



Interior Health

Every person matters

Cariboo Regional District
File No. Hospital

AUG 29 2019

Referred To CNO / CFO
CCRHD Board - Oct 4

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

August 29, 2019

Dear Mr. MacLean:

**RE: CAPITAL FUNDING REQUEST FOR THE CARIBOO MEMORIAL HOSPITAL
REDEVELOPMENT**

In April 2019 Interior Health (IH) submitted a Business Plan for the redevelopment of Cariboo Memorial Hospital (CMH) in Williams Lake to the Ministry of Health (MOH). We were pleased to hear in July 2019 when the announcement was made that the plan has been approved and that the project is moving forward. This is very exciting news for the residents of the Cariboo Chilcotin region.

The project has been split into two phases, meaning that the renovation work cannot proceed until the completion of the new expansion. Phase one (New Build) is the construction of the CMH expansion and includes a new Emergency Department, Medical/Surgical Inpatient Unit, Maternity Services Unit and Pharmacy. The new expansion has a total gross floor area of approximately 9500m². Phase two (Renovation) is the renovations to key areas within the existing CMH. The main level will include a large multipurpose gathering area plus a new interfaith space. These sections will support traditional, sacred, cultural and healing practices including those utilized by Indigenous peoples. Additional renovations on the main level will provide for an expanded Ambulatory Care and a new Main Entry and Reception. The second level will be renovated to provide a new Mental Health and Substance Use Inpatient Unit. On the third level, space will be renovated for the University of British Columbia Faculty of Medicine academic area. Surface parking on the property will be expanded to accommodate future growth at the site.

IH is proceeding with the procurement phase of this project therefore a Request for Qualifications (RFQ) will be prepared by November 2019 seeking qualified companies to design, build and renovate the Project. The entire procurement process will take approximately 18 months to complete. Subsequently, the construction period of both phases will be approximately six years.

Interior Health Authority
505 Doyle Ave.
Kelowna, BC V1Y 6V8
Web: www.interiorhealth.ca

VP Support Services & Chief Financial Officer
Telephone: (250) 862-4025 Fax: (250) 862-4201
E-Mail: donna.lommer@interiorhealth.ca

The total budget for the project as per IH's Business Plan is \$217.745 million. It will be funded jointly by the provincial government and the Cariboo Chilcotin Regional Hospital District (CCRHD). The estimated spending forecast as per the submitted Business Plan is as follows for the CCRHD:

IH's Fiscal Year	CCRHD Funding Contribution
	<i>(\$ thousands)</i>
2019/2020	\$227
2020/2021	1,639
2021/2022	17,931
2022/2023	35,522
2023/2024	16,919
2024/2025	9,235
2025/2026	3,018
Project Reserve	<u>2,608</u>
Total	\$87,099

Please note that financial costs will be refined once a successful proponent has been selected. Exact financial details such as cash flows and payment schedules will be forthcoming at that time.

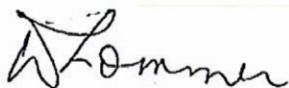
In March 2019 the CCRHD passed resolution CCH.2019-3B-6 reaffirming the RHD's 40% funding contribution for major capital projects and, more specifically, the CMH Redevelopment Project. A specific bylaw from the CCRHD approving funding is now required to allow IH to move forward with the next steps of this project. We formally request the 40% funding from your RHD in the total amount of **\$87.099 million**.

We would appreciate it if you could submit this formal funding request to your Board for approval at your next meeting. IH representatives will attend to answer questions your Directors may have. Upon approval, please send to Birgit Koster, Director Business Support, Capital Planning copies of the relevant bylaws for our records.

We appreciate and thank you for your patience and assistance with this greatly anticipated project, which will benefit residents, staff and visitors to the Cariboo Chilcotin region.

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

/at

cc: Bob Simpson, Chair CCRHD
Thalia Vesterback, Director Acute Care, Cariboo
James Kinakin, Director, Business Support
David Fowler, Director, Major Capital Redevelopment
Birgit Koster, Director Business Support, Capital Planning