



2025 – 2026 Capital Plan

NH/RHD Joint Fall Meeting

April 2, 2025

Agenda

2025-2026 Capital Plan

- Master Planning Updates
- Major Projects
- Carbon Neutral Capital Projects
- IMIT Major Projects
- Major Equipment
- Minor Equipment
- Building Integrity

Master Planning Updates

- Bulkley Valley District Hospital (Smithers): Master planning completed July 2020. Submitted to Government with a request to move to Concept Plan. Ministry has not provided any timelines for approval.

10 Year Master Plan

- The selection and prioritization of future sites for Master Planning was based on the sites Facility Condition Index (FCI) rating, and existing and anticipated challenges delivering health services to current and future populations.
- Master Planning will explore further the condition of the building and validate assumptions regarding service challenges.
- Annually, NH will select a site to complete the Master Plan. NH will review the 10-year master plan annually and adjust as new information is received.
- For level 2 hospitals and level 1 health centers, it is proposed to execute the master programming as a group as they share many service characteristics. However, as each of the current facilities have varying configurations, each would need to be assessed individually to determine its ability to enable the needed health service delivery.
- Master Planning for Wrinch Memorial Hospital has commenced. Discussions with local First Nations in progress. Steering Committee is now set up.
- Master Planning for Fort Nelson has commenced, the steering committee is now set up.

10 Year Master Plan

- Facility master plans help assess and prepare the facility for current and future service delivery, extending the useful life of the facility, minimizing service disruption from unplanned events due to factors such climate change.
- The outcome of the master plan may lead to a recommendation to replace, in whole or in part, the facility, in which case Government approval will be sought to move forward to Concept Planning for facility redevelopment.
- The master plan may also recommend minor upgrades to the facility; these recommendations would be considered when developing NH's annual Capital Expenditure Plan.
- Development of master plans require an investment of time and funding:
 - Master Planning requires the efforts of NH Capital Planning and consultants with specialized knowledge.
 - Master Planning requires the efforts and time commitment of local physicians, leadership and staff.

10 Year Master Plan

Site	Level of Care	Facility Condition Index	Proposed Fiscal Year of Master Plan
Wrinch Memorial Hospital	3	0.89	2024-2025
Fort Nelson Hospital	3	0.74	2025-2027
St John Hospital	3	0.71	2027-2028
Prince Rupert Regional Hospital	4	0.77	2029-2031
Chetwynd Hospital	2	0.78	2031-2033
McBride & District Hospital	2	0.77	2031-2035
Mackenzie & District Hospital	2	0.67	2031-2035
Stewart Health Centre	1	0.75	2035-2038
Tumbler Ridge Health Centre	1	0.72	2035-2038
Hudson's Hope Health Centre	1	0.68	2035-2038
Houston Health Centre	1	0.68	2035-2038
Fraser Lake Health Centre	1	0.67	2035-2038

10 Year Master Plan

Site	Level of Care	Facility Condition Index	Proposed Fiscal Year of Master Plan
GR Baker Hospital	4	0.83	TBD
Stikine Health Center (Dease Lake)	1	0.72	TBD
Eileen Ramsay Memorial Clinic (Quesnel)	1	0.59	TBD
Fort St John Medical Clinic	1	0.30	TBD
Nechako Center (Prince George)	1	0.45	TBD
Valemount D&T Center	1	0.29	TBD

Construction Inflation

Construction inflation is driven by several factors including, but not limited to:

During the height of the pandemic:

- Limited production of construction materials during the pandemic.
- COVID restrictions resulting in reduced demand for capital projects and downsizing of the labour force.

Vaccine success and opening of the economy:

- Extraordinary demand for infrastructure projects following hiatus.
- Slow return of laid off workers.
- Continuation of requirement of proof of vaccine status for contractors working in health facilities; makes healthcare projects less attractive to the market.

