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Mr. John M. MacLean, Chief Administrative Officer  
Cariboo Chilcotin Regional Hospital District  
180 N. 3<sup>rd</sup> Avenue, Suite D  
Williams Lake, BC V2G 2A4

December 10, 2018

Dear Mr. MacLean:

**RE: CAPITAL FUNDING REQUEST FOR THE 2019/20 FISCAL YEAR**

We are providing your Regional Hospital District (RHD) with our annual funding request letter for your consideration. As in prior years it is based on Interior Health's (IH) capital budget for the 2019/20 fiscal year and incorporates identified priorities for construction projects, equipment and information technology (IMIT). Intensive engagement occurs during the capital budget development, including involvement of staff and physicians at the site, regional and program level throughout IH. Alignment with IH's and government strategic priorities and the need to replace aging infrastructure were taken into consideration during this process.

For the 2019/20 fiscal year we are requesting funding for the following projects and equipment:

**1. Construction Project over \$100,000**

**Admitting/Triage Patient Area Renovation at 100 Mile District General Hospital, 100 Mile House**

This project was on the December 12, 2017 funding request letter with a budget of \$167,000 of which your RHD approved 40% funding with bylaw #137 in the amount of \$66,800. The heated construction market, lack of competitiveness with trades and a shortage of skilled labour continues to drive increased cost escalation, especially in rural sites such as 100 Mile House. Hence, the total budget is now \$297,000 and we are asking your RHD to fund 40% of the increase in the amount of \$130,000 of which your portion is \$52,000.

**2. Construction Projects under \$100,000**

**a. Triage/Waiting Room Renovation at Cariboo Memorial Hospital, Williams Lake**

Renovation to the triage and waiting room area to improve access and flow, provide patient privacy and decrease the possibility of patient or staff safety incidents.

**b. Access Control System Upgrade at 100 Mile District General Hospital, 100 Mile House**

Hardware that is vital to the ongoing operation of the primary access control platform IH uses for staff access and production of photo identification is coming to the end of support in 2020. This hardware requires upgrading across our facilities and two panels at this site are required in this multi-site, multi-year transition. This system is integral to the safety and security of our staff, patients and buildings and therefore this project has commenced in 2018.

**c. Staff Duress System at 100 Mile District General Hospital and South Cariboo Health Centre, 100 Mile House**

Each staff member will be provided with a personnel badge that features wireless call functionality. In the event they are faced with a threatening situation, staff simply presses their badge's call-button to summon help via annunciation stations tied into the system. The staff duress system enables faster response times during emergencies by identifying the location of the specific employee at risk. This solution provides workers with the peace of mind knowing that they are protected in an emergency situation. This is an additional system for the 100 Mile District General Hospital and an upgrade to their existing system at South Cariboo Health Centre.

**3. IH-Wide IMIT**

As part of the ongoing advancement of the IH digital platform to support health service operations, enable key strategies, improve quality and patient safety, and incorporate innovation to improve effectiveness and efficiency, IH IMIT strategy focuses on expanding technology that supports information exchange between providers. This includes improved communication systems between providers and patients and improved processing of clinical documentation.

This IMIT project is an IH-wide initiative costing approximately \$9 million. The project's benefits are distributed equally across IH regions; therefore the cost allocation to each of the seven RHDs is based upon population data using the PEOPLE 2018, BC Statistics. The Cariboo Chilcotin RHD's percentage ratio is approximately 5%. Claims on this project will be calculated using this percentage for the actual cost distribution.

**4. Equipment over \$100,000**

**a. CT Scanner for Cariboo Memorial Hospital, Williams Lake**

This equipment purchase was on the December 11, 2015 funding request letter with a budget of \$1,321,000 of which your RHD approved 40% funding with bylaw #117 in the amount of \$528,400. The project encountered several cost pressures, which started during the planning and design phase and continued throughout the implementation. They comprised of:

- Requirement to continue services at the site during the construction phase;
- Tenders resulting in higher than anticipated bids;
- Revisions to the heating, ventilation and air conditioning system of the vacated space in order to reinstall the existing general radiography system.

The total impact of all these issues increased the budget by \$498,000 and we are asking your RHD to fund 40% of it for \$199,200. The Cariboo Foundation Hospital Trust has contributed \$250,000 towards the project, which now carries a budget of \$1,819,000.

