1. Project Background

The Lake District Hospital and Health Centre (LDH) plays a critical role in the delivery of health care in Burns Lake and surrounding communities. The region is supported by tertiary and quaternary services at other Northern Health Authority (NHA) facilities or Metro Vancouver centres. The LDH was constructed in 1959, with significant renovations and additions in the mid 1970's and a laboratory upgrade in 2002. The facilities current operates 13 beds.

The LDH facility is at the end of its lifecycle and does not meet current health care facility standards. Components of the physical infrastructure have deteriorated and are no longer operational and pose potential health and safety risks to both employees and patients. The NHA and the Stuart Nechako Regional Hospital District have recognized a replacement facility as a high priority.

The new Lake District Hospital includes an acute care hospital, ambulatory care / primary health care centre, diagnostic services, clinical support and logistical services.

The ambulatory care/primary health care centre will include public health, mental health and addictions, home and community care services, as well as local physician services. The facility is being designed to facilitate integrated patient-focused care and to support a wide range of non-complex clinical procedures.

The acute care hospital will contain 16 beds including 13 acute care beds, one isolation room, one palliative care room and one labour/delivery/recovery suite. In times of high occupancy, all rooms can provide acute care service.

The ambulatory care/primary health care centre and the acute care centre will be fully supported by in-house diagnostic imaging, laboratory and pharmacy services.

The replacement LDH hospital (the Project) will enable NHA to fulfill its commitment to providing quality health care services and improved patient outcomes for northern residents. The NHA is working to ensure the replacement facility includes all the necessary components of a modern health care system including equipment and facilities which will attract and retain health human resources.
2. Project Objectives

NHA has established the following project objectives to guide the strategic direction of the Project:

- Enable NHA to deliver primary and acute care services in the community of Burns Lake and surrounding region;
- Position NHA to meet the demand for health care services;
- Provide adequate space to enable client-focused care delivery and outcomes for patients, clinicians and staff;
- Improve quality of care provided to patients of Burns Lake and surrounding region;
- Improve safety, efficiency, and outcomes for patients, clinicians and staff;
- Provide a clinical environment that will attract and retain quality health care professionals; and
- Meet the community’s need by completing the new facility in 2015

3. Project Status

Preparations for the project have included:

- Completion of a functional program to confirm the range of services to be delivered and the approximate size of the building;
- Preparation of a preliminary estimate of project costs using a quantity surveyor;
- Development of a project budget reflecting the preliminary cost estimates;
- Analysis of project risks;
- Analysis of the procurement method for the project;
- Discussions with the Village of Burns Lake and other community stakeholders; and
- Approval by Treasury Board and Cabinet for the Project to proceed to the procurement stage

4. Costs and Benefits

Project Costs

The estimated capital cost of the project is $55 million. This estimate is based on the preliminary functional program and business case developed for the Project.

Project Benefits

The Project will benefit the community by:

- Improve health care service delivery by replacing an aging facility;
- Increased flexibility for future changes in practice;
- Greater patient privacy;
- Increased staff productivity as a result of improved facility design;
- Reduced sick time and staff injury rate;
- Improving safety and clinical outcomes by providing a healthier environment for patients and staff;
- Reduced recruitment costs/turnover; and
- Capacity to address a higher case values in the facility.
5. Project Risks

The major risks associated with the Project relate to the scope and functionality, schedule and cost risk.

*Scope and Functionality:* These risks arise when the building is not sized appropriately, and/or does not have optimum design which results in lower functionality, less efficient operations, and user dissatisfaction. Measures to mitigate these risks include:

- Extensive user involvement during the functional programming and indicative design phase to ensure higher user satisfaction, integration, and functionality.
- The Project will complete a set of indicative design drawings before proceeding to the procurement stage, reducing the likelihood of oversights.
- The indicative design architect and engineers will be retained to act as shadow consultants to the project reducing the likelihood of oversights.
- Continued interface with user groups (both clinical and non-clinical) throughout the design development and construction phases. User groups will also have representation on the Request for Proposal (RFP) evaluation team.

*Schedule Risk:* This risk arises from the possibility that the procurement process takes longer than expected or the design/construction process takes longer than expected. Measures to mitigate this risk include:

- NHA has engaged Partnerships BC to manage the procurement process;
- Procurement and legal documentation will be based on industry-accepted templates;
- A Request for Qualifications process will be used to short-list qualified proponents with successful performance of constructing similar facilities in remote areas.
- Contractual documentation will be prepared ahead of time and appended to the RFP.
- Concept design drawings will be included in the RFP to support the procurement cycle.

*Cost Risk:* This risk arises from the possibility that overall project cost and construction costs are higher than budget. Measures to mitigate this risk include:

- The preliminary budget is based on a quantity surveyor report and has been validated by both a Construction Manager and Partnerships BC.
- Realistic estimates of construction escalation and inflation have been built into the budget based on other recent projects and a realistic contingency has been included.