Construction Inflation

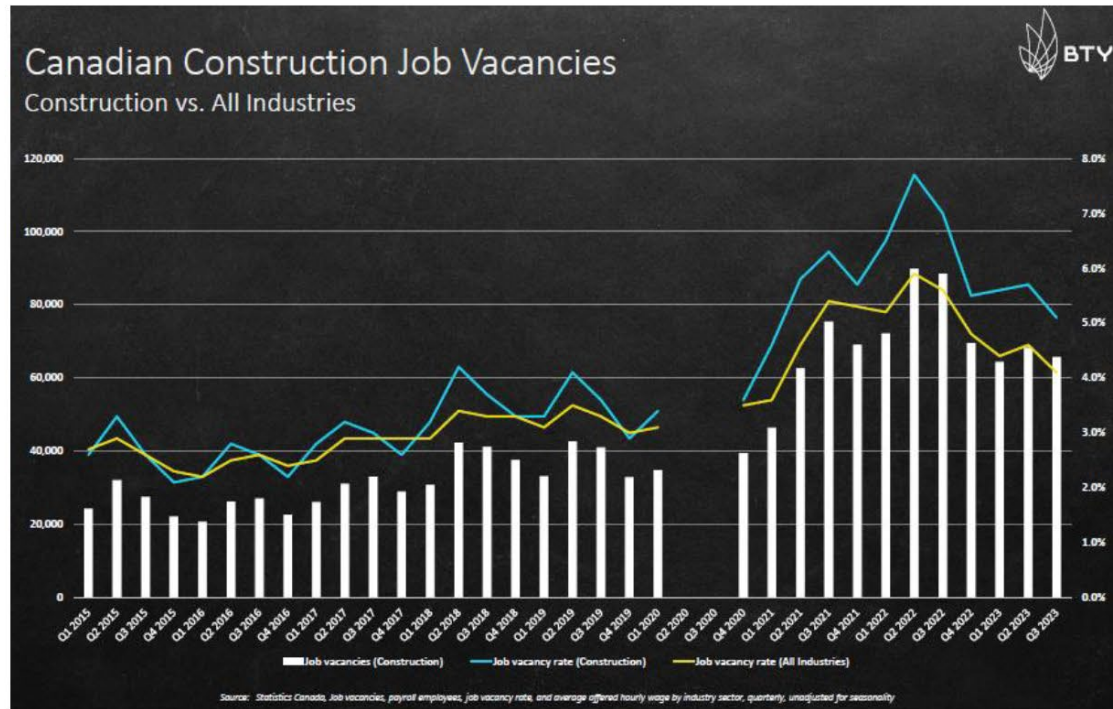
Construction inflation is driven by several factors including, but not limited to:

Tariffs:

- Cost of goods
- Cost of delivery to construction sites

Counter Tariffs:

- Uncertainty on how this will apply for the projects.

