

CORALPUB00001DOC
16/03/2010

CORAL
pp 00001-00070

PUBLIC
HEARING

COPYRIGHT

INDEPENDENT COMMISSION AGAINST CORRUPTION

THERESA HAMILTON ASSISTANT COMMISSIONER

PUBLIC HEARING

OPERATION CORAL

Reference: Operation E07/1851

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY 16 MARCH 2010

AT 10.00AM

Any person without publishes any part of this transcript in any way and to any person contrary to a Commission direction against publication commits an offence against section 112(2) of the Independent Commission Against Corruption Act 1988.

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

ASSISTANT COMMISSIONER: Thank you. Please be seated. This is a public inquiry being conducted by the Independent Commission Against Corruption for the purpose of investigating allegations that between 2001 and 2008 Department of Housing officer Frank Garzaniti failed to disclose an interest in Department of Housing contracts that were awarded to or related to work that was carried out by companies he and Mr Frank Santomingo had interests in. The general scope and purpose of this inquiry is to gather evidence relevant to these allegations and Mr Thangaraj has been appointed as counsel assisting. I will now ask him to deliver an opening statement.

MR THANGARAJ: Thank you, Commissioner.

Housing New South Wales, formerly known as the Department of Housing, owns and maintains well over 100,000 properties in the state. As a consequence, significant services are required. Those services include lawns and grounds maintenance, demolition and tree lopping. Mr Frank Garzaniti commenced employment with the Department in 1986. From 1994 he was a senior client services officer and then acting team leader at the Macquarie Fields office. Mr Frank Santomingo was a friend of Mr Garzaniti. They have been friends for a number of years.

In 1994, shortly before Mr Garzaniti was promoted to senior client services officer, Mr Santomingo registered the company Greenfield Development Pty Limited. That company received a casual lawns and maintenance contract from the Department in 2001. The original short term contract was repeatedly renewed. Given the value of the contracts, they ought to have gone to tender. Work was undertaken pursuant to those renewed contracts until around May 2007. The Department paid Greenfield over \$2.7 million for these services.

Mr Garzaniti and Mr Santomingo registered the company G & F Plant Hire Pty Limited in 2004. They were the sole directors and shareholders until February 2007. Mr Garzaniti then paid \$65,000 to buy out Mr Santomingo. This company, as the name suggests, hired out plant and equipment. However, G & F also retained contractors to perform work.

Due to the clear conflict of interest G & F would not have been awarded contracts by the Department. Similarly, if Mr Garzaniti was involved in Greenfield that company may also have been disqualified from Housing work.

Mr Robert Miles was a contracts manager for the Department at all relevant times. He says that if Housing New South Wales had become aware that Mr Garzaniti was receiving a financial benefit the contract would have been terminated. G & F was therefore in a position which precluded it from seeking Housing contracts. G & F never sought contracts directly from the Department. Mr Miles will give evidence at this inquiry.

Crossley McLean and Associates Pty Limited is a multi-trade head contractor. That means they are the head contractor across a range of services. Senior management includes former employees of the Department. Crossley obtained demolition and tree lopping contracts with the Department of Housing between 2002 and 2008. Crossley retained both Greenfield and G & F as subcontractors. Mr Garzaniti failed to disclose his conflict of interest. He did not inform the Department that his company, G & F, was receiving Department work as a subcontractor nor did he disclose his relationship with Mr Santomingo and Greenfield. Extensive work was provided to G & F by Crossley. This arrangement facilitated G & F undertaking extensive Departmental work that it was not entitled to. It also allowed Crossley to obtain a contractor's fee.

Between April 2005 and June 2008 Crossley paid G & F over \$2.6 million. Between July 2002 and October 2004 Crossley paid Greenfield a little over \$105,000. Crossley had previously employed Ms Amanda Bromley as part of their administrative staff. Ms Bromley later performed a similar role for Mr Garzaniti and Mr Santomingo. She will give evidence at this inquiry. She asserts that G & F performed the work for which Greenfield had been contracted.

Garzaniti Excavations was registered in 1995 by Mr Frank Garzaniti and his brother, Mr Tony Garzaniti. Their respective wives became directors in 2002. The company performed demolition work and also hired out its equipment. Significant moneys flowed between the respective individuals and entities. For example, between April 2003 and August 2005 Greenfield paid around \$275,000 to accounts controlled by Mr Frank Garzaniti. Between July 2002 and February 2004 around \$200,000 was paid by Greenfield to Garzaniti Excavations. Between May 2005 and December 2007 G & F paid over \$950,000 to Garzaniti Excavations. Between May 2005 and May 2007 G & F paid over \$150,000 to Greenfield.

Aside from Ms Bromley and Mr Miles, evidence will be called from Mr Santomingo and Mr Frank Garzaniti.

ASSISTANT COMMISSIONER: Thank you, Mr Thangaraj. I'll take appearances after a short adjournment for the cameras to leave. Thank you.

40

SHORT ADJOURNMENT

[10.08am]

ASSISTANT COMMISSIONER: Does anybody else wish to seek leave to appear at this stage?

MR LEWIS: Commissioner, my name is Lewis. I seek your authorisation to represent Amanda Bromley.

ASSISTANT COMMISSIONER: Yes, Mr Lewis, you're given leave to appear for Ms Bromley.

MR FOORD: Commissioner, if you please, my name is Foord, F-O-O-R-D. I seek your leave to appear on behalf of Housing New South Wales.

ASSISTANT COMMISSIONER: Yes, Mr Foord, you're given leave to appear for Housing New South Wales.

10

MR FOORD: Might I also add, I understand if I ask nicely I might be given a copy of Mr Myles's two statement, your Honour, which I was not given before Mr Myles has given evidence. I think that they might be made available to me so I could have a look through them before Mr Myles gives his evidence.

ASSISTANT COMMISSIONER: Is that possible, Mr Thangaraj?

MR THANGARAJ: We have a copy.

20

ASSISTANT COMMISSIONER: I beg your pardon?

MR THANGARAJ: It's possible, we have a copy.

ASSISTANT COMMISSIONER: Yes.

MR FOORD: Thank you.

ASSISTANT COMMISSIONER: Well, I think that's appropriate.

30

MR FOORD: Thank you.

MR CANCERI: Commissioner, I seek leave to appear for Mr Garzaniti. My name's Canceri, C-A-N-C-E-R-I.

ASSISTANT COMMISSIONER: Yes, Mr Canceri.

MR CANCERI: I also seek access to the statements of the various witnesses.

40

ASSISTANT COMMISSIONER: No, it's not our normal practice to give all the statements of witnesses. I considered it was appropriate for Mr Foord to get a statement of the first witness. Thank you. All right. If there are no other applications for leave I'll ask Mr Thangaraj to call the first witness.

MR THANGARAJ: Yes, your Honour. I call Amanda Bromley.

ASSISTANT COMMISSIONER: Yes, Ms Bromley, come forward. Thank you. Have a seat. Ms Bromley, you've been called here to give evidence. Mr Lewis, is she seeking a declaration?

MR LEWIS: She is, Commissioner.

10 ASSISTANT COMMISSIONER: Yes. You understand the effect of this declaration, Ms Bromley, is that nothing you say here can be used against you in any future proceedings. However, you must tell the truth about the issues that are raised with you otherwise it could be. 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 the witness during the course of today's hearing are to be regarded as having been given or produced on objection and accordingly 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 THE WITNESS DURING THE COURSE OF TODAY'S HEARING ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION AND ACCORDINGLY 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: This order, thank you.

Yes, Mr Thangaraj. Ms Bromley, you're required to take an oath on the Bible or make an affirmation. Do you have a preference?

MS BROMLEY: On the Bible.

ASSISTANT COMMISSIONER: Yes, could the witness be sworn please.

ASSISTANT COMMISSIONER: Thank you. Yes, Mr Thangaraj.

MR THANGARAJ: Ms Bromley, could you give us your full name please?---Amanda Jane Bromley.

10 And between 30 November, 2006 and 14 December, 2007, were you employed?---Yes.

And with whom?---G & F Plant Hire.

And who were the principals or who is the principal of G & F Plant Hire?
---Frank Garzaniti and Frank Santomingo.

How did you come to work for them?---Through a company I, prior worked with.

20 Who was that company?---Crossley McLean and Associates.

And how did you come to know that Mr Garzaniti and Mr Santomingo were looking for someone?---Through the office manager.

Of which office?---Crossley McLean.

And did you have an interview with anyone at G & F Plant Hire?---Yes.

30 Who was that?---Frank Santomingo and Frank Garzaniti.

Had you ever heard of either of them before?---Yes.

Both of them or one of them?---One.

Which one?---Frank Garzaniti.

How did you know him?---He was a team leader at Macquarie Fields office.

40 Of?---Department of Housing.

Had you had contact with him yourself?---Only by the phone.

What was your position with G & F?---Clerical assistant.

And what did that involve, what work did you do doing that?---Accounting, bookkeeping, issuing of orders.

When you say issuing of orders, what do you mean by that?---The contract orders from Crossley McLean.

Orders to subcontractors for work?---Yes.

Who did you report to?---Frank Garzaniti and Frank Santomingo.

How were you paid?---In cash.

10 And whose idea was that?---Both of them.

Did Mr Santomingo have a company?---Yes.

What was the name of that company?---Greenfield Developments.

Did you have anything to do with that company?---No.

You were there for almost a year?---Yes.

20 And was there anyone else in the office or was it just you?---Just me.

Did you receive any phone calls on behalf of Greenfield in that time?---No.

What did you understand the relationship to be between G & F Plant Hire and Greenfield?---The, the company Greenfield was the company who subcontracted to Crossley McLean and G & F Plant Hire was just another company.

30 All right. And did Greenfields do any work that you had observed? Did you observe Greenfield doing work?---No.

Did you observe Greenfield retaining subcontractors?---No.

So who did the work for Crossley McLean?---G & F Plant Hire.

Who received fees from Crossley McLean?---G & F Plant Hire.

And then who paid the subcontractors?---G & F Plant Hire.

40 Was there, were the companies Greenfield and G & F known by any particular phrase or either one of them known by any particular phrase? ---What do you mean?

Was there a nickname for one of those companies or both of those companies?---Not to be knowledge, ho.

Did you observe any other documentary interaction between those two companies?---No, no I didn't, no.

What did you observe?---There were cheques made out of substantial amounts but I'm not sure who they were to so I can't say that they're from one company to another.

All right. Who did you take your instructions from?---More so Frank Garzaniti but both of them.

10 Did Mr Garzaniti have any role in managing the contracts?---He basically oversaw what I did.

What about managing those contracts with the Department of Housing through Crossley McLean?---Not that I'm aware of, no.

Did he have an active role in administering or managing those contracts? ---Say that again, please.

20 The company, G & F, have contracts, sorry, I withdraw that. There were contracts with the Department of Housing with Crossley McLean and then through Crossley McLean to Greenfield?---Yep.

Did Mr Garzaniti take an active role in administering or managing those contracts?---No.

Do you remember being asked that question when you came in for a compulsory examination?---I think so.

And I'll read out the question and answer to refresh your memory?---Yeah.

30 You were asked this question, "Now, do your knowledge, did he have any role in the contracts administration of the company, so if the company had any contracts with the Department of Housing or anyone else, did Mr Garzaniti take an active role in the administering or managing of those contracts"?---Sorry, I wasn't listening, sorry.

You were asked on the previous occasion whether or not any contracts the Department of Housing, and you know which contracts we're talking about. Which contracts are they?---I don't know.

40 Crossley McLean had contracts with the Department of Housing?---Yep.

Do you know what work that was for?---Yeah.

What was that?---Maintenance.

All right. And the work, as you said, was in the, the contract was in the name of Greenfield?---Yes.

And you've given evidence that the work in fact was performed by G & F?
---Yes.

All right. So what role did Mr, I withdraw that. Did Mr Garzaniti take an active role in administering or managing those contracts?---Yes.

And what did he do in relation to those contracts?---Subcontracted them to other contractors.

10 Would he attend meetings in relation to G&F, with the head contractor?
---Yes.

And that head contractor was Crossley McLean?---Yes.

All right. When you were in the office would he tell you sometimes where he was going or did you receive phone calls about meetings that he was to attend?---No.

20 So how do you know that he went to meetings?---He'd just say I'm off to lunch. I'm off to see David, I'm off to see David. And I'd know who he was talking about.

There are two David's at Crossley McLean?---Yep.

Do you remember their surnames?---David Crossley and David McKinnon.

Right. You told us that part of your job was accounting and bookkeeping?
---Yes.

30 Did that also include banking?---Yes.

Did G&F have a bank account?---Yes.

And that's how you're able to tell us that contractors were paid by G&F?
---Yes.

Would you receive invoices from subcontractors?---Yes.

