

Attachment Two
VIHA Draft Ten-Year Capital Plan Omissions
General Observations

Cash Flow in \$ Million					
Category	Total for VIHA	Estim S. Island Share		Estim CRHD Share	
	(A)	(B) = 50% of (A) except as noted	Notes	(C) = 40% of (B) except as noted	Notes
Maintenance					
< \$1M	\$133.0	\$66.5		\$26.6	
> \$1M	\$53.8	\$29.3	i	\$11.7	ii
Program / Strategic					
< \$1M	\$38.4	\$19.2		\$7.7	
> \$1M	\$457.8	\$204.7	iii	\$82.5	iv
Equipment					
< \$1M	\$227.6	\$113.8		\$12.0	v
> \$1M	\$212.3	\$112.0		\$12.0	v
IT / IM	\$114.0	\$57.0		\$0	
Total	\$1,236.9	\$602.5		\$152.5	vi
Notes:					
i)	50% of \$49.1 + 100% of \$4.7 (R/JH EMP Asb & VGH Fire Prot) = \$29.3				
ii)	40% of \$24.6 + 40% of \$4.7 = \$11.7				
iii)	50% of \$35.5 + 100% of \$7.7 (Res Care) + 100% of (\$11.1 + \$167 + \$1.1) = \$204.7				
iv)	40% of (\$7.7 + \$11.1 + \$17.7 + \$167) + 100% of \$1.1 = \$82.4				
v)	\$2.4 per annum x 10 yrs = \$24 divided equally (\$12) between equipment categories				
vi)	\$152.4M = 12% of total VIHA expenditure & 24% of VIHA South Island expenditure				

A. Maintenance projects under \$1 Million and,

B. Maintenance projects over \$1 Million

The values in the Draft Capital Plan for these two project classifications are difficult to assess. The industry benchmark for maintenance and periodic major functional upgrading is 3% or building replacement value, inclusive of mid-life cycle major physical and functional upgrading (program/strategic projects under and over \$1.5 Million).

The Draft Ten-Year Capital Plan does not include an estimate of building replacement value.

C. Program/strategic projects under \$1 Million

The adequacy of funding for these projects is difficult to assess without a building replacement value and other missing elements of the Capital Plan.

D. Program/strategic projects over \$1 Million

PROJECT	COST
Saanich Peninsula Hospital (medical imaging expansion & surgical daycare/short-stay expansion community hemodialysis clinic)	8.5 M
Oak Bay Lodge replacement	55 M
Eric Martin Pavilion replacement	20 M
Royal Jubilee Hospital demolition (South, East & Centre blocks)	2.5 M
Salt Spring Island (Greenwoods conversion to complex care)	2.6 M
Lady Minto Phase 2 (Medical Imaging and Pharmacy)	3.2 M
Royal Jubilee Hospital (relocation of Urgent Short Term Assessment & Treatment Unit [Group Psychiatry])	2.2 M
Royal Jubilee Hospital (exterior building fabric upgrade)	2.0 M
Sunset Lodge (conversion to complex care)	5.2 M
Victoria General Hospital (redevelopment of emergency department)	15 M
TOTAL	\$116.2 M

Notes:

1. Projects identified in VIHA's 2006 version of the Ten-Year Plan (2006/07 to 2015/2016) as being under consideration.
2. Excludes Royal Jubilee Hospital Inpatient Facility (\$167 Million).
3. Likely an incomplete list given tendency to underestimate capital projects and costs.
4. Most projects require further analysis on scope and cost.
5. Most project estimates precede 2002 surge in construction costs and therefore order of magnitude cost estimates.
6. Order of Magnitude Estimate.