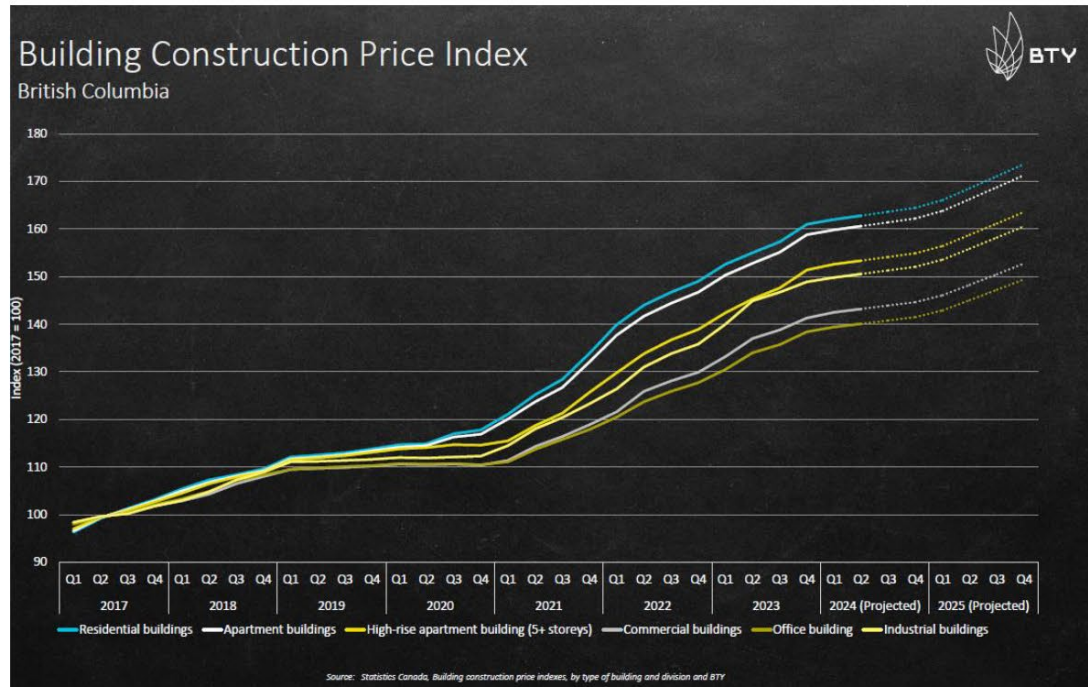


Construction Job Vacancies

The construction industry in Canada continues to face high job vacancy rates, driven by persistent demand for skilled labour across the country. Despite efforts to fill these roles, many positions remain unfilled due to the specialized skills required

The average hourly wage in the construction industry has increased, reflecting labour shortages and competition for skilled workers

Construction Escalation



Construction Escalation in BC

Construction costs are being driven up by surging prices for key materials such as concrete, steel, and lumber, compounded by ongoing global supply chain disruptions that have increased transportation costs and caused material shortages

Persistent labor shortages in the construction industry are raising wages, contributing to increased costs. Additionally, high demand for residential housing, especially in urban centers like Vancouver, is inflating land and construction prices further

Construction Inflation

- As noted in previous slide, construction inflation is expected to continue to exceed general inflation in the near future.
- Healthcare projects will likely have higher than normal construction inflation for several reasons:
 - Specialized contractor expertise/experience needed for healthcare projects
 - Restrictions on access to site; hospital operations are 24/7 with no downtime to allow unfettered access to site
 - Additional precautions (ie. infection control) needed on hospital sites
 - Plenty of opportunity for contractors outside healthcare, thereby enabling them to price healthcare projects at a premium

Managing Construction Inflation

- Pre-engineering, when necessary, on new projects.
- Finalize detailed design with design consultants with input from clinical users.
- Ensure detailed design aligns with approved scope; restrict scope creep.
- Class A estimate from qualified Quantity Surveyors (QS) on renovation projects.
- Add margins to QS Class A estimates for geography (ie. remoteness).
- Value engineering with clinical leadership where QS estimates exceeds project budget.
- Stagger project approvals for new projects until cost certainty (ie. contract award) is achieved on active projects.
- Strong project management on all projects.

2025/26 Capital Plan

The 2025/26 Capital Plan has been reviewed by Audit and Finance and the NH Board and is approved effective February 2025.

Ministry of Health Capital Funding

<i>\$thousand</i>	2024/25 Actual	2025/26 Notional	2026/27 Notional	2027/28 Notional
General RCI Allocation (Facilities)	14,909	14,001	13,827	14,845
General RCI Allocation (Equipment/IMIT)	7,905	7,905	7,905	7,905
Total Routine Capital Investment (RCI)	22,814	21,906	21,732	22,750
Carbon Neutral Capital Program (CNCP)	1,977	1,977	1,977	1,977
Non-Restricted Capital Grant (Non-RCG)	3,307	4,172	4,293	4,293
Total MOH Capital Funding	28,098	28,055	28,002	29,020

(excludes funding for Priority Investment Projects)

2025/26 Capital Plan

Major Carbon Neutral Capital Projects

RHD	Community	Project	Budget
FFGRHD	Prince George	UHN Phase 2 – Energy Efficient Preheat of DHW Storage	TBD
NWRHD	Prince Rupert	PRR Heat Pump and RCx (Phase 3)	TBD
PRRHD	Dawson Creek	Rotary Manor Main Building Controls Upgrade	TBD
PRRHD	Dawson Creek	Rotary Manor Boiler Upgrade	TBD
FFGRHD	Prince George	UHN Condensate System Upgrades	TBD