40 Including Attitude Excavations and Fine Cut Tree Services?---Yes.

And who would those invoices be addressed to?---G&F Plant Hire.

And would you make sure they were paid?---Yes.

And you used the G&F account did you?---Yes.

All right. So you processed those invoices. Did you see any invoices between G&F and Greenfield?---No.

Did you see any invoices between either of those companies and a company called Garzaniti Excavations?---No.

Did you ever see a contract or become aware of a contract directly between the Department and G&F?---No.

10 In the time that you were there you were aware that Greenfield was subcontracted to Crossley McLean in relation to tree lopping work?---Yes.

Do you remember, I'll withdraw that. Was G&F involved in that work in any way?---Only to subcontract to another subcontractor.

All right. And one of those was the name I just said, Fine Cut Tree Services?---Yes.

And was Greenfield involved in any way?---No.

20 Do you know how it is that G&F came to be involved?---G&F were put together before I worked there, so no.

You're aware also of demolition contract that Crossley McLean had subcontracted?---Yes.

And again who was that officially subcontracted to?---Greenfield Developments.

30 And who in fact paid the subcontractors and organised the subcontractors? ---G&F Plant Hire.

What about work orders, what, what company would the orders be named through?---Greenfield Developments.

I'll show you an email, document 2, it'll be on the screen Miss Bromley. This was an email that you or starting at the bottom, sorry, this is an email that you sent?---Yes.

40 Who owns the email address cmaclaims@bigpond.com?--- Crossley McLean & Associates.

Rights. And you've got the subject there, Greenfield. Did you write this email?---Yes.

And you say, hi mum, your mother was working at Crossley McLean? ---Yes.

Right. Who gave you the instructions to send this email?---Frank Garzaniti.

And it's somewhat self-explanatory. Frank Garzaniti and Frank Santomingo have decided that they want to step down from the tree lopping contract and concentrate on the demolition contract and other works they have in progress. That's in relation to the contract you've given evidence about between Crossley and Greenfield, but in fact being conducted by G&F?---Yes.

And they, and they told you that they could recommend someone else to Crossley if that was required?---Yes.

10

I tender that document, Commissioner.

ASSISTANT COMMISSIONER: Yes. That email will be Exhibit 1.

#EXHIBIT 1 - EMAILS BETWEEN 'CMACLAIMS' AND AMANDA BROMLEY DATED 06/12/07

20 MR THANGARAJ: Do you know what G&F received as a percentage of the contract price from Crossley McLean for running this contract?---Yes.

What was that number?---Fifteen per cent.

And can I show you a document, document 3. This is a letter, a letterhead of Greenfield Developments. Is that a letter that you wrote?---Yes.

And who gave you the instructions to write this letter?---Frank Garzaniti.

30 It's a letter to Mr Crossley, 14 December, I, Frank Santomingo have made the decision to resign from the Department of Housing maintenance contract involving the tree removals, essentially because of other commitments. So it's similar to the letter that, the email that you had written a week before? ---Yes.

I tender that letter, Commissioner.

ASSISTANT COMMISSIONER: Yes. That letter will be Exhibit 2.

40

#EXHIBIT 2 - LETTER FROM FRANK SANTOMINGO TO DAVID CROSSLEY DATED 14/12/07

MR THANGARAJ: Nothing further, Commissioner.

ASSISTANT COMMISSIONER: Yes. Thank you. Does anyone else seek to ask this witness any questions?

MR CANCERI: If I may, Commissioner, I would need some time to take instructions, about five minutes if it's possible.

ASSISTANT COMMISSIONER: Yes. I think that's possible. Could we go on with the other witness in the meantime or would it be better just to - -

MR THANGARAJ: I think it would be better just to have a short adjournment.

10

ASSISTANT COMMISSIONER: All right. We'll have a short adjournment, Miss Bromley, for five minutes. Thank you.

SHORT ADJOURNMENT

[10.28am]

ASSISTANT COMMISSIONER: Thank you. Please be seated.

20 MR CANCERI: Thank you for that time, Commissioner. I don't have any questions.

ASSISTANT COMMISSIONER: Thank you, Mr Canceri. So Miss Bromley may be excused, Mr Thangaraj?

MR THANGARAJ: Yes.

ASSISTANT COMMISSIONER: Yes. Thank you for your attendance Miss Bromley. You're now excused?---Thank you.

30

THE WITNESS WAS EXCUSED

[10.33am]

MR THANGARAJ: I call Mr Miles.

ASSISTANT COMMISSIONER: Mr Foord, I take it you're acting for the Department not for Mr Miles?

40 MR FOORD: I am, that's so but I have had the opportunity of speaking to Mr Miles so I have given him some preliminary advice.

ASSISTANT COMMISSIONER: All right. Thank you.

Yes, Mr Miles, you've been, please take a seat. You've been called here to give evidence and you are required to answer all of the questions asked of you. If you consider that you could claim privilege in respect of any particular answer you're entitled to claim that and you still have to answer

the questions but nothing you say can be used against you in any future proceedings. Do you wish to seek a declaration that you're answering under objection?

MR MILES: Yes.

ASSISTANT COMMISSIONER: You do?

MR MILES: (NO AUDIBLE REPLY)

10

ASSISTANT COMMISSIONER: You understand the effect of what I'm saying?

MR MILES: Is, is that, you can't use it in - - -

ASSISTANT COMMISSIONER: It's that you, it can't be used in any future criminal, disciplinary or civil proceedings because you've objected to answering.

20

MR MILES: I think that's probably best.

ASSISTANT COMMISSIONER: You think you do wish to seek it?

MR MILES: Yes.

30

ASSISTANT COMMISSIONER: All right. 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 the witness during the course of today's hearing 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.

40

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 THE WITNESS DURING THE COURSE OF TODAY'S HEARING 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.

ASSISTANT COMMISSIONER: Now, Mr Miles, you're required to take an oath on the bible or make an affirmation.

MR MILES: I'll take it on the bible.

ASSISTANT COMMISSIONER: Yes. Could the witness be sworn, please.

ASSISTANT COMMISSIONER: Yes, Mr Thangaraj.

MR THANGARAJ: Mr Miles, could you give us your full name, please.

What is your occupation?---I'm currently a senior programme manager.

10 At?---At Housing New South Wales.

When did you first start your employment there?---15 January, 1985.

And it was then known as the Department of Housing?---Yes, that was known at the Housing Commission.

All right. And then it became known as the Department of Housing?
---Housing.

20 And now Housing New South Wales?---Yes, that's correct.

And how long have you been in your current position for?---Since May last year.

Part of your responsibility is as the contract manager for the Greater Western Sydney Division?---My previous position, yes.

I'm sorry, you've changed position since you prepared your statement, have you?---Yes, correct.

30

All right. Sorry. So in that previous role what was your, what were your job details?---I was responsible for maintaining the contract, contractors for the division.

Right?---Ensuring there was contracts, current contracts available at all times, providing support for the, the local teams, you know, on contract, sorry, I'm very nervous.

40 That's all right, take your time?---Contract interpretation and application.

Can you tell us what a local team constituted?---It depended on the, on the size of the team but you usually have a team leader and it's a senior client service officer, client service officers and client service officer technical and admin staff.

And is this for each office?---It's for each team.

Yeah. Is there one team per area?---There was a number of teams in an area.

Right. And it was the south, the Greater Western Sydney Division was an amalgamation of two other regions?---That's correct, there was the Western Sydney region and the South West region.

And how many teams would there be in that amalgamated division?---20, 20-something.

10

And one of those, one of the offices that the Department had was the Macquarie Fields office?---Yes, correct.

And there were, there was a team there, a team placed there?---That's correct.

And in that team Mr Frank Garzaniti was at one time the senior client services officer?---That's correct.

20

And was he promoted at some stage in an acting capacity?---Yes, he was made a acting tenancy manager for a period of time.

And that was for quite a few years?---That I'm, that I'm unsure of.

All right. Housing New South Wales administers a significant number of properties, over 100,000 properties?---Yes, correct.

And as a result of that many contractors are required to perform various services?---That's correct.

30

What sort of services does the Department require?---Mainly around maintenance, they have multi-trade maintenance contractors which are, are required to, to provide the services needed for maintaining properties across the state. There's also smaller contracts like waste removal, that's normal domestic waste removal and some specialised contracts for high-rise developments, essential services type contracts.

Right. And what about, was there demolition work?---Yes, there is demolition work.

40

And what did that involve?---Demolition work is, the main, the recommendation is usually sent up through the team where a property may be extensively damaged through fire or white ant, termite problems.

Right?---It goes up through to a central section then it's approved for demolition.

And obviously the Department doesn't have it's own equipment or labour -
- -?---No.

- - - to perform that work?---That's correct.

And, and therefore what does the Department do to get that work sort of
worked on?---Once it's approved for demolition, a request is sent through
to, what was called the Resitech section of the Department and they would
arrange for demolition.

10

There are a significant number of contracts between the Department and
contractors to perform the work you've been telling us about?---Sorry?

There are a number, there are a number of contracts between the
Department and various companies to perform the work you've been telling
us about?---Yes.

And they're worth, they can be worth millions of dollars?---Correct.

20

No doubt there's a significant budge for all of this work per year?---Yeah,
the budge is broken up into various areas required for maintenance or (not
transcribable) improvements or - - -

All right. Are those contracts governed by any policies or procedures?
---(NO AUDIBLE REPLY)

I want to ask you some questions about the time that you were the contracts
manager?---Okay.

30

So it's at least the first half of this decade, that sort of timeframe. I
understand that the procedures have changed haven't they?---Yes, correct.

So I'm not worried about the changes that took place around 2007, but the
years up to that point?---Okay.

They're the questions I'm going to ask you about. All right. There were,
were there a number of policies and practices in place to govern the
contracts that we're talking about?---Contracts were led either through a
tendering process or casual contracts were arranged through a quote system.

40

All right. And were there codes of practice to dictate how contracts should
be entered into or (not transcribable)?---Early on in 2000's, like the early
part of the decade, there was very little information as far as contract
administration.

All right. When did the code of practice for procurement come into
existence?---I'm not sure.

All right. Between March, I beg your pardon, between say 2005 and 2006, was there a requirement that contracts over a certain value had to go to tender?---Yes, it was a sliding scale.

Do you remember what the dollar value of the contracts had to be before it had to go tender?---I think it was 30,000.

All right. So contracts to the value of \$30,000 or above needed, needed to undergo a formal tender process?---Yeah, or a select tender.

10

All right. Were you aware of a company called Greenfield Development? ---Yes.

And do you remember what work they were retained to perform for Housing New South Wales?---They were retained for (not transcribable) grounds maintenance and some rubbish removal.

And did it also include landscaping and casual cleaning?---I'm unsure of that.

20

And the work was the properties located in various areas around the New South Wales south west region?---Yes. Correct.

Including Macquarie Fields, Ingleburn and Glenfield?---Yeah. Correct.

You have seen for the purposes of putting together your statement a number of contracts between Greenfield and the Department?---What do mean, sorry?

30 You've, you have seen a number of contracts or become aware of a number of contracts existing - - -?---Oh, okay.

- - - between Greenfield and the Department?---Yes. Correct.

And they range in amounts from \$10,000, several over \$100,000, one for about \$500, 000 and one for about \$950,000?---That's correct.

40 And according to the evidence you've given about the \$30,000 threshold, a number of those contracts therefore ought to have gone to competitive quoting?---They should've, yes.

And you're aware that all of those contracts were casual contracts?---No. They started off as casual contract and they accumulated over a period of time.

They were continually renewed?---Yeah.

When there are casual contracts being renewed without undergoing a competitive process, should something happen to notify more senior people in the Department?---Going back to, as you say, that period, a lot of them were originally, originated locally and therefore it was renewed continually. There was no (not transcribable) to set of alarm bells if there's a problem.

Yes. Because you as the contract manager weren't being informed?---Informed. Correct.

10 The fact that it was being rolled over?---Yeah.

But was there, was there a requirement or an understanding that when there are contracts being rolled over that you ought to have been told?---Yes.

And were you told?---No.

Who ought to have told you about these contracts that were being continually renewed?---The people in the local office that were in charge of the contracts.

20

And you've been through that material, those documents to work out who was in the team?---Yes.

And who, what, firstly, before we get to names, what position in the team, what position description ought to have (not transcribable) you?---The senior client service officer had the responsibility of making recommendations to the team leader on the, on the extension of the contracts or approval for payments.

30 And, so who were the people or the person that should've told you about this?---It would've been Frank Garzaniti.

He was the senior client services officer?---Senior, yeah.

And then he was the acting team leader?---Yeah.

Having looked at the documentation were you able to establish how it was that Greenfield originally obtained this contract?---From my recollection I think it was, the previous contractor retired or something.

40

Right. But do you know how it is that Greenfield came to obtain the contract?---No.

