

Superhospital bid was rigged to benefit SNC-Lavalin: Charbonneau

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The extent of corrupt behaviour in awarding contracts for constructing the MUHC superhospital is the current focus of the Charbonneau Inquiry.

Investigators André Noel and Eric Desaulniers testified on Thursday and Friday as to how the MUHC stacked the cards in favour of SNC-Lavalin to win the contract to build the superhospital, and strongly encouraged another consortium to drop out.

Many people involved with awarding the \$1.2 billion contract to SNC-Lavalin in 2010 now stand accused of corruption, fraud, money-laundering and many other crimes, chief among them former MUHC head Arthur Porter, his wife, and multiple senior executives from SNC-Lavalin.

Soon after construction of the hospital began Porter was fired from his position and he left the country. He is currently in jail in Panama fighting extradition to Canada to face charges of leading a criminal conspiracy.

During their investigation Noel and Desaulniers met with 50 people and sifted through 1,500 documents pertaining to building the hospital.

Many involved charged

First proposed twenty years ago, the superhospital project only began to gain traction in 2004 after Porter was hired to lead the MUHC and he proposed a public-private partnership to build and maintain the hospital.

The investigators say friendly contacts between personnel at the the MUHC and SNC-Lavalin began during the call for tenders period, and grew closer when St-Clair Armitage of the PPP consortium bought a house next door to Pierre Duhaime of SNC-Lavalin.

After a round of bids where quality as well as low-price were examined, SNC-Lavalin was initially behind in appraisals, but then the tenders were dropped and re-issued.

Noel and Desaulniers say notes and recommendations were later revised in order to favour SNC-Lavalin, allegedly at the urging of Porter and others.

As a concrete example of how tenders were altered, the investigators explained how the original proposal was for 1800 underground spots in the Glen Yards.

SNC-Lavalin asked for and received an exemption to propose building just 1270 spots instead -- and put them above ground.

This alteration to the plan was not passed on to competitors.

The above-ground underground parking lot

The CDN-NDG borough wanted an underground parking lot, but as anyone can see driving past, the eight-storey parking lot is above ground.

"The SNC-GISM plans were improved, at least they were better because this parking lot, the savings made with the parking lot, they were able to invest it into their hospital project," said Noel.

SNC-Lavalin went to the borough and said the reference point for the underground parking structure should be Decarie Blvd., and not St. Jacques St. which is much lower.

For reasons that are not clear the borough agreed to this redefinition of reality and accepted that an eight-storey parking lot would be considered above ground.