2025/26 Capital Plan

Major Capital Projects

RHD	Community	Project	Budget
NWRHD	Prince Rupert	ACM Vocera Nurse Call Interface	TBD
FFGRHD	Prince George	ALP FM Fire Alarm System Replacement	TBD
CCRHD	Quesnel	DPL FM Nurse Call Replacement	TBD
CCRHD	Quesnel	GRB FM Breaker Upgrade	TBD
CCRHD	Quesnel	GRB FM Nurse Call Replacement	TBD
NWRHD	Kitimat	KIT FM Vocera and Nurse Call Integration	TBD
NWRHD	Prince Rupert	PRO Health Unit Expansion Planning	TBD
PRRHD	Fort St John	PRR NUR Seclusion Rooms Renovation	TBD
PRRHD	Fort St John	PRR Nurse Call Upgrade and Vocera	TBD
SNRHD	Vanderhoof	SJH FM Fire Panel Replacement	TBD
NWRHD	Stikine (Dease Lake)	STC FM Nurse Call Replacement	TBD

2025/26 Capital Plan

Major Capital Projects

RHD	Community	Project	Budget
NWRHD	Terrace	TVL Kitchen Renovation	TBD
FFGRHD	Prince George	UHN FM Electrical Room 1 and 6 Upgrade	TBD
FFGRHD	Prince George	UHN FM Elevator 3 Upgrade	TBD
FFGRHD	Prince George	UHN FM Nurse Call Head End Equipment Replacement	TBD
FFGRHD	Prince George	UHN FM Roof Phase 3 Replacement.xlsx	TBD
FFGRHD	Prince George	UHN LAB Histology Ventilation Upgrade	TBD
FFGRHD	Prince George	UHN LAB Morgue Racking System Replacement	TBD
FFGRHD	Prince George	UHN PSY Nurse Call System Replacement	TBD

2025/26 Capital Plan IMIT Projects

RHD	Community	Project	Budget
Regional	All	NHR IT Cybersecurity Initiatives incl Foreshout	TBD
Regional	All	NHR IT AGFA EI PACS Upgrade	TBD
FFGRHD	Prince George	UHN IT Network Replacement	TBD

2025/26 Capital Plan

Major Equipment (>\$100,000)

RHD	Community	Project	Budget
SNRHD	Burns Lake	BLH LAB Chemistry Analyzer Replacement	TBD
NRRHD	Fort Nelson	FNH DI X-Ray Machine and Portable Replacement	TBD
NRRHD	Fort Nelson	FNH LAB Chemistry Analyzer Replacement	TBD
PRRHD	Fort St John	FSH DI X-Ray Room 2 Replacement	TBD
PRRHD	Fort St John	FSH LND Large Piece Folder Replacement	TBD
CCRHD	Quesnel	GRB DI Ultrasound Replacement	TBD
FFGRHD	Mackenzie	MCK LAB Chemistry Analyzer Replacement	TBD
NWRHD	Prince Rupert	PRR DI CT Scanner Replacement	TBD
NWRHD	Prince Rupert	PRR OR Trauma Orthopedic Table Replacement	TBD

2025/26 Capital Plan

Major Equipment (>\$100,000)

RHD	Community	Project	Budget
PRRHD	Tumbler Ridge	THC Automated Medication Dispensing Cabinet	TBD
FFGRHD	Prince George	UHN DI CT 64 Replacement	TBD
FFGRHD	Prince George	UHN DI Ultrasound Replacement	TBD
FFGRHD	Prince George	UHN DI X-Ray N0001340 Replacement	TBD
FFGRHD	Prince George	UHN LAB Electrophoresis System Replacement	TBD
FFGRHD	Prince George	UHN LAB Urinalysis Replacement	TBD
FFGRHD	Prince George	UHN OR Anesthesia Units x3 Replacement	TBD
FFGRHD	Prince George	UHN OR General Surgical Towers x4 Replacement	TBD
FFGRHD	Prince George	UHN OR Urology Laser Replacement	TBD

Minor Equipment Allocations

RHD	Total Allocation	RHD Portion
FFGRHD	\$2,800,400	\$1,120,400
SNRHD	\$451,800	\$180,800
CCRHD	\$511,800	\$204,800
PRRHD	\$1,518,800	\$606,800
NRRHD	\$178,200	\$71,200
NWRHD	\$2,561,800	\$1,024,800

Building Integrity Allocations

RHD	Total Allocation	RHD Portion
FFGRHD	\$250,000	\$100,000
SNRHD	\$75,000	\$30,000
CCRHD	\$108,000	\$43,000
PRRHD	\$116,000	\$46,000
NRRHD	\$50,000	\$20,000
NWRHD	\$250,000	\$100,000

Thank You and Questions