How would you describe the frequency of a casual contract being extended for a year or more? How often would that happen in those years?---I'm not a hundred per cent sure on the frequency. But it was, it was a practice that we looked to try and stop.

Right. Can I show you a document, I want to show you some of the documents that you've referred to as, that you've looked at. I'm going to show you a document, it's an email dated 24 of July, 2003, document 10. Now there's an email below the email from (not transcribable) Greaves. See that's an email from Mr Garzaniti to Mr Ian Brown, the team leader?
---Yes.

And what is this email seeking?---Extension of a contract or contracts.

10 And there are a number of contracts of the sort, sorry, there are number of contracts for which extensions are being sought?---Yes.

And you've cross-checked the details and included in that is at least one contract, sorry, is the contract for Greenfield for lawns and maintenance contract?---Ah hmm.

Is that correct?---Yeah, I, I, I assume so.

20 Well, you looked at these contracts - - -?---Yeah, I, I signed it off so I'd say yes.

You looked at these when you were preparing the statement and you, and you cross-checked the numbers for the contracts, did you?---Yes.

And you can see that Mr Brown has approved the recommended extension?
---Yes.

30 At the time that Mr Garzaniti was seeking approval to extend this contract, what, would he have informed his team leader and someone higher up at the Department that he was friends with Mr Santomingo?---Should he have advised?

Yes?---Yes, he should have.

And to your knowledge, did he?---No.

40 What would have happened if he said that he was a friend of a person, sorry, I withdraw that. Part of his job was to do exactly this, wasn't it, to - - -?
---Yes.

- - - to look after contracts?---Yes.

And see whether they should be rolled over or not?---That's correct.

If a contract came before him that was owned by a friend of his, what would, what ought he to have done?---He should have declared his conflict of interest.

And what would've happened then? Would someone else have dealt with it?---That, that would've, would've been investigated as to see whether there was a, a case to cancel the contract or if there was any untoward activity.

If someone else looked at the contract they ought to have, is this the case, determined whether or not it should be an ongoing casual contract?---I'm not sure what you're after, sorry.

10 If someone else is looking at this ongoing contract - - -?---Yes.

- - - of the casual nature, should that person then have looked back to see how long it had renewed for and whether it should have gone to a competitive tender?---Yeah, there should've been some sort of a check as to how it had been running and whether there was anything being done to formalise the contract.

20 This was a contract that ultimately ran for about six or seven years worth in total almost, well, just over \$2.7 million so in those circumstances someone needed to look at whether or not it should have gone to tender?---Yes, someone should have, yes.

I tender that document, Commissioner.

ASSISTANT COMMISSIONER: Yes, that will be Exhibit 3.

#EXHIBIT 3 - EMAIL FROM CORAZON GREAVES TO SINNADURAI SHANMUKANATHAN DATED 24/7/03

30

ASSISTANT COMMISSIONER: Mr Miles, what made these casual contracts as opposed, what is the difference if it was, was a contract entered into like a formal written contract or not?---It was a, contractors would be approached to provide a quote to undertake certain type of work or volume of work. Usually it was for a short period of time or a specialised trade of some sort. Something that's, was out of the ordinary or, or was only going to be a short duration. That was, that was what, what a casual contract was there for, just - - -

40

Well, if this, one of these was being extended for 12 months, is that what you'd expect a casual contract to cover?---Yes and no.

Well, say if it was worth more than the amount which would normally require a tender to be called, was the fact that it was a casual contract, would that mean that you didn't have to call a tender even though it was going to be worth a lot of money?---I, I, I don't think it was, it was looked into that the, the overall end price, like - - -

So no, no figure was ever put on it? It was just a casual contract for a period?---(Not transcribable) initial figure would've been put on it - - -

Yes?--- - - - for, for the initial work but then the continuous extension of contract by adding, adding those (not transcribable) to get your total contract sum.

10 Well, this email doesn't even say what another 12 months extension - - -?
---No.

- - - would be worth, so - - -?---No, no. There was no consideration taken into - - -

20 Well, I guess I'm just asking, if it had said another 12 month extension and it will cost \$100,000, would that have been done in this way?---That, that, that would, quite possibly would have raised a flag of some sort and, and, and, and a review period, a shortened period and allow a formal contract to be entered into or tendered.

All right. Well, so, even though over 30,000 a tender was required, are you saying that if it was a casual contract, you could possibly get around that because you wouldn't call for a tender even though it was going to go over \$30,000?---If, if we were aware of, of the fact that there were, it was an item of work which required to be done and it was over that period, we would possibly instead, not necessarily go to a full, full tender. We may go through a select tender and, and formalise it that way.

30 And there'd still be some sort of tender process?---Yeah, yeah.

Yes, thanks, Mr Thangaraj.

MR THANGARAJ: Mr Ian Brown is the team leader?---Yes.

40 He was being informed of these contracts being renewed. What should he have done, if anything?---Well, he, he should've been looking at the fact that these were casual (not transcribable) and trying to formalise them, like, to extend for a period in, in excess of a couple of months. It should've raised some concerns on his behalf.

And one of the things that perhaps he should have looked at was how long it had already been renewed for, is that right?---Yes.

I tender that document.

ASSISTANT COMMISSIONER: Yes, that's exhibit 3, the email seeking extensions.

MR THANGARAJ: This process of continually renewing casual contracts, the result of that was that no other companies were requested to quote or tender - - -?---That's correct.

- - - and avoiding that competitive process - - -?---That's correct.

- - - and it meant that there was no opportunity for the Department to obtain and get a, or a cheaper subcontractor?---That's correct.

10 And I show you another document, document 15. It's an email dated 9 February, 2005. Do you see down the bottom of the email, it refers to previous, do you see that, down the bottom - - - -?---Yes.

- - - Mr Garzaniti had emailed someone to increase the value of the contract by a small amount for the Alpine Village. You're aware from the material you've been through that the Alpine Village contract was a Greenfield contract?---Yes.

20 So this is an email whereby Mr Garzaniti is seeking to increase the value of a Greenfield contract, is that right?---Yes.

And is that a situation where he ought to have disclosed that he had a friendship with the principal of that company?---Yes.

And what would've happened if that had happened?---Well, there would've been no increase.

30 What if the increase was warranted?---Well, he's, he's failed to declare his, his possible conflict of interest.

So who would determine whether or not, what the value (not transcribable)?---That'd have to go through, be followed up after the review of, of the conflict.

Right. I tender that document, Commissioner.

ASSISTANT COMMISSIONER: Yes. Well, that email dated 9 February, 2005 will be Exhibit 4.

40

#EXHIBIT 4 - EMAIL FROM GARY GUNTON TO ELAINE GRIME DATED 09/02/2005

MR THANGARAJ: Can I show you another document?---Yes.

It's an email of 6 June, 2005, document 16. You have previously read these emails at the start of your, putting your statement together?---Yeah.

And it's about Greenfield invoices and requests from Mr Garzaniti?---(NO AUDIBLE REPLY)

You see at the bottom it says "IHS Transaction Centre"?---Yes.

What is the IHS Transaction Centre?---It's where the contractors' claim go for processing.

10 It's where invoices are paid, is it?---Yes.

Right. And reading that series of emails, who is it that the IHS payment section consider to be the contact person in relation to these Greenfield Development contracts?---Sorry, I - - -

You've referred to this series of emails in your statement?---Yeah.

20 And you provide an opinion as to who it is that the payment section regards as the contact person in relation to these inquiries of Greenfield. Who is it that the IHS payment section is looking to for information in relation to the Greenfield contracts or invoices?---Frank Garzaniti.

And I won't go through it all again but, again, this is the situation whereby a potential conflict ought to have been exposed?---Yes.

I tender that document.

30 ASSISTANT COMMISSIONER: Yes. Those invoices of 6 June, 2005 will be Exhibit 5.

#EXHIBIT 5 - EMAIL FROM ELAINE GRIME TO FRANK GARZANITI DATED 06/06/2005

MR THANGARAJ: I'll show you another document, document 18. It's a contractor's claim for payment. You see this document, it's a, it's an invoice from Greenfield Development?---Yes.

40 And it's approved by the signature of Mr Garzaniti?---Yes, correct.

In his role he has designation up to \$15,000?---I'm not 100 per cent sure but I think that's close to it.

Senior client service officers can approve invoices up to a certain amount? ---Yeah.

And certainly above \$4,000?---Yes.

Again though, even though it was within his threshold, because of his relationship with Mr Santomingo and Greenfields, he ought to have disclosed the relationship?---Yes.

Is it fair to say that in the circumstances whereby a friend of yours is seeking payment you should not be involved in approving the payment?
---That's correct.

10 I beg your pardon?---That's correct.

I tender that document.

ASSISTANT COMMISSIONER: Yes, that Greenfield invoice will be Exhibit 6.

#EXHIBIT 6 - GREENFIELD TAX INVOICE SIGNED BY GARZANITI

20

MR THANGARAJ: In the years that these documents have covered, for the first half of this decade, for example, were Housing New South Wales staff required to notify or register conflicts of interest?---There's always been a requirement to, to, to, to advise if there is a potential conflict of interest.

Yes. And if there is a potential conflict or an actual conflict what sort of, I'll withdraw that. If there is a potential conflict or an actual conflict then the sort of material I've just taken you through is something that ought to
30 have been disclosed?---Yes.

If Housing New South Wales believed that Mr Garzaniti had an involvement with a contractor such as Greenfield, what would have happened?---Well, there would have been some sort of review as to how that, the conflict was and whether it was an actual conflict.

And if, if after that there was a decision made that he was involved in any way or receiving a financial benefit from Greenfield, would the contract between Greenfield and the Department have continued?---No, it would
40 have been terminated.

You've checked some, some of the documentation in relation to Mr Garzaniti. Have you found any declarations of conflict of interest?
---No.

And you know I'm talking about Mr Santomingo and Greenfield Developments?---Yes.

Now just because somebody is a friend of yours doesn't automatically exclude that person from - - -?---No.

- - - obtaining Department work, does it?---No, it does not.

There needs to be some sense of an involvement in the company, doesn't there, or a relationship?---That, that, that sort of, you know, casual conflict of interest can be managed some way.

- 10 And what sort of conduct between an employee of the Department and the contractor, what sort of relationship would exclude the contractor being continued?---One, you know, it'd have to be a result of a, a review being taken as to how close the involvement is.

Right. So if Mr, you know that Mr Garzaniti had his own company, G & F Plant Hire Pty Limited?---I didn't till today.

- 20 All right. Just assume that Mr Garzaniti has his own company called G & F Plant Hire or his own company if, if his company and Greenfield were giving each other work would that preclude Greenfield from having a direct contract with the Department?---Yes, yes.

Why is that?---Mr Garzaniti, his involvement with the Department and his company.

If Mr Garzaniti was involved in the decision making or part of the decision making of Greenfield Development, would that have allowed the contract to continue?---No.

- 30 Was there some section or department within Housing New South Wales or the Department of Housing that would determine these conflict issues? ---There is a section called business assurance now and I'm not sure whether they, what their, their name was previously.

All right. But there was a person or persons who would deal with potential conflicts?---Yes.

And that existed in the early 2000s as well?---Yes.

- 40 If the casual contracts had become formal contracts or had permanent contracts or a tender process, would that have been managed by a contracts manager, that is yourself or someone in the main part of the office or would it have been dealt with by the local teams?---It was a long question, sorry.

I'm sorry. If the, if this maintenance contract for \$2.7 million over six or seven years, if that contract had gone to a formal tender process - - -?---Yes.

- - - who would have had charge of that process? Would it have been the local team or someone above them?---No, it would have been through the contract section, the divisional contract section.

So if had gone to the formal tender process as it ought to have it would have been taken away from the (not transcribable) of the local team?---Yes, yes.

Nothing further, Commissioner.

10 ASSISTANT COMMISSIONER: Does Mr Miles' statement deal with the issue of secondary employment declarations, Mr Thangaraj? If not, perhaps I'll just ask him about that issue.

MR THANGARAJ: I think it might be more worthwhile if your Honour, if you ask him some questions.

ASSISTANT COMMISSIONER: Yes.

20 Does the Department have a police on secondary employment?---Yes, you need to declare secondary employment.

Yes. Has that, and has that, would that policy have existed from 2000 forwards?---Yes, yes, yes.

So if, if Mr Garzaniti as a senior, senior client service officer was involved in another company earning money, would you have expected that to have been declared - - -?---Yes.

30 - - - as secondary employment?---Yes, he should have (not transcribable).

And was he in fact obliged to report that?---Yes.

Yes. And do you, are you aware of whether any secondary employment declaration was ever made?---No, I don't know.

All right. Yes, thank you.

Yes?

