



Media Response

25 February 2025

Please attribute the following response to Sanjay Manivasagasivam, Executive Director City Futures, Greater Dandenong City Council

On Monday 24 February, Council endorsed a preferred tenderer to build the new Dandenong Wellbeing Centre. A Councillor has since proposed a motion to rescind the decision.

This effectively means the decision to award the contract is paused until Council can reconsider the matter at the next Council meeting on Tuesday 11 March.

In the lead-up to Council considering this matter on Monday, Councillors received a detailed briefing. A comprehensive report was prepared and published in the Council agenda prior to the meeting.

It outlined the rigorous tender process undertaken, including the engagement of external legal and probity experts. The tender process considered submitted tenders and the tendering firms thoroughly and with due consideration to all relevant matters, not only price.

ENDS

Media Enquiry

25 February 2025

From Herald Sun (two enquiries below)

I'm following up on Greater Dandenong Council's decision last night to award a \$108m tender for the Dandenong Wellness Centre to ADCO Constructions.

Are you able to help with the following questions?

Background

ADCO has been under investigation by WorkSafe and the Victorian Building Authority since the roof of the Kew Recreation Centre collapsed in 2022.

Charges have been laid against the company and director John Conroy relating to allegedly fabricating a roof truss from four sections of steel rather than the single length required, knowingly carrying out building work that was not in accordance with the building permits issued and non-compliant welding and painting of the steel trusses.

The company was in court to face a WorkSafe charge of failing to ensure a workplace was safe and did not pose a risk to health on November 11, 2024 - four days after the council's request for tenders for the Greater Dandenong project closed.

ADCO was in court again yesterday, ahead of Greater Dandenong council's decision to award the company the tender for the wellness centre. At that hearing the company faced new charges from VBA including not complying with building permits.

1 Were councillors briefed on the legal action against ADCO prior to making a decision on their tender for the Dandenong Wellness Centre?

2 Was the Tender Evaluation Panel aware of the WorkSafe and VBA investigations into ADCO when assessing tenders for the project?

3 ADCO was not the only tender to submit a "competitive bid" who was "capable of delivering a project of this scale and complexity". Was ADCO chosen because it was a cheaper option?

4 Was Boroondara Council one of the councils included in the site tours and discussions held during the tender evaluation process with other councils that are "currently or recently completed an aquatic centre"?

5 Councillor Rhonda Garrad has already flagged her intention to call for a rescission motion after learning about the charges ADCO faces. Is it still possible for the council to change its mind on the tender? Or is it now locked in following the decision on February 24?

We're planning on running a story online today.

If a response cannot be provided by 5pm we can update the story after publication.

My colleague Erin Constable (CC'd to this email) has been following the court proceedings for ADCO Constructions Pty Ltd regarding the construction of the Kew Recreation Centre in Boroondara.

We noted the same company was chosen by the Greater Dandenong Council to complete the Dandenong Wellbeing Centre in the meeting from February 25 (last night).

Considering ADCO and the company director John Conroy are facing several charges currently before the Magistrates' Court brought by the Victorian Building Authority and Worksafe, we are asking for council to respond to the following questions.

1. Did the council know about the court proceedings underway involving the company and Mr Conroy?
2. If yes, why did the council pick ADCO for the project?
3. Does the council think it's a risk to grant a \$108.13m contract to a company currently before the courts?
4. Are there safeguards in place to protect the council's contract should ADCO have to pull out of the contract?

Our deadline is 2pm tomorrow afternoon (February 26).