

Notice of Meeting and Meeting Agenda Capital Regional Hospital District Board

Wednesday, May 13, 2015

1:30 PM

6th Floor Boardroom

1. APPROVAL OF THE AGENDA

2. ADOPTION OF MINUTES

2.1. 15-489 Minutes of Special Hospital Board Meeting of March 25, 2015

Recommendation: That the minutes of the special Hospital Board meeting of March 25, 2015 be adopted.

2.2. 15-491 Minutes of Hospital Board Meeting of April 8, 2015

Recommendation: That that the minutes of the Hospital Board meeting of April 8, 2015 be adopted.
(NWA)

3. REPORT OF THE CHAIR

4. PRESENTATIONS/DELEGATIONS

4.1 Presentations

4.2 Delegations

5. REPORTS OF COMMITTEES

Planning, Transportation and Protective Services Committee

1. 15-315 Royal Jubilee Hospital - Steam Boiler Plant Replacement - Major Project Funding Request

Recommendation:

- 1) That CRHD funding in the amount of \$1,410,000 be approved for the Royal Jubilee Hospital Steam Boiler Plant Replacement Project at 30% of the total project costs of \$4,700,000.
- 2) That CRD Bylaw No. 382, "Capital Regional Hospital District Capital Bylaw No. 163, 2015" (for a maximum of \$1,410,000 for the Royal Jubilee Hospital Steam Boiler Plant Replacement Project) be introduced and read a first and second time.
- 3) That the CRD Bylaw No. 382 be read a third time.
(WA)
- 4) That the CRD Bylaw No. 382 be adopted.
(WA 2/3 maj.)

6. NEW BUSINESS

7. ADJOURNMENT

Voting Key:

NWA - Non-weighted vote of all Directors

NWP - Non-weighted vote of participants (as listed)

WA - Weighted vote of all Directors

WP - Weighted vote of participants (as listed)

Meeting Minutes
Capital Regional Hospital District Board

Wednesday, March 25, 2015

1:00 PM

6th Floor Boardroom

PRESENT

Directors: D. Howe (Chair), N. Jensen (Acting Chair), R. Atwell, M. Alto, D Blackwell, J. Brownoff, V. Derman, B. Desjardins, C. Hamilton, L. Helps, M. Hicks, R. Kasper (for M. Tait), C. Plant, S. Price, J. Ranns, D. Screech, L. Seaton, C. Stock (for A. Finall), K. Williams and R. Windsor

Staff: R. Lapham, Chief Administrative Officer; L. Hutcheson, General Manager, Parks and Environmental Services; D. Lokken, General Manager, Finance and Technology; T. Robbins, General Manager, Integrated Water Services; K. Lorette, General Manager, Planning and Protective Services; R. Sharma, Senior Manager, Financial Services; S. Santarossa, Corporate Officer and S. Norton, Deputy Corporate Officer (Recorder)

ALSO PRESENT: C. Day, Colwood Alternate Director

ABSENT: Directors: S. Brice, B. Isitt, W. McIntyre and G. Young

The Chair called the meeting to order at 1:00 pm.

1. APPROVAL OF THE AGENDA

MOVED by Director Seaton, **SECONDED** by Director Alto,
That the agenda be approved as circulated.
CARRIED

2. ADOPTION OF MINUTES

2.1. 15-268 Minutes of Meeting of January 14, 2015

MOVED by Director Derman, **SECONDED** by Director Helps,
That the minutes of the meeting of January 14, 2015 be adopted.
CARRIED

3. REPORT OF THE CHAIR

4. PRESENTATIONS/DELEGATIONS

5. REPORTS OF COMMITTEES

6. ADMINISTRATION REPORTS

6.1. 15-264 2015 Capital Regional Hospital District (CRHD) Budget Bylaw

Using a PowerPoint presentation, R. Lapham reviewed highlights of the Hospital District budget. He noted that the budget had not changed significantly since approval of the preliminary budget in October 2014.

There was discussion regarding notice to the public about the Hospital District and the Capital Regional District budgets. Staff reviewed the advertising for the budgets, full discussion by the Board in open meeting in October 2014, and the statutory deadline for adopting the financial plan bylaws.

MOVED by Director Derman, **SECONDED** by Director Plant,
That Bylaw No. 384 cited as "Annual Budget Bylaw, 2015" be introduced and read
a first and second time.

CARRIED

MOVED by Director Derman, **SECONDED** by Director Price,
That Bylaw No. 384 be read a third time.

CARRIED

MOVED by Director Derman, **SECONDED** by Director Price,
That Bylaw No. 384 be adopted.

CARRIED

7. NEW BUSINESS

8. ADJOURNMENT

MOVED by Director Plant, **SECONDED** by Director Alto,
That the meeting be adjourned at 1:13 pm.