40 MR CANCERI: Again, Commissioner, could I have some time to obtain instructions? I might have some questions.

ASSISTANT COMMISSIONER: Yes. Does anybody else want to ask any questions?

MR FOORD: No, Commissioner, but it just occurs to me in light of the question you just asked Mr Miles and some other things that fell from him during the course of his evidence that you may be assisted with a couple of

documents that I can get, possibly get my hands on in the next couple of days so I don't seek to ask any questions now but it may be that I show my learned friend some documents that I think are probably relevant to the inquiry that you're engaged upon.

ASSISTANT COMMISSIONER: Yes. Well, any inquiries you could make in that regard would be appreciated and I, yes, all right. Well, we'll stand down for five minutes for Mr Canceri.

10

SHORT ADJOURNMENT

[11.12am]

ASSISTANT COMMISSIONER: Yes, please be seated.

MR CANCERI: I have some questions, Commissioner.

ASSISTANT COMMISSIONER: Yes, Mr Canceri.

20 MR CANCERI: Sir, you told us that Greenfield Developments had a casual contract in respect of (not transcribable) grounds maintenance. Is that the case?---Yes.

And that casual contract was if you like rolled over a number of times. Correct?---Correct.

Was it your department that oversaw the rolling over of the contracts?---
Like the actual - - -

30 Approval of the rolling over of the contract?---My department?

Yes?---No. It was done on a local basis.

When you say local basis was it someone from the local office of the Department of Housing?---Similar to one of the documents that was tabled a request to extend the existing contract. It was approved by the local team leader.

40 And the request on one instance was made by Mr Garzaniti?---Yes.

And would similar requests be made by other persons in respect to other contracts, apart from the contract that Greenfield had with the Department? ---Quite possibly, yes.

Well, do you know of any other - - -?---Not off, not off hand, no.

What can you tell us about the Community Renewal Scheme that existed in the late 90's?---Not a lot.

Well do you know anything about it?---Not really, no.

Do you know they consisted of the changing of boundaries, if you like, of certain areas, certain Department of Housing areas?---There were, there were some changes in, in some boundaries, yes.

10 The property boundaries were changed were they not in respect of the various properties that the Department of Housing owned?---Not that I'm aware of. I don't know anything, much about that.

You know that Greenfield Development, they had the casual contract for lawns and grounds maintenance in respect of the Macquarie Fields area. Correct?---Yes.

And the south western area also took into account Campbelltown and Liverpool and a few other areas?---Yes. Yes.

20 And you know that (not transcribable) the casual contracts in respect of those other areas apart from Macquarie Fields?---Yes.

And those contracts were rolled over in the same fashion as the contract with Greenfield Developments?---That was the practice in those times, yes.

And it was a practice in those times because I suggest the boundaries of the Department of Housing properties were constantly changing as a result of this Community Renewal Scheme?---Boundaries of what properties?

30 Boundaries of the properties that the Department of Housing owned?---I don't know, follow that.

Well - - ?---There was, there was changes in the zoning areas. But I don't, like I say, if it's related to a particular programme called Community Renewal Scheme, I'm unaware of any individual property changes.

So you're unaware of any property being changed as part of that scheme?---No, I wasn't, I wasn't involved. I wasn't involved in that.

40 But you do confirm that other casual contracts, apart from the contract (not transcribable) the Macquarie Fields area were rolled over?---Yes.

I suggest they were rolled over because the boundaries of properties were constantly changing as part of this new Renewal Scheme and so it made sense to keep these casual contracts on foot as opposed to having a contract for a number of years?---Yeah, it could be the case.

That's all I have, Commissioner.

ASSISTANT COMMISSIONER: Yes, Mr Miles, the, the thrust of this evidence seems to be that the Department did end up paying over \$2 million on a casual arrangement with no formal contract in place. There was nothing at the time that would have alerted anybody to that amount of money being paid in continuing casual arrangements?---As I say, a lot of these, the continuing renewal was done on a local basis and therefore not easily picked up.

10 So if it was approved at the local level, that was basically where it stayed?
---Yeah. Provided the operated within the, their budget.

And what about in the present day, would it be possible for that same sort of arrangement to continue?---No. No. Casual contracts are still used today on a, on a basis of filling in a gap on a short period until that can be formalised. But other than that, no. The processes have been developed over the years to stop that.

All right.

20 MR THANGARAJ: One question, Commissioner. If the contracts were casual and were legitimately and even preferably remain to be casual, would that stop a second company or a third company or a fourth company being asked to quote for those available casual contracts?---If, as I mentioned earlier on, casual contracts were used for, for a variety of reasons. If it's used on a, for a, for a specialist trade type thing, then it's usually, you invite two or three people to, to offer a price. It's filling a gap by (not transcribable) larger contract is going to be formalised. It's, it's definitely a short period.

30 But in circumstances where it was preferable, I'm not suggesting that it necessarily was in this case, but if there was a position where it was more efficient to renew casual contracts, if they were of the value of these casual contracts, was there anything to stop the local team seeking competitive quotes?---In this day, it wouldn't happen.

But it did happen in this day?---Yeah, that was prior - - -

The old system?---The old system, yeah.

40 (not transcribable) the old system you (not transcribable). Under the old system if someone had determined that at local level to continually renew casual contracts for whatever reason, did that stop, would that have stopped the competitive process?---Well it would've stopped the competitive process, yes.

But if they wanted that competitive process they still could've - - -?---They could've - - -

- - - they could've sought quotes for these - - -?---Yes.

- - - ongoing casual contracts?---Yes.

Right.

ASSISTANT COMMISSIONER: Yes.

10 MR FOORD: If I can just try it this way, it think it's, what you were trying to get, Commissioner, I think what the Commissioner was asking was that the evidence before her is that more than \$2 million was paid on a casual basis for between six and seven years. If you recall the evidence that's just been given in that regard. Now you've used the expression twice now in the last couple of minutes about a fill in gap. I think the question directed to you now is, given the protocols that are in existence at Housing New South Wales now, what is the length of a fill in gap? Are we talking months or are we still at a potentially, a period that could go for some years?---A period of time it takes to, to, to getting in place a formal contract.

20 Right. So we're talking now that months - - -?---Months.

Not a situation as we have here, continuing on a casual basis as has happened (not transcribable)?---(not transcribable) assess the tender, interview the contractors and then install the, within a couple of months.

ASSISTANT COMMISSIONER: Yes.

30 MR CANCERI: Commissioner, with your leave, can I just (not transcribable) one further matter?

ASSISTANT COMMISSIONER: Yes, Mr Canceri.

MR CANCERI: Sir, there was a directive in the late 90's to all of the departments in the south west to roll over the casual contracts in respect of lawns and ground maintenance was there not?---I'm unaware of that. I had no involvement in the south west in that period of time.

40 You had no involvement with the south west in period, during the late 90's?---No.

What about in early, in the early 2000's?---From about 2003.

Were you ever aware of a directive to roll over casual contracts - - -?---No.

- - - for the south western area?---No.

ASSISTANT COMMISSIONER: Are you suggesting a level at which this directive came from?

MR CANCERI: Well just, well, I suggest that the directive came from above say someone in Mr Garzaniti's position. Are you aware of any directive?---I'm not.

Nothing further, Commissioner.

ASSISTANT COMMISSIONER: Thank you, Mr Canceri. This is probably an appropriate time for a break, Mr Thangaraj.

10

MR THANGARAJ: Yes, Commissioner.

ASSISTANT COMMISSIONER: We'll have a fifteen minute break.

SHORT ADJOURNMENT

[11.29am]

ASSISTANT COMMISSIONER: Thank you. Please be seated.

20

MR THANGARAJ: Commissioner, firstly, could Mr Miles be formally excused?

ASSISTANT COMMISSIONER: Yes.

THE WITNESS EXCUSED

[11.47am]

30 MR MILES: I think I'd like to remain, though, Commissioner, thanks.

MR THANGARAJ: And I call Mr Santomingo.

ASSISTANT COMMISSIONER: Yes, is Mr Santomingo here?

MR THANGARAJ: I think he's just outside.

ASSISTANT COMMISSIONER: Yes, Mr Santomingo, have a seat. You're unrepresented here today?

40

MR SANTOMINGO: Yes.

ASSISTANT COMMISSIONER: You're required to answer all of the questions that will be put here today but if you wish to object to answering them I can make a declaration to the effect that nothing can be used against you in future proceedings. Do you wish to seek a declaration in those terms?

MR SANTOMINGO: Yes.

ASSISTANT COMMISSIONER: 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 the witness during the course of today's hearing 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.

10

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 THE WITNESS DURING THE COURSE OF TODAY'S HEARING 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

ASSISTANT COMMISSIONER: Mr Santomingo, you're required to take an oath on the Bible or make an affirmation. Do you wish to take an oath?

MR SANTOMINGO: An oath.

ASSISTANT COMMISSIONER: Thank you. Could the witness be sworn please.

30

ASSISTANT COMMISSIONER: Yes, Mr Thangaraj.

MR THANGARAJ: Thank you, Commissioner.

Mr Santomingo, can you give the Commission your full name please?---John Franco Santomingo.

10

And you're known as Frank Santomingo?---Yes.

You started your company Greenfield Development Pty Limited in 1994?
---Yes.

What work did you believe it would perform at the time that you registered the company?---Landscaping and excavation and property maintenance.

20

And what work did it end up doing over the next 10 years or so?
---Landscaping, excavation and property maintenance.

Nothing on top of that?---No.

All right. When did you stop operating Greenfield Development?---2007, end of 2006,

I beg your pardon?---The end of 2006, 2007.

30

All right. You received a work order in May, 2007. That's about the last work order you received, would that be fair to say?---Yeah.

When did you meet Mr Garzaniti?---2005, sorry, 1995, '96.

All right. And how did you meet him? Do you remember what the circumstances were?---Through friends and people I worked for.

Who were you working for at that time?---Excavation company, like builders and excavation people.

40

All right. How did you come to get involved in businesses with him?---We were friends for quite some time and we decided to go for a contract in RailCorp in 2005 and we started a company together and went that way.

And what was that company?---G & F Plant Hire.

All right. I'm not suggesting you should have remember this, but do you agree that it was registered in August of 2004?---Okay.

All right, take that from me. And when it was registered, you and Mr Garzaniti were the two directors?---Yep.

And there were no other directors, were they?---No.

And that continued until you resigned as a director on 12 February, 2007?
---Yes.

Now, you know Mr Bromley who gave evidence this morning?---Yes.

10

Where did you hear about her?---Through Crossley McLean.

And how did it come about that she ended up working for you?---Because I was looking for somebody to do orders and invoicing and office work in the, within the company and she was recommended to that she could do the job and so we employed her.

Who recommended her to you?---Crossley McLean.

20

Yeah, that's a firm?---Yeah. Someone in there, I don't know.

All right. And was she recommended to you or do Mr Garzaniti or you don't remember?---Me.

All right. Do you remember how she was paid?---Cash.

Do you remember how much she was paid?---I think it would've been about \$80 or \$100 a week.

30

All right. Whose idea was it to pay her cash?---Mine.

And why was that?---Because it just seemed easier that way.

All right. Now, Greenfield had a number of contracts with the Department of Housing over the years?---(Not transcribable) a maintenance contract, yeah.

Yeah. And also did subcontracting work for Crossley McLean from about 2002 onwards?---Yep.

40

What work, firstly, did it do for Crossley McLean?---Did a bit of rubbish removal, some tree lopping, maybe a little bit of bobcat work. That's about it.

Any demolition work?---Greenfield Developments?

Yeah?---G & F Plant Hire did the demolition works.

All right?---So, but the, for some reason the, the order weren't taken out of Greenfield Development's name. There was, they stayed in that name so that's why they received them as - - -

What orders, what year are you talking about for those orders?---For the demolition work.

Yeah, but what year are you talking about? Doing work over what period of time?---2004, 5.

10

All right. So you're saying that in 2004, 2005, work orders were coming to Greenfield Development in the company's name when they shouldn't have?---From Crossley McLean?

Yeah, is that what you're saying?---Yeah, they were supposed to come in a G & F Plant Hire, once we opened G & F Plant Hire they were supposed to come to G & F Plant Hire.

20

All right. Before G & F commenced, Greenfield was already doing subcontracting for Crossley McLean, wasn't it?---Mmm.

And you're saying that once G & F started, you told Crossley McLean that G & F was taking over from Greenfield, did you?---To do the works?

Yeah?---The demolition, yeah.

And did you tell them that the work orders were in the wrong name?---I'm not sure.

30

Well, is there any reason why you would not tell them that the work orders were - - -?---No, there's no reason why I wouldn't.

You were the director of Greenfield, weren't you?---Yes.

The only director?---Yes.

And being a director of a company, no matter what size, has certain obligations?---It sure does.

40

You're aware of that?---I am.

And that includes making sure that documentation is correct?---That's correct.

