

Corrupt conduct associated with tendering for TransGrid work

ICAC FINDINGS

- The ICAC has made findings of corrupt conduct against Goran Pevec and Domenic Murdocca.
- The Commission finds that Mr Pevec engaged in corrupt conduct by knowingly deceiving his supervisor by falsely representing to him that competitive quotes had been obtained for subcontracting work; providing improper assistance to Mr Murdocca and Sage to ensure that Sage succeeded in the contract known as C1167 (for the erection of palisade fencing at the Dapto, Ingleburn, Kemps Creek and Liverpool substations); knowingly providing Mr Murdocca with access to a large number of confidential documents to assist Sage to secure lucrative TransGrid contracts; and receiving in the order of \$40,000 and a ticket to the 2007 Melbourne Grand Prix valued at \$2,500 from Mr Murdocca or Sage.
- The Commission finds that Mr Murdocca engaged in corrupt conduct by receiving and accepting assistance from Mr Pevec to ensure that Sage succeeded in the tender process for the contract known as C1167; receiving a large number of confidential documents from Mr Pevec; and providing in the order of \$40,000 and a ticket to the 2007 Melbourne Grand Prix valued at \$2,500 to Mr Pevec.

ICAC RECOMMENDATIONS

- The Commission is of the opinion that consideration should be given to obtaining the advice of the Director of Public Prosecutions (DPP) with respect to the prosecution of Mr Pevec for offences including misconduct in public office in relation to his conduct in providing assistance to Mr Murdocca and Sage to ensure that Sage succeeded in the C1167 tender process; corruptly receiving a benefit contrary to s.249B(1) of the *Crimes Act 1900* in relation to his conduct in accepting admission paid for by Mr Murdocca into the BMW Corporate Box at the 2007 Grand Prix in Melbourne; and wilfully making false statements to mislead the Commission contrary to s.80 (c) of the ICAC Act.
- The Commission is also of the opinion that consideration should be given to obtaining the advice of the DPP with respect to the prosecution of Mr Murdocca for offences including aiding and abetting misconduct in public office in relation to Mr Pevec's conduct in providing assistance to Mr Murdocca and Sage to ensure that Sage succeeded in the C1167 tender process; corruptly giving a benefit contrary to s.249B(2) of the *Crimes Act* in relation to his conduct in providing Mr Pevec with admission to the BMW Corporate Box at the 2007 Grand Prix in Melbourne; giving false or misleading evidence at a compulsory examination and public inquiry on several occasions contrary to s.87(1) of the ICAC Act.
- The Commission is also of the opinion that consideration should be given to obtaining the advice of the DPP with respect to the prosecution of Linda Pevec for offences of giving false or misleading evidence at a compulsory examination, contrary to s.87(1) of the ICAC Act.

CORRUPTION PREVENTION RECOMMENDATIONS

The ICAC has made six corruption prevention recommendations to TransGrid to help manage the identified corruption risks and help prevent the recurrence of corrupt conduct, including that:

- TransGrid considers ensuring that all personnel who act as members on a tender evaluation committee undergo a procurement training program;
- TransGrid undertakes its proposed review of policies and procedures to address the corruption risks arising from the unauthorised release of confidential information.
- TransGrid reviews its procedures relating to the circumstances in which contract variations occur to minimise the risk of contract variations being used to circumvent competitive tender processes.

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