CARRIED

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

Meeting Minutes
Capital Regional Hospital District Board

Wednesday, April 8, 2015

1:35 PM

6th Floor Boardroom

Present:

Directors: D. Howe (Chair), N. Jensen (Vice Chair), R. Atwell, M. Alto, D Blackwell (4:15), S. Brice, J. Brownoff, V. Derman, B. Desjardins, A. Finall, C. Hamilton, L. Helps, M. Hicks, B. Isitt, J. Ranns, L. Seaton, K. Williams, R. Windsor and G. Young
Staff: R. Lapham, Chief Administrative Officer; L. Hutcheson, General Manager, Parks and Environmental Services; D. Lokken, General Manager, Finance and Technology; T. Robbins, General Manager, Integrated Water Services; K. Lorette, General Manager, Planning and Protective Services; M. Rachwalksi, Health and Capital Planning; S. Santarossa, Corporate Officer, and S. Norton, Deputy Corporate Officer (Recorder)
Also Present: C. Day, Alternate Director
ABSENT: Directors: R. Kasper (for M. Tait), P. Lake (for W. McIntyre), C. Plant and D. Screech

The Chair called the meeting to order at 4:14 pm.

1. APPROVAL OF THE AGENDA

MOVED by Brice, **SECONDED** by Helps,
That the agenda be approved as circulated.
CARRIED

2. MOTION TO CLOSE THE MEETING

Director Blackwell entered the meeting at 4:15 pm.

2.1. 15-330 Motion to Close the Meeting

Moved by Director Brice, **Seconded** by Director Brownoff,
That the Hospital Board close the meeting in accordance with the Community Charter, Part 4, Division 3, 90(1) (e) the acquisition, disposition or expropriation of land or improvements, if the board considers that disclosure could reasonably be expected to harm the interests of the regional district and (2)(b) the consideration of information received and held in confidence relating to negotiations between the regional district and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party.
CARRIED

The Hospital Board moved to closed session at 4:16 pm.

The Hospital Board rose to open session at 4:54 pm.

The following Directors had left the meeting during the closed session: Atwell, Blackwell, Hicks, Price, Seaton and Windsor.

3. NEW BUSINESS

- 3.1. 15-360 Capital Regional Hospital District Bylaw No. 383, "Capital Regional Hospital District Capital Bylaw No. 160, 2014, Amendment Bylaw No. 1, 2015"

Moved by Director Derman, seconded by Director Helps,
That Capital Regional Hospital District Bylaw No. 383, "Capital Regional Hospital District Capital Bylaw No. 160, 2014, Amendment Bylaw No. 1, 2015" be introduced and read a first and second time.

CARRIED

The importance of public engagement regarding the Summit residential and dementia care project at 955 Hillside Avenue, Victoria, was discussed.

Moved by Director Derman, seconded by Director Jensen,
That Bylaw No. 383 be read a third time.

CARRIED

Moved by Director Jensen, seconded by Director Brice,
That Bylaw No. 383 be adopted.

CARRIED

4. ADJOURNMENT

MOVED by Director Helps, **SECONDED** by Director Brownoff,
That the meeting be adjourned at 4:57 pm.

CARRIED

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

**REPORT TO PLANNING TRANSPORTATION & PROTECTIVE SERVICES COMMITTEE
MEETING OF WEDNESDAY, APRIL 22, 2015**

SUBJECT **Royal Jubilee Hospital – Steam Boiler Plant Replacement
Major Project Funding Request**

ISSUE

Approval of a \$4.7M Capital Expenditure and Borrowing Bylaw to proceed with the Royal Jubilee Hospital (RJH) Steam Boiler Plant Replacement Project.

BACKGROUND

On November 12, 2014, the Capital Regional Hospital District (CRHD) Board gave notional approval to this project as part of the CRHD 2015 Ten Year Capital Plan. The project has been identified by Island Health as a high priority due to the risks associated with non-replacement.

The RJH steam plant and part of its distribution system has been operating since the mid-1960s and has reached the end of its useful life. Significant upgrades are required to prevent a catastrophic hospital shutdown and evacuation due to heating plant failure. Additional risks include steam leaks within the campus-wide distribution system or in the condensate tank. Either event could require an unplanned shutdown of the system, burn-through or fire due to refractory issues, and/or two boilers being simultaneously out of service for a significant amount of time.

In order for the RJH Steam Boiler Plant project to proceed, the CRHD Board must adopt a Bylaw authorizing the Hospital District's capital contribution.

ALTERNATIVES

That the Planning, Transportation and Protective Services Committee recommend to the Capital Regional Hospital District Board:

1. a) That CRHD funding in the amount of \$1,410,000 be approved for the Royal Jubilee Hospital Steam Boiler Plant Replacement Project at 30% of the total project costs of \$4,700,000; and,

b) That CRD Bylaw No. 382, "Capital Regional Hospital District Capital Bylaw No. 163, 2015" (for a maximum of \$1,410,000 for the Royal Jubilee Hospital Steam Boiler Plant Replacement Project) be introduced and read a first and second time, read a third time and be adopted.
2. That CRD Bylaw No. 382, "Capital Regional Hospital District Capital Bylaw No. 163, 2015" authorizing the Hospital District's capital contribution to the Royal Jubilee Hospital Steam Boiler Plant Replacement Project not be adopted.