And if one of your major sources of revenue at that time was Crossley McLean and the Housing Department then you'd want those documents to be in order, wouldn't you?---Well, the Housing Department was in order.

Crossley McLean it just ended up that way. It just, like, it slipped and kept, stayed, stayed like that.

Well, given what you've just told us about your obligations, were you interested in fulfilling your obligations?---Yeah, I was, but at that time I was, I was preoccupied with other things.

This is in 2004?---Mmm.

10 You had ongoing contact with Crossley McLean and one of the two Davids?---Yeah.

Are you saying that at no time did you tell them that there was a problem with the company name on the work order?---I can't remember, mate.

Well, we know that G & F did the work, but the documentation you agree - - -?---G & F did the work from 2004 or 5 but before that Greenfield Developments did the work.

20 Yeah. Well, G & F couldn't have done work before 2004, it didn't existing?---That's right.

But after 2004, after the time that G & F did commence work, the work orders, the documentation, if anyone looked at it, would make some think that Greenfield was doing the work for Crossley?---Yeah, it would, yeah.

And what work was it that Crossley was giving you, where did they get that work from?---Department of Housing and it had some other contracts they were doing as well.

30 All right. So after August, 2004, there was work that was being done for Crossley McLean which was work for the Department of Housing?
---Right.

Is that the case?---Yeah.

And Crossley McLean subcontracted that departmental work to Greenfield or G & F, depending on the time period?---Yeah.

40 And after G & F started, from August 2004 onwards, G & F did the work, is that what you're saying?---Sorry, G & F did the work after 2004 you say?

From August, 2004 when G & F was registered as a company - - -?---Yeah.

- - - G & F took over performing the work?---No, Greenfield still did the work as well.

Well, what work did Greenfield do and what work did G & F do?---G & F did some tree lopping and Greenfield would continue doing some maintenance work for them.

And who did the demolition work?---G & F Plant Hire.

All right. But the work that G & F in fact did for Crossley McLean and therefore the Department, the work order still remained in the name of Greenfield, didn't it?---Yeah.

10

So if anyone looked at that, from the Department of Housing, for example, they wouldn't have seen that G & F was in fact being paid for this work, is that right?---Yeah, it looks like that, yeah.

Well, it doesn't look like it, that's it, that's what happened wasn't it?
|---Mmm.

Isn't it?---No, it's not what happened.

20

Well, you just told us that's what happened?---It, it just didn't get changed.

Yeah?---And it didn't get changed and G & F Plant, Plant Hire was paid, being, being paid for the work.

And G & F, if subcontractors were retained, G & F would pay the subcontractors?---For the demolition work, yeah.

Yeah, for the work that - - -?---For the demolition work, yes.

30

But for any, any work that Crossley had given to G & F - - -?---No, no, any, all, not all work was G & F Plant Hire.

Mr Santomingo, if you just listen to the question?---Yeah.

I'm not suggesting all of the work was G & F Plant Hire?---Right.

For the work that G & F had from Crossley McLean - - -?---Yeah.

- - - and it wanted to get subcontractors for - - -?---Yeah.

40

- - - it would pay the subcontractors?---G & F would, yes.

Yeah. Right. All right. Going back to your contract with the Department, it was a casual lawns and maintenance contract?---That's right.

And you had that from 2001 to 2007 or so?---Yeah.

Was it a contract for a lot of money, you'd agree with that?---Was it?

Well, what do you think?---Well - - -

It was \$2.7 million over six years a - - -?---That's not a lot of money, sir - - -

All right?--- - - - over six years.

All right?---For the works that have been carried out it's not a lot of money.

10 All right. Well, you kept seeking that work, didn't you?---Yeah, of course.

All right. And by this stage, by 2001 you'd known Mr Garzaniti for a number of years?---Yeah.

And did you talk to him about applying for this contract?---No. I applied, I applied through the contract, through the previous contractor.

Yeah. But you had to apply to the Department of Housing, the office where he was, correct?---Correct.

20

And he was a friend of yours and had been a friend of yours for a number of years?---Yes.

So did you talk to him about this potential contract that was coming up?
---Yes, I would have spoken to him, yes.

All right. And there's, that's perfectly understandable, two friends?---Yeah, well - - -

30 He's at the Department, you want to find out some information and he's your friend and you talk to him about it?---Of course.

All right. I'm not suggesting that that's unusual?---Mmm.

I'm just going back in time to those discussions. By this stage he, he was a senior person at the Housing office as far as you knew?---Mmm.

Do you remember what sort of discussions you had in relation to that casual contract, the first contract?---Not really, no.

40

All right. Well, you would have been interested in how much money it was worth otherwise you wouldn't seek the work, would you?---Oh, well - - -

If 2.7 million's not very much you wouldn't be looking for - - -?---Well, over six years, mate, \$2.67 million dollars, whatever you're saying there, is not a lot of money - - -

All right?--- - - - for a contract that what you're doing, like scale that down, well, how much is that a year, work it out.

Mr Santomingo - - -?---Mmm.

- - - I'll ask you some questions?---Yeah.

10 Do you understand? All right. Now, you've told us that, if you don't think that that's a lot of money then obviously you are someone who would, before entering into a contract or quoting for a contract, you'd want to be sure that it was worth your effort, worthwhile?---Well, yeah.

And so naturally one of the things you would have spoken to Mr Garzaniti about would have been the value of the casual contract?---Of the value side of it, the value side of it's, it's for me to price and work out how much I can do the job for.

Yes, that's right?---Yeah.

20 You need to know what the Department's prepared to pay for - - -?---I need to know what, no, the Department's prepared to pay what it wants to pay, what it feels that is value for money but it's up to me to work out on how the job's to be done, how long it will take and what it should, what it should, what it's worth.

Of course. I think we're in agreement about that?---Mmm.

30 Obviously you'd need to work out what you want to be paid to make it worthwhile?---Yeah, course.

Otherwise there'd be no point entering the contract, would there?---Mmm.

No point, you're not going to get into a contract where you're not going to, where you're going to make a loss?---No.

40 Right. So in determining what quote you put in or what amount you'd be prepared to do the jobs for you'd want to know from him what the Department was prepared to pay, that'd be the most natural question, wouldn't it?---No, not really. No, I'd worked that out with the previous contractor.

Yeah, but it's now a contract between you and the Department?---Mmm.

And the Department will pay some figure that it finds appropriate?---Ah - - -

You, you wanted the work, right?---Sure.

You spoke to Mr Garzaniti about the contract?---I spoke to the previous contractor about the contractor.

Yeah, I'm not - - -?---What it was worth and if I could do it for that amount of money.

I'm not suggesting you only spoke to Mr Garzaniti?---Okay.

10 No doubt you spoke to a number of people about it - - -?---Sure.

- - - including the previous contractor?---That's right.

You spoke to - - -?---Okay, then, yes, I did speak to Mr Garzaniti.

All right. And you'd be interested in knowing what the likelihood of the contract continuing would be. There's not much point getting a contract for - - -?---Well, no, it was a casual lawns cutter, it could have lasted three months, six months, 12 months, six years, 10 years.

20 Well, that's precisely my point?---Mmm.

You'd be interested to know how long the contract may run for?---Well, nobody could give you that information.

Who did you seek those answers from?---Well, nobody really, it just continued.

30 Yeah, I'm not talking about it once it started, I'm talking about at the beginning?---Mmm.

Before you decide how much to quote the job for, the casual contract as it then was, you'd want to know a couple of things. You want to know how much money you can make out of it, you want to know how long the job might exist for, they're all perfectly natural questions, aren't they?---Yeah, of course they are.

40 And the best person that you could ask for that information going into the future would have been Mr Garzaniti?---Well, I don't think he would know, would he? Why would he know how long it's going to go for?

Well, he's a officer at the Housing Department. It was his team, wasn't it, that was involved in this area?---Yes.

You knew that?---He wouldn't know how long it's going to go for.

Yeah, but he can give you, he'd have a better idea than you wouldn't he? ---Okay, let's say he said for a month.

Yeah, but he didn't say for a month, did he?---How, he wouldn't know how long it'd go for.

Mr Santomingo, what I'm saying is Mr Garzaniti was a better source of information about this casual contract and it's potential in the future than you were?---Okay, yeah.

Do you agree with that?---Sure.

10 And given that he was your friend it was only perfectly natural and understandable that you would speak to him about it?---Sure.

And those things would be the most important things you'd want to know, wouldn't they, how much and how long?---Not so how much but how long. How much was up to me.

Well, it wasn't up to you because unless the offer was accepted you wouldn't have the contract at all. You'd want to know what the other side is prepared to pay?---The other side was prepared to pay what the job was worth (not transcribable) price and what, what was previous to me, the person who was doing the contract before me. Prices didn't change that much from the previous term contractor.

Well, it depends what work is done, isn't it?---The same type of work.

Yeah. But you had a number of contracts in different areas over these next six years, didn't you? It wasn't limited to the one you took over?---The areas were all the same.

30 Yeah, the areas were the same. The person that you replaced for the first contract, was that person doing all the work that you ended up doing?---Yes, I believe so, yes.

All right. As this, as time progressed the contracts were continually renewed?---Okay.

You'd receive a letter from the Department saying that your contract had been renewed for a certain period?---Yeah.

40 You had contracts at various places within the region, didn't you, it wasn't just one, it wasn't just one contract for one area, you had a number of contracts running together?---Three contracts.

Yeah. And they were of varying levels of amounts, weren't they, there were a couple for 10,000 and a few for 100, 150 and 450 and 950, those sort of numbers, weren't they?---(NO AUDIBLE REPLY)

Would you like me to read the numbers, read the (not transcribable)?---Oh, no, why don't you say that again.

All right. There, of the 13 contracts that you entered into over the next - - -? ---13 contracts.

Yes?---There were three contracts, like areas.

10 Yeah, but those areas were broken up into time periods because they were rolled over, weren't they?---They were rolled over, yeah.

Yeah. So ultimately you entered into about 13 contracts with the Department?---Okay.

And they had varying monetary values. There was one for 10,000 or so, there were a few for a hundred and something thousand, there was one for 450 and there was one for 950,000 or so. Does that ring a bell with you? ---Not really but okay, yeah.

20 All right. Well, did it ever occur to you why it was that these jobs were coming to you without any competitive quotes?---I had quoted on them.

No, I'm not, did you ever think it was strange that you were getting contracts for these sorts of moneys when no one else was quoting to compete with you?---I don't know if anyone else was quoting.

What did you understand was happening?---Yeah, I quoted on them.

30 Yeah but they, the contracts were rolled over. At the time that they were rolled over were you asked to put in a new quote?---Yeah.

And what did you understand, did you understand someone else was quoting as well?---I would, I didn't even ask.

All right. When you were putting in your subsequent quotes would you talk to Mr Garzaniti then about - - -?---About the pricing?

Yeah?---No.

40 Would you talk to him about anything in relation to - - -?---There were a lot of things but - - -

In relation to these contracts?--- - - - pricing was up to me it's not up to Mr Garzaniti.

Well, it would, it would be helpful to you to find out again whether or not the Department was prepared to pay more, wouldn't it?---Would he know that?

Well, did you ask him?---No.

Didn't you ask him about - - -?---More money.

Yes?---Why would I ask him for more money?

10 Well, you've told us that you're interested in making as much money as possible, it's perfectly understandable?---I told you I was interested in making as much money as possible.

Well, were, are you, were you or not?---I'm running a business, mate.

Yeah, well - - -?---What, what would you expect?

Mr Santomingo, I think we're in agreement, you're entitled to charge whatever it is that you want. What I'm asking you is

20 - - -?---I've told you whatever it is that, that I want. If I wanted to charge whatever I wanted, I would've got heaps more. I would've charged thousands more.

Well, you wouldn't of, you wouldn't of won the contract then?---There you go.

Well, that's my point Mr, that's what I'm asking you Mr Santomingo?
---Mmm.

30 Did you seek any help from Mr Garzaniti - - -?---No.

- - - to work out - - -?---No.

Do you know what it is I'm about to ask you?---Yeah, yeah, about the extra money.

Was it something that would have interested you to know how much it is that you could have quoted for?---Be an interest, yeah.

40 So you've told us, quite understandably, you're trying to trying to maximum your profit. Is that a fair summary of what was happening?---Yes.

Okay. You're quoting for jobs in that region, in that area. And you had somebody effectively on the inside didn't you?---I don't really know.

Well, I'm coming to what discussions you may have had with him, but you had a, he's a good friend of yours by this stage wasn't he?---Yeah.

Yes. Someone who a couple of years later you were going to be in partnership with?---Mmm.

So you had a good friend on the inside who may have had information that might have assisted you. Are you telling us that at no circumstances you never spoke to him about what it is that you might be able to successfully quote for?---No.

