really interested in this particular land and this issue?---No, I don't. I'm not.

40

Would you accept that in the course of this call that your discussion with Mr Goubran indicated you giving him some advice about strategy and tips about how this might be managed?---Possibly, yes.

In the first page of the transcript you referred to the fact that you'd spoken to Mr Stavrinis?---Yes.



And you asked if, Mr Goubran if Mr Stavrinis rung him back?---Yes.

Was Mr Stavrinis undertaking some task in respect of this matter?---No.

Well what did you understand that Mr Stavrinis would be ringing Mr Goubran about?---Oh, our job at Concord.

10 All right. Now in the course of the conversation you spoke with Mr Goubran at some length about the legal advice that was being sought?  
---Correct.

And the QC's opinion that was being sought on the issue of Mr Johnson's conduct?---Correct.

And in the course of it do you recall there was a discussion with some, Mr Goubran expressing some frustration about how slow the process was?  
---Yes.

20 And at page 3 of 8 of the transcript Mr Goubran referred to a meeting you'd had with the Mayor?---No, not my meeting.

Well do you see at page 3 of 8 Mr Goubran says, "And the Mayor because you went to, had a meeting with the Mayor", you say "Yeah, yeah. And presented that situation to him, he wants you, he wants you"?---No, no, no. He's referring - - -

Well hang on if you just let me read the rest of it?---Okay.

30 You say, "Yeah", and he says, "To present him with all of this and he will try and use it to get justice." Now having seen that do you recall if at around this time there had been a discussion involving you, Mr Goubran and, and by that point Mayor Petch about the complaint being made and the way in which Councillor or Mayor Petch would handle it?---Possibly.

Do you recall Councillor Petch giving suggestions as to how it might be handled?---No.

40 Do you recall talking to the Mayor with Mr Goubran about the complaint that was to be made and requesting that it be managed in some way?---I recall speaking with Ivan saying the solicitors are putting a, an opinion together to formulate and present to the Council.

So that he was aware of that before the letter from the lawyers turned up?  
---Correct.

Was he aware that the QC's opinion was being sought?---Correct.

And do you see that at the bottom of page 3 of 8 you speak to Mr Goubran and talk about working out an exact strategy and you say that you've got something in mind and refer to the fact it's got to be done properly?---Yes.

So was it the case that you were taking a fair degree of interest in the way in which this complaint was to be presented to the Council?---I wanted this complaint to be handled properly.

10 All right. Despite the fact it had nothing to do with you?---No, for John's sake.

Now at page 4 of 8 you refer to the fact that the person providing the advice was Mr McNally of Senior Counsel. Was that something that you learned about through discussion with Mr Parisi?---Correct.

20 Now at the bottom of page 5 of 8 you'll see that Mr Goubran refers to someone asking that you present him with it formally with a legal opinion so he could see the disparity and he can press the buttons to correct the wrong?---Yes.

Did you understand that he was referred to Councillor Petch there?---No.

Who did you understand he was referring to?---The other landowners in College Street. That's who had the meeting with the Mayor when, when I first said it.

So you say that - - -?---Ray Dresner I think his name is.

30 So that, that person could see the disparity after being presented with a legal opinion and press the buttons to correct the wrong?---Correct.

You don't, you deny that what Councillor Petch had said look get your legal opinion, send it to me and then I'll take whatever steps I can to write the wrong?---I don't deny that but I'm saying in reference to that this is what took place. Mr Dresner apparently is a solicitor.

40 So over the page at page 6 of 8 do you see Mr Goubran says, "So I said it's imperative that you write to him because you understand and that's what he wants." Do you say that that wasn't a reference to, to Mayor Petch?  
---No.

That's Mr Dresner was it?---Mmm.

Had there been a discussion with Councillor Petch about, with, between you, Mr Goubran and Councillor Petch about the fact that Councillor Petch had forwarded originally the advice from Department of 20 June and that it was, it needed to be handled sensitively that is the complaint was then to be made based on that information?---No, not that I can recall.

You don't recall that at all. Do you, do you recall whether there was ever a discussion between you, Mr Goubran and Councillor Petch about how this whole complaint process should be managed from beginning to end?---I do recall we had a chat and we said that we would formalise a legal opinion and do it through the right channels, get a QC's opinion and let the solicitor give him a copy of the complaint.

And do you recall what Councillor Petch said he'd do?---He would forward it to the General Manager and forward it off to ICAC.

10

Now, can I ask you to listen to a further telephone conversation.

**AUDIO RECORDING PLAYED**

**[12.56pm]**

MR DOWNING: Mr Cerreto, do you recognise that as another telephone conversation - - -?---Yes, I do.

20

- - - between yourself and Mr Goubran?---Yes, I do.

And bearing in mind the dates of the other conversations I've taken you to do you accept that it was a call on 21 February at 9.21 in the morning?  
---Yes.

Commissioner, I tender the audio and the transcript but can I indicate I do want to have just the beginning part of it replayed because I think there may be a couple of small inaccuracies but important ones in the transcript.

30

ASSISTANT COMMISSIONER: Yes, that will Exhibit 70.

**#EXHIBIT 70 - COPY OF AN AUDIO CASSETTE AND  
TRANSCRIPT OF A TELEPHONE CONVERSATION BETWEEN  
MR CERRETO AND MR GOUBRAN ON 21 FEBRUARY 2013 AT  
09:21:49**

40

MR DOWNING: Just before we take lunch can I just ask the first part of it be replayed. And I indicate that the two particular lines I'm interested in, Commissioner in terms of whether there's an inaccuracy are the part where Mr Goubran is said to say, "You don't make reference to that email," and then two lines down, "Did you make reference to that email?" And I'd ask that it be replayed because I, my hearing of that actually indicated that it was, well I heard it to indicate "he" rather than "you," didn't make reference so then I'll - - -

ASSISTANT COMMISSIONER: Yeah, I thought it said it but - - -

MR DOWNING: Well perhaps we could replay it and we can try and agree on that.

ASSISTANT COMMISSIONER: Ah hmm.

MR DOWNING: And can we turn the volume up?

UNIDENTIFIED SPEAKER: Yeah, I think we can.

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**AUDIO RECORDING PLAYED**

**[1.01pm]**

THE WITNESS: I think he said they. He.

ASSISTANT COMMISSIONER: Yes.

MR DOWNING: We'll perhaps just have that replayed again,  
20 Commissioner?

ASSISTANT COMMISSIONER: I think it each case it says it.

MR DOWNING: Perhaps if we could just have it replayed?

THE WITNESS: Did he.

UNIDENTIFIED SPEAKER: He.

30 THE WITNESS: They?

MR DOWNING: I think it was they.

THE WITNESS: They.

MR DOWNING: I think - - -

UNIDENTIFIED SPEAKER: They.

40 MR DOWNING: Stop that there. Can we stop that there please? To my hearing that was, "Did they make reference to that email," and, "Well, they shouldn't."

ASSISTANT COMMISSIONER: Is that how you heard it, Mr Cerreto?---  
Oh, pretty much, yeah.

Ah hmm.

MR DOWNING: Could we have that correction in the transcript and - - -

ASSISTANT COMMISSIONER: Yes.

MR DOWNING: - - - if, if that's a convenient time, Commissioner?

ASSISTANT COMMISSIONER: Yes. We will adjourn at this time until 2 o'clock.

10 **LUNCHEON ADJOURNMENT**

**[1.02pm]**