**b. Laboratory Middleware, Various Facilities**

Middleware is software that connects laboratory analyzers and the Laboratory Information System. This software enables communication and data management between those two complex environments. Middleware is a general term for software that "glues together" or bridges the gap between separate, complex programs or systems.

Middleware will allow IH laboratories to enhance and streamline operations. This software streamlines quality control processes that ensure the integrity of laboratory results. The middleware provides the opportunity to integrate and automate repetitive tasks. It is very customizable and adaptable, and will allow IH laboratories to easily incorporate new technology and equipment.

The total cost for the purchase and implementation of this new Laboratory Middleware at all IH laboratory sites is \$1.2M and the Cariboo Chilcotin RHD's portion of the total budget will be \$64,000 of which we are asking your RHD to fund 40% in the amount of \$25,600.

**5. Equipment under \$100,000 (Global Grant)**

We are requesting global funding for equipment that costs between \$5,000 and \$100,000 for both the Williams Lake Area and 100 Mile House Area.

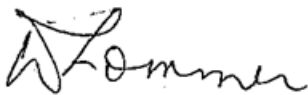
Although the 2019/20 budget has been approved by the IH board, all capital spending over \$100,000 regardless of funding source must also be approved annually by government. We will be providing you with information regarding notional government funding and a high level estimate for your planning purposes of the three year funding requirement, as well as a listing of IH's major prioritized items under separate cover.

Please be advised we may approach your RHD to contribute towards additional items at a later date should circumstances dictate the need to commence new capital initiatives. We recognize that these late requests present challenges to your capital budget process and thank you for your understanding should such requests be presented for your consideration.

We have included as Appendix 1 a financial summary of our funding request, which totals \$894,320. It would be appreciated if you could submit it to your Board for approval. Please advise us of the meeting date when funding will be discussed and whether you would like to have IH representatives attend to answer questions that the Directors may have. Upon approval, please send Birgit Koster copies of the relevant bylaws for our records.

We thank you for your on-going support of our capital initiatives. If you require further information, or if you have any questions or concerns, please contact James Kinakin or me directly.

Sincerely,



**Donna Lommer, CPA, CGA, EMBA**  
VP Support Services & CFO

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Encl.      Appendix 1 ~ Summary of Regional Health District Funding Request for 2019/20

cc:          Bob Simpson, Chair, Cariboo Chilcotin RHD  
              Scott Reid, Chief Financial Officer, Cariboo Chilcotin RHD  
              Peter Du Toit, Acute Health Service Administrator, Thompson Cariboo Shuswap  
              James Kinakin, Director, Business Support  
              Lorne Sisley, Corporate Director, Facilities Management and Operations  
              Birgit Koster, Director Business Support, Capital Planning

**Interior Health**

**Cariboo Chilcotin**

**Summary of Regional Hospital District Funding Request  
for 2019/20**

Facility	Location	Project Description	Total Budget	RHD Share	Previous RHD Approval		2019/20 Funding Request
					Amount	B/L #	
		<b><u>Construction Project over \$100,000</u></b>					
100 Mile District General Hospital	100 Mile House	Admitting/Triage Patient Area Renovation	\$ 297,000	\$ 118,800	\$ 66,800	137	\$ 52,000
		<b><u>Construction Projects under \$100,000</u></b>					
Cariboo Memorial Hospital	Williams Lake	Triage/Waiting Room Renovation	90,000	36,000			36,000
100 Mile District General Hospital	100 Mile House	Access Control System Upgrade	87,500	35,000			35,000
100 Mile District General Hospital/South Cariboo Health Centre	100 Mile House	Staff Duress System	90,000	36,000			36,000
		<b><u>IH-Wide IMIT</u></b>					
Regional		Various	500,250	200,100			200,100
		<b><u>Equipment over \$100,000</u></b>					
Cariboo Memorial Hospital	Williams Lake	CT Scanner	1,819,000	727,600	528,400	117	199,200
Various	Various	Laboratory Middleware	64,000	25,600			25,600
		<b><u>Equipment under \$100,000 (Global Grant)</u></b>					
Williams Lake Area	Various	Equipment between \$5,000 and \$100,000	TBD	187,000			187,000
100 Mile House Area	Various	Equipment between \$5,000 and \$100,000	TBD	123,420			123,420
<b>TOTAL</b>			<b>\$ 2,947,750</b>	<b>\$ 1,489,520</b>	<b>\$ 595,200</b>		<b>\$ 894,320</b>