10 You never said how much do you think I can quote for this job? Will the Department approve an increase?---No.

No. And why didn't you ask him that?---Would I? I don't know.

Well, when you say why wouldn't I, if you had, if you had determined that you wanted say \$50, 000 for a particular contract and Mr Garzaniti could've told you that the Department was prepared to pay 55 or 60,000, that's information you'd want to know isn't it?---That'd be information anybody would want to know, yeah.

20 I'm not suggesting that only you would ever want to know that. Every person quoting for a job - - -?---Mmm.

So in those circumstances when you're trying to maximise your profit, there's information that you'd want to know, that's internal to the Department, you're saying that in those circumstances you did not ask your friend, your good friend how much extra you may have been able to charge to still retain the contract?---No. No.

30 Was G&F involved in any of this work at this time?---No.

Why did G&F take over the Crossley McLean contract after, August, 2004?---For my own personal reasons. For my own personal family matters that I was having.

In August 2004?---Yeah.

40 Well, if you had those problems in August, 2004, why didn't they take over the Housing New South Wales contracts as well?---I don't know. Because Greenfield Developments was doing the Housing work and I had employees doing the work for them.

Yes. But Housing, but Greenfield Development was doing the work for Crossley McLean as well?---The trees.

No doubt you had employees doing that work as well?---That's right.

So what's the difference?---No difference.

Right. So there's no difference and in one circumstance G&F took over the work and if there's no difference and you had your own problems in this time period, you're still maintaining that G&F didn't do anything in relation to the Housing New South Wales contract?---No.

What role if any did Mr Garzaniti have in Greenfield Development?---None.

10 I want to show you a document, Exhibit 1. It's a document that you've seen earlier this morning. When you say that Mr Garzaniti had no involvement with Greenfield, do you mean at a particular time or do you mean at all?
---At all. Greenfield Developments belonged to me, it still does today, so, Mr Garzaniti doesn't have nothing to do with Greenfield Development.

I'm not suggesting that Greenfield does not belong to you or that it doesn't belong to you only. I'm not asking that. Have a read of that email?
---Mmm.

20 Frank Garzaniti and Frank Santomingo have decided they want to step down from the tree lopping contract and concentrate on their demolition contract and other works they have in progress?---Mmm.

Which company had that work from Crossley McLean at that time?---G&F Plant Hire was doing the work and had the work, but the orders were in Greenfield Development's name because they were never changed over.

But this is 2007 we're talking about?---Yeah.

30 And so the same problem with the work orders that existed in 2004 were also existent in 2007 did it?---Yeah.

Just a coincidence?---It wasn't a coincidence, it was just never changed over. We just never changed it. I never, I didn't just change it over.

Well you told us that Greenfield - - -?---It was my responsibility and I didn't do it.

All right. And I'll come to that. There are very good reasons why that may not have happened aren't there?---Mmm.

40 Yes. But Greenfield Development was, as you've said, your company?
---Yep.

The orders were coming into your company's name?---Yep.

But your company wasn't doing the work?---Tree lopping, no.

And other work that you've told us about in 2004. Correct? That G&F was doing?---Being the demolition and the tree lopping. Yeah.

That's right. And so in two different years, three years apart, documentation excludes G&F, but in fact in reality G&F's the one doing the work?--- Demolition and the tree lopping, yeah.

Yes. And the work we're talking about is Department of Housing work isn't it?---Crossley McLean's work.

Yes. But for the Department?---Which is the Department, yeah.

10

And did you ever say to Mr Garzaniti, oh, we've got, these work orders are all wrong, they're in my company's name, they should be in your company's name? Did you ever say anything like that to him?---At that time it was our company.

Which one?---G&F Plant Hire.

All right. Did you say, these should be in our company's name not my company's name? I'm not doing any of this work, it's G&F?---I might've.

20

I beg your pardon?---I might've.

All right. I mean, it would be a perfectly natural discussion to have with your partner wouldn't it be?---Yeah, it would. But at that time, you know, I was preoccupied with other stuff.

What, from 2004 to 2007 you couldn't correct a work order name? Is that what you're telling us?---Yeah, I probably could have, but you know, I just didn't, it didn't happen.

30

Well, there's a good reason why it didn't?---Okay. What is it?

Mr Santomingo, Mr Garzaniti was a senior officer at the Department. You knew that?---Correct.

You knew that as a senior officer of the Department, no doubt you had these discussions with him, but you knew that as a senior officer of the Department, he couldn't have his own company getting work directly from the Department could he? You knew that?---It wasn't directly from the Department.

40

All right?---It was from Crossley McLean.

Right. So you're saying are you that, did you believe at the time that Mr Garzaniti could not have a contract directly with Housing New South Wales because of his position?---I didn't know, mate.

Well, I'm asking you?---I don't know.

So you would believe would you that it would be appropriate for Mr Garzaniti to have a company that's got a contract directly with Housing New South Wales in that area?---I don't know. That's, it never crossed my mind to think about that, no.

All right?---I don't know.

10 Do you know what a conflict of interest is?---I don't know really, no.

Now, Mr Garzaniti and you had the company G&F Plant Hire?---Mmm.

And it was doing work for Housing New South Wales or the Department through Crossley McLean?---Right.

But as far as the documentation showed Housing New South Wales was not being told that G&F was doing the work. Is that fair?---Sure.

20 Did you tell anyone at Housing New South Wales that G&F was in fact doing the work not Greenfield?---No, I didn't.

What about Crossley McLean, did you tell anyone there?---Yes.

You told Crossley McLean that, that G&F work that was being undertaken was being done through work orders that were labelled Greenfield?---Yes.

All right. And what was the response when you told them that?---I don't remember.

30 When was this? 2004 or 2007 or some other time?---I don't remember.

All right?---I should of changed it from Greenfield Developments to G&F Plant Hire.

That would've been a problem for Mr Garzaniti wouldn't it?---Why would it be a problem?

40 Mr Garzaniti has no official role at Greenfield Development does he?---Did he have an official role, no.

He has an unofficial role though didn't he?---No, he doesn't.

Well, you just said he doesn't have an official role, you mean he had no role at all?---No. Greenfield Developments was run by me and decisions and whatever within Greenfield Developments were my decisions.

All right. Except for some of these contracts that you had with the Department of Housing through Crossley McLean, Greenfield wasn't doing anything anyway?---Yes, they were.

For some of these contracts I said, not all of them?---Okay.

All right. Do you understand what I'm saying?---Oh, well, sort of.

10 Well, I want you to make sure, I want to make sure you do understand, Mr Santomingo?---I'm not, you keep swapping and changing so I'm not understanding part of it.

Well, let's go back to this email that's in front of you?---All right.

You and Mr Garzaniti decided that you didn't want to do anymore work on the tree lopping?---Yeah.

Correct?---Yep.

20 And what you wanted to concentrate on was demolition contract work? ---Yep.

This was, these were things the two of you were doing together?---We didn't also, we didn't only just work for Crossley McLean.

Did I suggest that you were only working for Crossley McLean?---Oh. It's something we decided that we didn't want to do anymore, yeah.

30 All right. And what company would then perform the demolition contract work?---Attitude Excavations.

Yeah. Retained by who?---Sorry, retained by?

Who was employing Attitude?---G & F Plant Hire.

Right. So in that email when it's talking about what work you do want to do it's work you want to do through G & F Plant Hire is it?---Yeah.

40 When did you stop working for G & F Plant Hire?---Yeah, in February 2007.

This email's in December 2007?---Yeah, I know.

How do you explain that?---I don't know, I didn't write it.

You had no involvement with, no official role or unofficial role with G & F after February 2007 did you?---I did, I worked for G & F Plant Hire.

As an employee?---Yes.

Until when?---Still work there today.

Well, I asked you a minute ago when you stopped working for G & F and you said February 2007 didn't you?---Sorry, when I ceased being a director of the company was December 2007.

February?---February.

10

Okay?---You got to speak a little more my language, mate, because I don't understand sometimes what you're saying, you know, like if you speak my language I'll repeat, I'll answer whatever questions you want to, you want me to answer but if you like muddle things and change things around I don't understand, mate, what you, what you say.

You and Frank did whatever you wanted to. Is that right?---No, not at all.

20

All right. Well, explain the email?---I can't explain the email. What I can explain to you is that we decided not to do the tree lopping anymore.

That's right. And you were all doing it together under the label of Greenfield?---Yes, it was under Greenfield, yeah.

All right. But Greenfield wasn't actually doing the work?---G & F Plant Hire was doing the work and I, at that, I should've changed it from Greenfield over to G & F.

30

But if you're changing it from Greenfield to G & F people might know that Mr Garzaniti is profiting from Department work?---People such as?

Well - - -?---(not transcribable).

Mr Garzaniti - - -?---Yeah, but people such as who?

Mr Santomingo, I'll ask the questions. Mr Garzaniti - - -?---Yeah, but you want me to answer. Such as who? Crossley McLean? Of course they knew that he was there.

40

They knew who?---That Frank was there in G & F Plant Hire.

Yeah. Well, Crossley McLean knew did they that Mr Garzaniti was the owner of G & F Plant Hire?---Of course.

Yeah. And that he was a senior employee or an employee of the Department of Housing?---Yeah, of course they would've know that, yeah.

All right. Did you have discussions with him about it though?---Not that I can recall.

How do you know they knew?---Why wouldn't they know?

Well, how do you know they knew?---I don't know, they just knew.

What qualifications did Greenfield have to do demolition work or tree lopping work?---None.

10

So what you did was organise subcontractors?---That's right.

And you got a fee?---Of course.

And what was your fee?---I don't know. Percentage.

We understand that, Mr Santomingo. What percentage?---Ranged from anything from five per cent, ten per cent.

20

It went higher than that didn't it?---Depended on the job.

Yeah. What was the highest percentage you got from Crossley McLean?---I think about 12 per cent.

All right. And what would happen was Crossley McLean rather than going directly to the company that actually had a licence, demolition licence or an arborist on the books well, they went through you?---Yeah.

30

And what that meant was that Greenfield or G & F obtained a cut for not actually doing anything more than getting another subcontractor in?---No, we actually did the work as well.

What work did you do?---Well, we supplied the machinery and trucks, labouring.

But the contractors with the actual licences there were contractors that had their own equipment to do all that work aren't there?---Sure. We got, I've got my equipment as well, we've got our equipment as well.

40

So what you were being paid to do was nothing more than what a subcontractor could've done who had a licence. Is that right?---What I was being paid for - - -

Crossley McLean could've bypassed, Greenfield Development could've bypassed G & F and gone straight to someone who actually had the licence to do demolition work and tree lopping work?---Yeah.

So Greenfield and G & F got commissions or percentages without having the appropriate licences?---Okay, yeah.

And did you talk to Mr Garzaniti about that?---I spoke to him about a lot of things, yeah.

All right. Did you say to him, Gee, it's lucky we've got these contracts they could be bypassing us and going to someone who could do all the work?
---Okay, yeah.

10

You told us that Greenfield was actually doing some work on these contracts, providing equipment. What else did you say that you did? You provided equipment and labour so did you have fulltime staff or you were -
- -?---Yeah.

You did?---Fulltime, yeah.

And are there any records that say who these people were?---There would've been, yeah.

20

Where are they?---I don't have them.

What happened to them?---They've gone, lost.

When did you lose them?---I lost them in 2006.

How do you know you lost them then?---Because my former wife took them all.

30

All your records?---Yeah.

Where were they all?---They were all in my property in Kemps Creek.

Weren't you using the granny flat at Mr Garzaniti's house?---No, I was using my office at Kemps Creek. When I separated from my wife I had to move out, I used the granny flat for my office and I stayed there for a bit too.

40

Yeah. And when you were using it as your office you would've had your documents?---No, I didn't have everything because I was not allowed to go back to my property to take my stuff.

All right. So you had, you didn't have everything, you had some things did you?---Some things, yeah.

What did you have?---I don't know, some things.

Well, you were still running your business weren't you?---Yeah. I had my bank book and my bank account and, you know, things like that.

When did you move into the granny flat?---2006.

All right. So there must be documents that only were created after that point in time that were in your possession?---Yeah.

10 So all the documents that were from 2006 and 2007 that related to the work that Greenfield did where are they?---I gave them to the solicitors.

Which solicitors?---My former wife's solicitors.

Why?---Because he subpoenaed them.

Where are they now?---I don't know.

20 You were asked by ICAC to produce all relevant documents were you including documents in 2006/2007?---Sure.

You didn't produce anything?---I don't have anything.

Did you tell anyone where they were?---Yes, I told the solicitors that contacted me.

You told them that they'd been subpoenaed by another solicitor. Is that what you said?---Sure, yeah.

30 Is that what you said?---Yes.

Right. And you gave them the name of that solicitor?---No. But also that when you guys came to the granny flat youse took whatever stuff I had there anyway.

