

STUART-NECHAKO REGIONAL HOSPITAL DISTRICT
AGENDA
THURSDAY, JANUARY 25, 2024

<u>PAGE NO.</u>		<u>ACTION</u>
	<u>CALL TO ORDER</u>	
	<u>AGENDA – January 25, 2024</u>	Approve
	<u>SUPPLEMENTARY AGENDA</u>	Receive
	<u>MINUTES</u>	
2-6	Stuart-Nechako Regional Hospital District Meeting Minutes – January 25, 2024	Approve
	<u>DELEGATION – via Zoom</u>	
7-10	Michael Hofer, Executive Director, Capital Planning, Facilities Operations & Logistics Re: Stuart Lake Hospital Project Report and Fraser Lake Community Health Centre Future Replacement (Attached: Northern Health - Briefing Note: Stuart Lake Hospital Redevelopment Project Status Report)	
	<u>REPORTS</u>	
11-15	John Illes, Treasurer – Budget Bylaw for 2024	Recommendation
16-40	John Illes, Treasurer – MOU with Northern Health and Northern Hospital Districts	Recommendation
	<u>VERBAL REPORTS</u>	
	<u>RECEIPT OF VERBAL REPORTS</u>	
	<u>SUPPLEMENTARY AGENDA</u>	
	<u>NEW BUSINESS</u>	
	<u>ADJOURNMENT</u>	

STUART-NECHAKO REGIONAL HOSPITAL DISTRICT

MEETING MINUTES

THURSDAY, JANUARY 11, 2024

PRESENT: Chair Judy Greenaway

Directors Martin Elphee
 Clint Lambert – via Zoom
 Linda McGuire – via Zoom
 Shirley Moon
 Kevin Moutray
 Mark Parker
 Michael Riis-Christianson
 Sarrah Storey
 Henry Wiebe

Staff Curtis Helgesen, Secretary
 Cheryl Anderson, Acting Secretary
 John Illes, Treasurer
 Wendy Wainwright, Confidential Clerk

CALL TO ORDER CAO Helgesen called the meeting to order at 9:30 a.m.

ELECTIONS

Chairperson CAO Helgesen called for nominations for the position of Chairperson for the Stuart-Nechako Regional Hospital District for the year 2024.

Moved by Director Riis-Christianson
 Seconded by Director Storey

SNRHD.2024-1-1 “That Director Greenaway be nominated for the position of Chairperson of the Stuart-Nechako Regional Hospital District for the year 2024.”

CAO Helgesen called for nominations for Chairperson a second time.

CAO Helgesen called for nominations for Chairperson a third time.

There being no further nominations, CAO Helgesen declared Director Greenaway, Chairperson of the Stuart-Nechako Regional Hospital District for the year 2024 by acclamation.

ELECTIONS (CONT'D)

Acting Chairperson

CAO Helgesen called for nominations for the position of Acting Chairperson of the Stuart-Nechako Regional Hospital District for the year 2024.

Moved by Director Greenaway
Seconded by Director Parker

SNRHD.2024-1-2

“That Director Riis-Christianson be nominated for the position of Acting Chairperson of the Stuart-Nechako Regional Hospital District for the year 2024.”

CAO Helgesen called for nominations for Acting Chairperson a second time.

CAO Helgesen called for nominations for Acting Chairperson a third time.

There being no further nominations, CAO Helgesen declared Director Riis-Christianson as Acting Chairperson of the Stuart-Nechako Regional Hospital District for the year 2024 by acclamation.

Chair Greenaway took the chair.

AGENDA

Moved by Director Storey
Seconded by Director Elphee

SNRHD.2024-1-3

“That the Stuart-Nechako Regional Hospital District Agenda of January 11, 2024 be approved.”

(All/Directors/Majority) CARRIED UNANIMOUSLY

MINUTES

Stuart-Nechako Regional
Hospital District Meeting
Minutes – November 9, 2023

Moved by Director Riis-Christianson
Seconded by Director Storey

SNRHD.2024-1-4

“That the minutes of the Stuart-Nechako Regional Hospital District meeting of November 9, 2023 be adopted.”

(All/Directors/Majority) CARRIED UNANIMOUSLY

REPORT

Fall Hospital Meeting Presentation

John Illes, Treasurer provided an overview of the Budget Bylaw for 2024 memorandum.