FINANCIAL IMPLICATIONS

The CRHD Capital Plan anticipated this funding request and funding has been notionally allocated in future year CRHD requisitions. The estimated cost of CRHD's share and annual charges are summarized in Table 1:

Table 1: RJH Boiler Plant Replacement Project Budget Implications

Alternative	Net Cost	CRHD Share	Annual charge against 2015 assessed residential value (\$511,185)	Annual charge per \$100,000 assessed residential value
1	\$4,700,000	\$1,410,000 ¹	\$1.52	\$0.30

¹ 5-year Borrowing; interest Rate: 1.45%

Island Health is ready to proceed with this project with Ministry of Health funding already in place. Approval of the Bylaw enables Island Health to leverage the matching provincial funding and to commence construction on this project immediately.

CONCLUSION

Continuing to operate the existing RJH Boiler Plant over the next few years without significant upgrades or retrofits exposes RJH to a high likelihood of an unexpected hospital shutdown/evacuation occurring due to heating plant failure in the colder months. Replacement of the existing plant is recommended over ongoing repairs and maintenance due to the age and condition of the equipment. The 2015-2024 CRHD Capital Plan approved by the CRHD Board on November 12, 2014 accommodates this capital project.

RECOMMENDATION

That the Planning, Transportation and Protective Services Committee recommend to the Capital Regional District Hospital Board:

1. a) That CRHD funding in the amount of \$1,410,000 be approved for the Royal Jubilee Hospital Steam Boiler Plant Replacement Project at 30% of the total project costs of \$4,700,000; and,
- b) That CRD Bylaw No. 382, “Capital Regional Hospital District Capital Bylaw No. 163, 2015” (for a maximum of \$1,410,000 for the Royal Jubilee Hospital Steam Boiler Plant Replacement Project) be introduced and read a first and second time, read a third time and be adopted.

Submitted by:	Maurice Rachwalski, PhD, Senior Manager, Health and Capital Planning Strategies
Concurrence:	Kevin Lorette, P.Eng., MBA, General Manager, Planning and Protective Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

MR:cln

Attachment: CRD Bylaw No. 382, “Capital Regional Hospital District Capital Bylaw No. 163, 2015”

CAPITAL REGIONAL HOSPITAL DISTRICT BYLAW NO. 382

**CAPITAL EXPENDITURE & BORROWING BYLAW
BYLAW NO. 163, 2015**

WHEREAS the Board of the **Capital Regional Hospital District** proposes to borrow and expend money for the capital expenditures described in Schedule 'A' attached hereto and forming an integral part of this bylaw;

And whereas those capital expenditures have received the approval required under Section 23 of the Hospital District Act;

Now therefore the Board of the **Capital Regional Hospital District** enacts the following capital expenditure and borrowing bylaw as required by Sections 32 and 33 of the HOSPITAL DISTRICT ACT.

1. The Board hereby authorizes and approves the borrowing and expenditure of money necessary to complete the capital expenditures as described in Schedule 'A' attached.
2. The Board authorizes and approves the borrowing of a net sum not exceeding **\$1,410,000** upon the credit of the District by the issuance and sale of securities in a form and a manner agreed to by the Municipal Finance Authority of British Columbia. The term of the securities and the repayment of the principal and interest shall be over a term not to exceed **FIVE** years.
3. To meet the payments of principal and interest during the term of the securities, there shall be included in the estimates of the Regional Hospital District each year, the respective amounts of principal and interest falling due in that year.
4. The Board hereby delegates the necessary authority to the Financial Officer of the Capital Regional Hospital District to settle the terms and conditions of the borrowing and to undertake such temporary borrowing as is necessary to provide funding in advance of the receipt of funds from the Municipal Finance Authority of British Columbia.
5. This bylaw may be cited for all intents and purposes as the **Capital Regional Hospital District Capital Bylaw No. 163, 2015**.

READ A FIRST TIME THIS DAY OF , 2015.

READ A SECOND TIME THIS DAY OF , 2015.

READ A THIRD TIME THIS DAY OF , 2015.

ADOPTED THIS DAY OF , 2015.

Chairperson

Corporate Officer

SCHEDULE "A"

Bylaw No. 382

CAPITAL REGIONAL HOSPITAL DISTRICT

CAPITAL EXPENDITURE

BYLAW NO 163, 2015

Name of Facility/Project	Project or Equipment Description	Project Number	Term of Issue	CRHD Bylaw Amount	Amount covered by Province (70%)	Total Project or Equipment Cost
Royal Jubilee Hospital	Boiler Plant Replacement Project	C163-15-01	5 years	\$1,410,000	\$3,290,000	\$4,700,000
Total Project Cost:				\$1,410,000	\$3,290,000	\$4,700,000