But the records that you're talking about weren't there if they ever existed? ---Well, you took, you took whatever Greenfield Developments had there.

Well, that's the point, Mr Santomingo?---What's the point?

40 If what you're saying is true - - -?---Yeah.

- - - if you did have employees that were doing some of this work, if you did have equipment that you used on these projects, if you did hire out equipment to some other company to use there must be an invoice, a document?---Yeah.

Well, you haven't produced any, none of those sort of documents have been found under the search warrant. Are you saying they've all been

subpoenaed by a Family Law solicitor?---Not all of them, whatever was there you guys have taken, whatever was Greenfield Developments there you guys have taken. Anyway, go on.

Is it fair to say that at the time when the work orders were in Greenfields' name but the work was in fact being performed by Mr Garzaniti's company G & F - - -?---Some works, yeah.

Yeah, some works?---Yeah.

10

That really Greenfield was just standing in as a dummy company?---No, Greenfields has been operating since 1990-whatever.

That's not the question I asked, Mr Santomingo?---No, it's not a dummy company, no.

20

I didn't say it was a dummy company. I said in the contracts where the work orders were in the name of Greenfield but Greenfield was not doing the work and in fact G & F was doing the work, was Greenfield in fact for that, for those contracts a dummy company?---No.

How would you describe Greenfield when you've told us that the work orders should have been given to G & F?---Yeah (not transcribable) you say they're a, it's a dummy company because I should have put that in there, okay, yeah.

30

All right. And being used a dummy company for those contracts meant that there was a shield between the Department of Housing and G & F, wasn't there?---I didn't see it that way but - - -

Well, it doesn't matter how you saw it, that's what happened, wasn't it?---It wasn't actually, it didn't happen that way.

Well, that was the result of what happened, wasn't it?---I don't know if that's what the result is, but okay.

40

All right. Well, the work orders are in one company's name and the company that's actually doing the work has no documents in its name?---I think it had some.

Well, where are they?---Greenfield Developments?

G & F?---I don't know, you guys come and took everything.

Well, they haven't been found under the search warrant?---Haven't they?

You were a director from August 2004 to February 2007?---Mmm.

Did you retain any documents for G & F yourself?---No.

What obligations did you have as a director to attain records?---I'd have to read the, the, the thing for the company. I don't know. We're supposed to keep so much records for five years I suppose.

When your documents were subpoenaed by the family law solicitor did you make a copy of them?---No.

10 How many documents were there?---I don't know.

Well, was it an envelope with three documents in it or was it - - -?---No, there were boxes of the stuff.

Boxes of documents?---Mmm.

And how did you hand the documents over?---I didn't. They subpoenaed and the ones, the documents that were at Kemps Creek were retained there and they'd taken them - - -

20

Yeah?--- - - - and they had subpoenaed whoever they'd subpoenaed and - - -

So are you saying that your wife wouldn't let you have access to your own documents?---Yeah.

But she subpoenaed them even though she had them?---She subpoenaed all the other stuff that they didn't have.

30 All right. And how did you physically get those from wherever they were to answer the subpoena?---They did.

What do you mean they did?---Well, they did it. However, I don't know how it works, they subpoenaed them, it gets delivered to the courts or to solicitors, I don't know how it works.

Yeah, but you had all these boxes of documents?---No, I didn't have nothing.

40 Well, the ones that you had at the granny flat you said you'd provided some of those to the family law solicitor. Is that right?---What I had (not transcribable) what I had I provided, what I didn't have they got subpoenaed.

Yeah. What you provided. How did you provide them? How did they get them?---They went to court.

So you took them to court and you handed them over did you - - -?---Yeah.

- - - under a subpoena?---Yeah.

All right. And that was the Family Court in Sydney?---Yes.

All right. And they, they haven't been returned to you, have they?---No.

As far as you know they're still there or with your wife, are they?---I don't know.

10 All right. How did you get these contracts with Crossley McLean?---How did I get the contracts with Crossley McLean? I'd asked if I could price them and have a go at doing them.

All right. This was in 2002 or so, correct?---For Greenfield, yeah.

20 Yeah. And Mr Garzaniti had been with the Department for a number of years by this stage and been a friend of yours for a number of years by this stage. Did he tell you that you should approach Crossley McLean to try to get some work from them?---No, I met Crossley McLean and I approached them and asked them if I could price some works for them.

All right. And how did you meet them?---Oh, I don't know, I met him, I don't know, I met him.

All right. And you knew that this was Department of Housing work?
---Sure.

30 Did you speak to Mr Garzaniti about these contracts?---I would have said something.

All right. And again what you would have been interested in is well, what's Crossley McLean doing for the Department, that's the first thing, isn't it?
---Sure.

Because otherwise if they're doing things that you can't contract for then there's no point you putting in a quote, is there?---Sure.

40 And when he told you or when you found out that the work was for tree lopping and demolition did you think, well, I don't have an arborist licence and I don't have a demolitions licence, I don't think I can put in a quote for that?---(NO AUDIBLE REPLY)

Did that ever occur to you?---No.

Because you knew that all you had to do was that they would allow you to get a subcontractor in that actually did have the licence?---What's wrong with that?

Well, that's what happened and you got your fee. Did you talk to Mr Garzaniti about that?---I might have, yeah.

Yeah. Well, did Mr Garzaniti say look, put in a quote through Crossley McLean and G & F will do the work, you put it in as Greenfield?---There was no real quoting to be done there, mate.

10 All right. Well, how did you get the Crossley McLean contracts then?
---The prices, they give you the price and if you can do it for that money,
you do it, if you can't do it well, bad luck.

Well, what if there are two companies company that can do it for that price?
---Yeah.

Well, how do they choose between you and another company that are both prepared to do it at the price they set?---I don't know. It's, what do you call it, I don't know.

20 Well, did you have discussions with Crossley McLean about how they work
out whether you'd get the contract or not?---It's not a matter of how you get
the contract. Like, I'd been working for them for a while. Well, like, if I'm
able and capable of doing the job why wouldn't he give it to me. If I've
done the right thing by the company and do the right thing by these people
why wouldn't they give it to me?

We're talking about the first time you worked for them?---Okay, the first
time. Who knows?

30 Well, did Mr Garzaniti speak to Crossley McLean on your behalf?---I don't
think so, no.

Well, did you ask him to?---No.

Well, you knew that he had a relationship with Crossley McLean at this
stage, didn't you?---I did too.

Well, not before you had started working for them, we're talking about the
first time?---When I first met him, yeah, why, I can speak for myself too.

40 Is that right. You didn't want any assistance with trying to work out - - -?
---I can speak for myself. It's not like I need somebody to speak for me for
me to get work.

I'm not suggesting that you do. I'm just saying that Mr - - -?---Mr Garzaniti
didn't help me get works with other companies, did he, outside of Crossley
McLean.

Mr Garzaniti didn't have, wasn't working for those other companies, he was working for the Department. The Department had retained Crossley McLean. You knew that, did you?---Yeah.

Well, obviously Mr Garzaniti knew more about it than you did?---And?

Well, he's a friend of yours?---And?

You'd speak to him about it?---I can speak for myself.

10

Did you speak to him about it or not?---Of course I would have spoken to him but I didn't ask him to go there and get the work for me.

You just asked him about the contract?---Whatever I asked him about, mate, I asked, I spoke to him about a lot of things, mate.

Well, did you - - -?---Not only just Crossley McLean or Housing Department work, I spoke to him about a lot of things.

20

Like what?---Work, every day.

Right?---What do you talk to your friends about?

ASSISTANT COMMISSIONER: Mr Santomingo - - -?---Yeah, I don't like this bloke and the way he just - - -

Could you - - -?--- - - - makes, keeps - - -

Excuse me?--- - - - turning things.

30

Excuse me?---Mmm.

Could you not call counsel assisting mate?---Mmm.

And could you not ask counsel assisting questions. He's got a job to do? ---All right, sure.

His job is to ask you questions, could you just please listen to the questions and answer them to the best of your ability?---I'm listening.

40

Thank you.

MR THANGARAJ: Before you got your first contact with Crossley McLean you knew that Mr Garzaniti knew the principals of Crossley McLean, didn't you?---Sure.

So did you speak, did you speak to him about it and say well, what are these blokes like?---Sure.

How can I get their work?---Yeah.

How can I impress them, what do they need, those sort of typical questions?
---(NO AUDIBLE REPLY)

All right. And at the time that you applied for the demolition and tree lopping work, even though you didn't have the licences that you needed to -
- -?---Yeah.

10

Did Mr Garzaniti say don't worry about that, we'll take care of that, anything like that?---No, not that I could recall, no.

Well, did Crossley McLean using you and then another subcontractor rather than bypassing you and goes - - -?---The subcontractor was working with me. The subcontractor, we were doing a joint venture together and the subcontractor had a licence.

20

Yeah?---What's wrong with that.

Are you saying that they're the only subcontractor available?---No, I'm not saying they're the only subcontractor.

Well, there are plenty of subcontractors to do that sort of work, aren't there?---Of course.

30

The arrangement meant not only that G & F could do work without the documentation revealing it, but that you and Mr Garzaniti would get a commission without having the appropriate licences, that's right, isn't it?
---No, it's not right.

Well, what's wrong about it?---Well, what's right about it.

No, what was inaccurate about what I just said?---Well, we worked together. If I'm, I work with this company together and he's got the licence, what's wrong with that?

40

Mr Santomingo, you're not answering the questions?---Well, I'm not understanding what you're asking.

I'm sorry, it's my fault?---Okay.

I'll be clearer?---Speak English, mate.

Crossley McLean - - -?---Yeah.

- - - could've gone to another subcontractor - - -?---Mmm.

- - - who could've done everything?---Sure.

But the arrangement that was decided on was that Greenfield and G & F would get a cut, even though they didn't have the licences?---Greenfield and G & F were capable of doing the job.

No, you're not capable of doing the job unless you bring in someone else - - -?---(Not transcribable).

10 - - - are you?---Of course I am.

Well, you're not, you're not entitled to do demolition work without a licence. You need another company, don't you?---Sure.

So you couldn't, Greenfield could not do the work by itself?---Okay, no.

Neither could G & F?---Correct.

20 And so the arrangement meant that Crossley McLean retained two of your companies and both of you got a cut, even though Crossley McLean could've gone straight to another independent licensed contractor?---Yeah.

Who negotiated the percentages that your, that you, that your company or G & F would get from Crossley McLean?---Negotiated the percentages, me.

And this is for the 2007 contract, is it?---Sure.

30 Isn't this at a time when you're regarded as a hindrance by Mr Garzaniti? ---What do you mean by that, mate?

Well - - -?---What does that mean?

- - - you were having problems outside work?---What do you mean by hindrance? What's that?

All right. I'm trying to explain it. You were having explain problems outside work?---Yeah.

40 You were not really worth having around for work-wise at that stage because you weren't think straight?---Right.

Is that right?---Yeah.

And that's why he paid you out and got you out of the company?---Yep.

So in February, 2007, you'd been paid out \$65,000?---Sure.

You're no longer a director or shareholder of G & F?---Yep.

And the reason that he wanted you out was because you weren't thinking straight, you weren't contributing. If anything you were a problem, is that, is that correct?---Okay, yeah.

Well, you must've had discussions about the break up of the partnership?
---It wasn't about, it was a break up of the partnership, you know, like, it was like I was having problems, personal problems, and you know, it wasn't worth me being there.

10

Yeah?---I couldn't, and not, not only that, I needed the money too to get out.

All right?---So I needed the money to get out. I can't operate any more, I'm not think straight, just, you know, let me out and let me go on and sort out my problem. What's wrong with that?

Why are you negotiating the percentage rate that G & F would get then?
---Late?

20

Yes, very soon afterwards?---Because I was (not transcribable)

The contract was signed in April 2007, two months after you were terminated?---Mmm.

You're in a state of mind that doesn't suit you, doesn't suit Mr Garzaniti to having you around. Why are you - - - -?---It wasn't a point of not suiting to have me around, you know, I was having other problems and sorting out other things.

30

That right. I'm not suggesting - - -?---And I still had to go to work. I still had to try and do something to earn some kind of income.

Why did you sign the contract between Crossley McLean and G & F on 26 April, 2007?---I signed it. I don't know.

Well, there's one very good reason. I'll come to that, Mr Santomingo. Why did you sign that document when you were no longer a director, no longer a shareholder, not thinking straight?---Mmm.

40

Why were you the one that signed that document?---I don't know. I wasn't thinking straight.

Well, did you think that there, did you discuss with Mr Garzaniti that it was better off your name being on that contract with Crossley McLean for Department work rather than his name?---I don't remember that, mate. I can't remember every - - -

You wouldn't remember, you can't remember a conversation like that?
---No, mate.