The following was discussed:

- Weighted non-market increase in assessments
- Large increase from construction of the pipeline in Electoral Areas E, D and F
 - o Increase of new home construction in Areas E and F
 - o Large market increase in Area D
- Determining requisition
- Alternate Scenario 2 vs. Recommended Option
 - o Granisle and Area E
 - Alternate Scenario 2 impacts due to high the market increase in assessments in Granisle
 - Those with increases above 22.9% will see an increase in hospital district taxation
 - The average homeowner with an increase below 22.9% won't see an increase in hospital district taxation
 - Recommended Option
- SNRHD and the province's contribution for future major projects
- Tax rate sustainability
 - o SNRHD pays the highest mill rate in the Province
 - o Hiring a consultant in 2024 in collaboration with other Hospital Districts within Northern Health to assess the tax rate sustainability and understand the high mill rate
- Pipeline assessed value
 - o Minimal appreciation
 - o Maintain value over a 50 year period
 - o If pipeline deactivated – adjustment will take place.

Fall Hospital Meeting Presentation

Moved by Director Storey
 Seconded by Director Elphee

SNRHD.2024-1-5

"That Bylaw No. 88, being a bylaw to adopt the annual budget for 2024, be given first reading this 11th day of January, 2024."

(All/Directors/Majority)

DEFEATED

Fall Hospital Meeting Presentation

Moved by Director Riis-Christianson
 Seconded by Director Storey

SNRHD.2024-1-6

"That Bylaw No. 88, being a bylaw to adopt the annual budget for 2024, be amended to utilize Alternative Scenario 1 and be given first reading this 11th day of January, 2024."

Opposed: Director Lambert
 Director McGuire

CARRIED

(All/Directors/Majority)

CORRESPONDENCE

Northern Health - UBCM Meeting – September 20, 2023 Moved by Director Storey
 Seconded by Director Wiebe

SNRHD.2024-1-7 “That the Board receive the Correspondence from Northern Health regarding UBCM Meeting – September 20, 2023.”

(All/Directors/Majority)

CARRIED UNANIMOUSLY

VERBAL REPORTS

Village of Fraser Lake-Update Director Storey mentioned that she met with Errol Winter, Executive Director, Dr Shannon Douglas, Chair and Marie Hunter, Director, Northern Interior Rural Division of Family Practice. Discussion took place regarding the rebuild of the Fraser Lake Clinic being moved to Northern Health’s 2028 capital projects. Retention and recruitment strategies was also discussed. Key issues impacting retention and recruitment are childcare and physician husband and wife teams living in different communities.

Mr. Winter had commented at the meeting that they are working on a strategy for women with high-risk pregnancies from the small communities within the Northern Interior Rural Division of Family Practice to lodge in Prince George to access emergency obstetrician services. They are investigating the ability to share lodging with Kordyban Lodge which provides accommodation for out-of-town patients who are receiving medical treatments at the BC Cancer’s regional care centre. Korydyban Lodge has been experiencing low occupancy numbers. Director Storey noted that seniors are experiencing affordable accommodation issues when having to travel to Prince George for medical care as well. She spoke of the need to find a long-term solution for affordable accommodation for people having to travel and stay in Prince George for medical services.

Village of Granisle-Update Director McGuire noted that the pharmacy in Granisle is considering extending their hours beyond being open on Tuesdays.

District of Vanderhoof-Update Director Moutray reported that the original St. John Hospital building is being demolished this week for the new integrated primary and community care facility to be built in the same location.

Receipt of Verbal Reports Moved by Director Parker
 Seconded by Director Elphee

SNRHD.2024-1-7 “That the verbal reports of the various Directors be received.”

(All/Directors/Majority)

CARRIED UNANIMOUSLY

NEW BUSINESS

2024 SNRHD Budget

Mr. Illes spoke of bringing forward the 2024 SNRHD Budget for further consideration at the January 25, 2024 meeting.

ADJOURNMENT

Moved by Director Storey
Seconded by Director Elphee

SNRHD.2024-1-8

“That the meeting be adjourned at 10:12 a.m.”

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Judy Greenaway, Chairperson

Wendy Wainwright, Confidential Secretary

BRIEFING NOTE

Date:	January 18, 2024	
Agenda item	Stuart Lake Hospital Redevelopment Project Status Report	
Purpose:	<input checked="" type="checkbox"/> Information	<input type="checkbox"/> Discussion
	<input type="checkbox"/> Seeking direction	<input type="checkbox"/> Decision
Prepared for:	Stuart-Nechako Regional Hospital District	
Prepared by:	Anthony Radman – Infrastructure BC	
Reviewed by:	Mike Hoefer - Executive Director, Capital Planning, Facilities Operations and Logistics	

Issue & Purpose

The following provides an update on Stuart Lake Hospital Redevelopment Project (Project).

