

**Capital Project Plan
Royal Jubilee Hospital (Victoria)
Patient Care Centre**

1. Project Background

Capital investment to renew the inpatient acute care facilities at the Royal Jubilee Hospital (RJH) in Victoria is needed urgently. The existing inpatient facility infrastructure is increasingly unsuitable for health care uses due to substantial deterioration and outdated inpatient care unit layouts. It is not economically feasible to renovate the existing infrastructure and continued use exposes patients, staff, and visitors to avoidable physical and biological risks.

Renewal of the inpatient acute care infrastructure provides an opportunity to achieve broader health care delivery goals including quality improvements in patient care delivery and patient care outcomes, service efficiencies, reduction of infection levels, improvements in health system sustainability and capacity enhancements to support the teaching of future health care professionals.

To develop a new Patient Care Centre, several infrastructure components need to be addressed. It is necessary to provide appropriate site infrastructure (e.g., parking and adequate power), as well as relocate programs (displaced by the development of the additional parking spaces to meet municipal parking requirements).

The project presents an opportunity to address both current and future needs. Health care is subject to significant and ongoing change in processes, equipment and information technology. The Vancouver Island Health Authority (VIHA) is using this unique opportunity to design a Patient Care Centre that meets health care best practices; provides care in an effective, efficient way, and attracts the best health care professionals to care for VIHA patients.

2. Project Objectives

The goal of the project is to provide appropriate, modern, and effective acute care inpatient services at RJH. This goal is supported by the following three objectives:

- Accommodate current and future acute inpatient care service requirements;
- Improve safety, efficiency and outcomes for patients, clinicians and staff; and
- Increase quality of care provided to patients.

The project includes the necessary site infrastructure improvements to support the operations of the Patient Care Centre. This will include the creation of additional parking capacity on site, provision of sufficient utility services, and relocation of critical programs impacted by the new facility.

3. Project Status

Preparations for the project have included:

- Preparation of a functional program to confirm the range of services to be delivered and the approximate size of the building;
- Preliminary estimate of project costs by a quantity surveyor;
- Development of a project budget reflecting the preliminary cost estimates;
- Analysis of project risks;
- Discussions with the City of Victoria, the Capital Regional Hospital District and other stakeholders;
- Selection of a general site on the Royal Jubilee Campus; and,
- Approval from Government to proceed to the RFQ and RFP stages.

The site is a vacant area adjacent to the RJH Diagnostic and Treatment Building and is currently used as a parking lot. Two existing buildings are in the expected footprint of the new facility and will be demolished by VIHA prior to the commencement of construction of the project. Two heritage buildings in the vicinity (chapel and Pemberton OR) will be preserved.

4. Costs and Benefits

Project Costs

The estimated capital cost of the project is \$269 million. This estimate is based on the preliminary functional program for the RJH Patient Care Centre. The project quantity surveyor advises that, in the current market, the cost estimate has an accuracy of +/- 20 percent.

Project Benefits

The project will benefit the community by:

- Upgrading inpatient accommodation through the replacement of a series of outdated facilities with a single, standardized and modernized facility;
- Accommodating inpatient acute care service requirements to 2020, and beyond;
- Allowing for long-term flexibility of clinical patient care delivery through the design of standardized facilities;
- Improving safety and providing a healthier environment for both patients and staff;
- Improving clinical outcomes for patients by reducing infection risks;
- Improving attraction and retention of health care professionals through the modernization of the inpatient accommodation; and,
- Increasing the overall efficiency of inpatient acute care delivery in a modernized and standardized facility.

5. Project Risks

The major risks associated with the RJH Patient Care Centre generally relate to project scope and functionality, schedule, cost and operating 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 concept design phase to ensure higher user satisfaction, integration, and functionality.
- Design will be taken to concept drawings before being bid. This will reduce the likelihood of oversights and ensure that key functionality components are included.
- The concept design architect and its team of engineers, etc., will be retained to act as “shadow consultants” and advisors to VIHA during the project. This will reduce the likelihood of oversights.
- Ongoing consultation with user groups (both clinical and non-clinical) throughout the design development and construction phases will occur.

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

- VIHA has engaged Partnerships BC to support the procurement process, and procurement and legal documentation will be based on industry-accepted templates.
- A Request for Qualifications (RFQ) process will be used to short-list the best qualified proponents.
- Contractual documentation will be prepared ahead of time and appended to the RFP so that proponents can consider these documents during proposal preparation.
- Concept design drawings will be included in the RFP to support the procurement cycle.
- VIHA has informed the City of Victoria of the project to obtain their support.
- An experienced construction manager will be retained to represent VIHA in working with the consortium design and construction leads.
- Performance incentives will be provided for on-time completion.

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 contains cost contingencies.

- Estimates of construction escalation and inflation have been built into the budget based on other recent projects.
- As referenced in Schedule Risk, an experienced construction manager will be retained to represent VIHA in working with the consortium design and construction leads to increase the likelihood of on-time and on-budget delivery.

Operating Risk: This risk arises if the facility is not well-maintained over time and/or the cost of maintenance is higher than expected. Measures to mitigate this risk include:

- Detailed performance specifications will be included as part of the RFP, to ensure the proper systems (e.g. mechanical/electrical) are provided.
- It will be a requirement that the consortium include a facilities maintenance provider to provide input into the design/construction process.