All right. Well, let's go back a step. In 2007, April, when this contract was signed, how many contracts were signed?---I don't know.

Well, there was a contract, identical contracts were signed between Crossley McLean and G & F on the one hand and Crossley McLean and Greenfield on the other hand?---Mmm.

10

On the same day, April, 2007. Why?---I don't know.

And why is it that you signed them both?---I don't know.

See, if that contract ever came to light with the Department of Housing and it had Mr Garzaniti's signature on it, had his name - - -?---Yeah.

- - - it's be a problem for him, wouldn't it?---I don't know.

20

Is that your honest evidence? You're saying that if the Department of Housing found out that one of their senior officers, that their, that that person's company was doing work for the Department of Housing in their own field, that that would be okay?---I don't know. I don't, I don't know.

Well, you're capable of working out an answer to that, Mr Santomingo, aren't you?---(Not transcribable).

Yeah?---Yeah.

30

Well, what do you think the Department would say if they found out that Mr Garzaniti was getting their work?---Through Crossley McLean?

Yeah?---I don't know. I thought it would've been all right.

Why is that?---Well, we were working for Crossley McLean. We're not working for the Department of Housing. Crossley McLean's working for the Department of Housing and has the contract. We were working for Crossley McLean.

40

So does that mean that because you're working for Crossley McLean you didn't think it was a problem?---I didn't think it would've been, no.

Yeah. That's because G & F and Mr Garzaniti have a contract with Crossley McLean, that's why it's not a problem, is that what you're saying?---I don't, I don't understand what you're, where you're coming - - -

Are you saying that it's not a problem because - - - -?---I didn't think it was, mate. I don't know. I didn't think it was.

All right. Well, looking back now?---Well, obviously it is.

Why do you say that?---Well, because we're here.

All right. G & F was being run in April, 2007 exclusively by Mr Garzaniti, wasn't it?---By April, yeah.

10 Yeah?---Pretty much. End of April. In May I went overseas and yeah, we left it like that.

He made, in April, 2007, he was the only director and the only shareholder?---Mmm.

All right. He made all the important decisions?---Yeah.

He decided who would sign a contract on behalf of the company?---Well, I made some decisions too.

20 This is, he allowed you to make decisions, did he, at a time when you say you weren't think straight and he terminated your directorship?---I made some decisions.

What decisions did you make?---I don't know.

Anything important?---Of course there would've been something important.

Like what?---I don't know.

30 You have no idea?---Everything's important, isn't it.

Well, is - - ?---All decisions you make are important.

Well, if a subcontractor says he wants to go home half an hour early, that may not be deemed to be important?---Why not?

All right. Was the contract between Crossley McLean and G & F important?---Of course.

40 It was an important contract worth, all right?---Worth what?

Well, Mr Santomingo, that was a decision that would've been made by Mr Garzaniti to enter into that contract, wouldn't it?---Why?

Well, you're not saying, are you, that you decided without talking to Mr Garzaniti, that G & F would get into a contract with Crossley McLean. Is that what you're saying?---I was able to make that decision before.

Yeah, but I'm talking about April, after you're no longer a director?---Okay.

You weren't capable of making that decision after, were you? You weren't running the show anymore?---Fair enough.

So after February, 2007, who G & F got into contract with was up to Mr Garzaniti exclusively, all right?---I still had some role in the company.

10 Yeah. This wasn't role-ing. This is a new contract?---Mmm.

So the decision to enter into that contract was made by him?---Should've been.

Yeah. Should've been and it was?---Well, I signed it, didn't I?

Yeah. On whose instruction?---On my own.

20 So you went off and on behalf of the company you signed your contract, did you?---Mmm.

Are you telling us you didn't even tell Mr - - -?---Of course I would've spoken to him about it but I signed it, didn't I?

All right?---Did I not?

Yes, you did?---Okay.

30 Yeah. And then what did he say? Well, okay, good, you, you've talked to me about that, you go and negotiate the percentage. Is that what happened?--Yeah, something along that line, mate, yeah.

Well, what happened? That - - -?---Nothing. I signed the contract.

Yeah. Who worked out the percentage rate?---I worked it out.

All right. And did you talk to him about that first?---I would've.

40 By this stage Greenfield's not doing any work is it, by the end of April, 2007 for, for anyone?---Well, I was doing some work for G&F Plant Hire.

Yes?---Mmm.

What work was that?---Well, whatever was required for it to do.

All right. You certainly weren't looking for big contracts were you?---No. You wouldn't either would you?

Mr Santomingo - - -?---If you were in my position in April, 2007 would you be looking for big contracts?

No?---Of course. Well, then I wasn't either, no.

But you signed a contract for Greenfield and Crossley McLean on 26 April, 2007?---Yeah, on behalf of G&F Plant Hire.

10 So you're saying that contract between you, between Greenfield, your company and Crossley - - -?---What don't you get, mate?

I beg your pardon?---What don't you get here? What don't you get? I signed it on behalf of G&F Plant Hire.

ASSISTANT COMMISSIONER: Mr Santomingo, Mr Santomingo?---Mmm.

20 I've already told you, could you stop asking counsel assisting questions and respond to his questions?---Why does he keep asking me the same question a hundred times now? I don't understand. Like I've just, I've signed it on behalf of G&F Plant Hire. Greenfield Developments was not looking for anything in contracts.

MR THANGARAJ: Mr Santomingo?---Mmm.

I've made this clear. There are two different contracts?---Yeah, I know that.

One you signed on behalf of G&F as you've just said?---Yeah.

30 We know that, I've been through that?---Mmm.

I'm talking about the other contract?---Yeah, that's for Greenfield Developments.

But you just agreed and you've challenged me and said, well I wouldn't be looking for contracts at that time and I agreed?---And how much of the contracts did Greenfield do?

40 Mr Santomingo, you just said you weren't looking for contracts?---Mmm.

You've signed a contract at that time on behalf of your company that you're the sole owner of, why?---I don't know.

On 26 April, 2007 you signed identical contracts with Crossley McLean. One for Greenfield and one for G&F?---Mmm. I don't recall them. Can I see them?

Yes, you can?---That'll be sweet.

Can we have documents 11 and 12, please. You're getting both contracts, they're both, you're getting a hard copy of both Mr Santomingo, so it'll be easier than the screen. Each of them has two pages?---Thank you. These are terms and conditions. Is that what this is? These are terms and conditions (not transcribable) some work for Crossley McLean, these are terms and conditions. These are their terms and conditions.

Yes?---Is that right?

10

Well, you signed it?---Hang on a minute.

No, no, Mr Santomingo - - -?---Is that what these are?

I'll ask the questions. What was - - -?---You're asking the question now.

You signed, you signed it. What was - - -?---If I'm, if I'm to do any work for Crossley McLean these are the terms and conditions. Is that right?

20

Well you signed it, you tell us?---I'm telling you what they are.

What are they?---It's written there. Terms and conditions. Not a contract for any work. That's terms and conditions.

G&F undertook contract work for Crossley McLean after signing this document didn't they?---Sure.

30

Yes. You weren't looking for contracts?---Hang on a minute, mate, hang on. Sorry, bro, I'm not supposed to call you, mate, am I. All right. These are terms and conditions. These are, these are normal in any company, any contract with any company you work for.

Yes. But you - - -?---These are terms and conditions. If you are to take work on from, from any company, there are terms and conditions that you sign.

40

But you said, you said that Greenfield wasn't looking for work?---It doesn't matter. But even if I was doing something, I could've done any work for them.

But if you're not looking for work - - -?---But I could've done any work.

But you weren't going to?---I did do work. Why wouldn't I do it.

What work did you do for Crossley, what work did Greenfield Development do for Crossley McLean after April, 2007?---I don't know.

Nothing?---We must've done something.

You didn't do anything?---Okay then, we didn't do anything.

Well, have you got any invoices or is there any money going into your bank account reflective of what work (not transcribable) for Crossley McLean?
---You guys have got all that information. You've got all that information, you'd know.

10 All right. Well - - -?---This is just standard, these are standard terms and conditions. All you're saying here that if I were to go out tomorrow, if Crossley McLean was to, was to ring me the next day and say can you go and do a job.

Yes?---The terms and conditions are signed, so I know what the terms and conditions are.

Precisely?---They're not contracts.

20 Okay. I'm sorry I used the wrong word. Everything else is the same, Mr Santomingo?---Yeah, well (not transcribable) the wrong word all the (not transcribable), mate.

All right. It says contracts terms and conditions. And as you just said, if you are retained for a job - - -?---Yeah.

- - - there are terms and conditions?---Okay. If - - -

That's right?---If you don't retain me for any work - - -

30 Well, you just said you did?---Did they retain me for any work?

Well, you just said you did?---You just told me that I didn't.

Yes. I'm challenging the - - -?---Did they retain me for any work?

Well you tell us?---I don't know. I don't remember.

40 Would it have made a difference if you were signing a contract for an actual job? Would it have made any difference - - -?---Of course it would've made a different.

What, you wouldn't of signed it?---Well, it's got to be signed by a director of the company.

Would you have as a director of Greenfield Development signed the contract if you were offered one that you wanted with Crossley McLean?---
Would have I signed a contract if I'd won it from Crossley McLean?

Yes. If you wanted (not transcribable)?---(not transcribable)

Yes?---Yeah, of course I would sign.

All right. So it makes no difference whether this is a contract or terms and conditions does it?---Well, you look at it one way, I look at it at another way. You know you can put it whichever way you like. I look at it one way, you look at it as another way. This is a standard, every day terms and condition for any company you work for.

10

I'm not interested in what the document is, Mr Santomingo, I'm interested in the fact that you signed identical documents for two different companies on the same day two months after you were no longer Director of one of them. I tender both of those documents, Commissioner.

ASSISTANT COMMISSIONER: Yes. They will be exhibit 7.

20 **#EXHIBIT 7 - CONTRACT BETWEEN CROSSLEY MCLEAN & ASSOCIATES AND GREENFIELD DATED 26/4/07 AND A FURTHER CONTRACT BETWEEN CROSSLEY MCLEAN AND ASSOCIATES AND G&F HIRE DATED 26/4/07**

THE WITNESS: It's a schedule to raise contracts.

MR THANGARAJ: The company that did the demolition work these contracts with Crossley McLean was Attitude Excavations?---Correct.

30 And that was a company that had known that it had a relationship with Mr Garzaniti for some time?---Correct.

And what was happening was you were working for Mr, sorry, for G & F while Attitude Excavations was doing the demolition work. Is that right?
---I was working for G & F while Attitude Excavations was doing the work?

Yeah. Were you supervising their work, was that the idea?---Yeah.

40 All right. And the subcontractors that were used for the tree lopping work who were they?---Fine Cut Tree Services.

And the people involved were Trent Wilson and Ken Flowers. Is that right?---(NO AUDIBLE REPLY)

Now, their work was paid by which company?---G & F Plant Hire.

And where did their work orders come from?---G & F Plant Hire or Greenfield Developments.

That's right?---They were in the name of Greenfield Developments.

That's right?---Should've been changed.

This is another example - - -?---Yeah.

Another example, just another coincidence is it?---Well, it's not a coincidence it's just how it was.

10

It certainly isn't a coincidence. Another example where the documentation shows that Greenfield is doing the work when in fact Mr Garzaniti's company is doing the work. That's the case isn't it?---Mmm. Yeah.

Yeah. And do you know when it was that the work orders were changed to G & F?---No, I don't.

Would it surprise you that they changed into G & F a couple of days after Mr Garzaniti resigned from the Department?---I didn't know.

20

Just a coincidence that for years you've been seeing these work orders and contracts in the name of your company and they're only all resolved after Mr Garzaniti's no longer working for the Department?---Well, I'd never seen them.

You've never seen them?---No.

Never seen what?---The G & F Plant Hire ones.

30

The work orders after that?---Mmm.

You were working for G & F?---Mmm.

You were supervising subcontracts?---Sure.

And you're saying you never saw the work orders?---No, 'cause I was working on site then.

40

So you didn't need to see the work orders?---Didn't go into the office, no.

You went into the office when Ms Bromley was there?---When was that?

2007. Didn't you?---I lived there.

That's right. You went into the office, you did go into the office and you saw the work orders for the jobs that you were supervising. How could you not have?---Yeah, I would've.

Well, you just said you didn't?---They were Greenfield Developments weren't they?---

Yeah. Until Mr Garzaniti, until Mr Garzaniti resigned?---When was that?

He resigned February 2008?---There you go.

10 And straight after that the work orders are all, the documentation is accurate. You didn't think that was, you didn't know that at the time?---No, I don't recall it, no.

Is that a convenient time?

ASSISTANT COMMISSIONER: Yes. We will resume at 2 o'clock, Mr Santomingo and others.

LUNCH ADJOURNMENT

[1.00pm]