1. Project Background

The Queen Charlotte Islands General Hospital (QCH) plays a critical role in serving the health care needs of the southern Haida Gwaii. The Queen Charlotte Local Health Area is a remote health care region in northern B.C. The region’s small population and isolated location make health care delivery challenging. QCH is supported by tertiary and quaternary health care services within other Northern Health Authority (NHA) facilities or Metro Vancouver centres. However, weather conditions frequently isolate the area for extended periods of time, limiting patient transfer to referral centres requiring greater self-sufficiency. The hospital is also required to meet provincial standards and provide emergency services to 95 percent of the population within a one hour travel distance. This requirement further emphasizes the need for a modernized and reliable health care facility on Haida Gwaii.

Built in 1950, the QCH is no longer meets current health care facility standards. Components of the physical infrastructure have deteriorated and are no longer operational. The remaining components of the building pose potential health and safety risks to both employees and patients. The NHA and the North West Regional Hospital District recognize a replacement facility is a high priority.

The replacement of the QCH (the Project) will enable NHA to fulfill its commitment to providing quality health care services and improved patient outcomes for Haida Gwaii residents. NHA is working to ensure the Project 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 Project and support the strategic direction of NHA’s Board:

- Enable NHA to deliver primary and acute care services in the community of Queen Charlotte and surrounding region;
- Provide specialized care such as low risk Maternity, Obstetrics and Cancer Care for Haida Gwaii;
- 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;
- Improve safety, efficiency, and outcomes for patients, clinicians and staff;
- Provide a clinical environment that will attract and retain quality health care professionals;
3. Project Status

Preparations for the project have included:

- Completion of a functional program confirming the range of services delivered and the required 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;
- Consultation with the Village of Queen Charlotte and other 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 $50 million. This estimate is based on the preliminary functional program and business case developed for the new Queen Charlotte Hospital.

Project Benefits

The project will benefit the community by:

- Improve health care service delivery by replacing an aging facility;
- Elimination of inefficient use of space by consolidating health services in to one facility;
- Greater privacy for patients;
- 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;
- Capacity to address a higher case volume within the facility;
- Improved patient safety during transportation.
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. This will reduce the likelihood of oversights and ensure that key functionality components are included.
- The indicative design architect and engineers will be retained to act as shadow consultants to the project reducing the likelihood of errors or omissions.
- 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 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.
- Contractual documentation will be prepared ahead of time and appended to the Request for Proposal (RFP).
- Indicative 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.
- Estimates of construction escalation and inflation have been included within the budget based on other recent projects.
- A project contingency has been included within the total project cost.