Background:

The Business Plan was approved by Government in February 2020. The project team conducted a market outreach exercise at that time to help assess whether a competitive Design-Build process would be successful. In March 2020, the Northern Health Capital Project Board (Project Board) approved that the Project would proceed as a Progressive Design-Build. In July 2020 the Project Board approved the results of the Request for Qualification evaluation, shortlisting three teams who were invited to participate in the Design Early Works Agreement (DEWA) Request for Proposal (RFP) and prepare proposals to enter into a DEWA with Northern Health and design the new hospital. In December 2020, Project Board approved the selection of the Graham Design Builders (Graham working with ZGF Architects) to execute the DEWA and participate in the Design Build Agreement (DBA) RFP. Based on the subsequent successful advancement of the design by Graham (December 2020 – April 2022), and the negotiations by the project team which concluded that value is provided to Northern Health and BC Taxpayers at the current price given market conditions, Project Board provided its approval April 11, 2022 to execute the DBA. The DBA was executed on April 14, 2022 at a final price of \$127,152,943.

With the execution of the DBA, the procurement process is now considered closed and the project has now entered the “implementation phase”.

Key Actions and Progress:

The Project team has been focused on the following activities:

Implementation Process - High-Level Update:

- Northern Health Authority (Authority) and Graham working through the Authority review comments in order to correct and closeout issues concerning the 100% design drawings/Issued For Construction (IFC) drawings. Of the initial ~400 Authority review comments that were to be resolved; 1 Authority review comment currently remains to be resolved.
- Site construction activities currently: Graham resumed construction activities January 3, 2024 after having observed the holiday period (Dec. 23rd – Jan. 2nd). Activities resumed consisted of site facilities and temporary works/services, electrical and systems, interior wall steel studs/backing and boarding, plumbing and HVAC controls, electrical, lighting, telecom/IMIT infrastructure, fire protection, exterior cladding installation.

Design and Construction Process Update:

- Construction is advancing on schedule and is focused on the following activities:
 - Continues to maintain site facilities and temporary works/services, ESC (Erosion and Sediment Control) measures etc.
 - Site earthworks and bulk excavation for building foundation construction complete, backfill nearing completion.
 - Perimeter footing drain.
 - Access roads being maintained.
 - Subbase, curbs/gutters, sidewalks and new asphalt areas progressed.
 - Retaining walls complete.
 - Minor misc concrete items remain.
 - Steel construction rooftop to mech equipment, stairs, ladders and supports complete.
 - Main roof membrane and parapet constructions complete, cap flashings outstanding.
 - Exterior wall steel studs/backing to envelope cladding works complete, metal cladding panel installs.
 - Window/glazing/exterior door installations.
 - Internal doors, frames, hardware and glazing procured, installs.
 - Partitions, drywall, soffits progressing.
 - Flooring underway.

- Wall Finishes/painting.
- Backing/supports for specialties continues in line with partitions.
- Patient lifts and infrastructure installs progressing.
- Wall protection installations underway.
- Equipment procurement/installations.
- Plumbing and HVAC and Controls.
- Fire protection.
- Electrical, Lighting/Power and Fire Alarm installations.
- Telecoms/IT Infrastructure.

Site Security and Project Integration into the Community:

- There have been no security breaches on to the site by trespassers.

Schedule – High Level:

Activity	Schedule at August 4, 2022	Status
Design-Build Agreement Execution	April 14, 2022	Complete
Design		
Draft 95% Design Submittal	June 15, 2022	Complete
95% Design Submittal	August 2, 2022	Underway
100% Design Submittal	September 2022	On Schedule
Construction		
Graham Site Mobilization	May 30, 2022	Complete
Earthwork Commences	June 6, 2022	Underway
Foundations Commence	August 2022	Underway
Structural Steel Commences	January 2023	On Schedule
Building Substantially Watertight	September 2023	On Schedule
Building Substantial Completion	September 2024	On Schedule
Patients Transitioning to New Building	October 1, 2024 to December 29, 2024	On Schedule
Project Substantial Completion	September 2025	On Schedule

Local Business and Labour Demographics

Table (below) is a summary (as of November 30, 2023) of the employee demographics on the construction site including local, regional, indigenous out of town workers and apprentices:

Project: Stuart Lake Hospital Redevelopment Project
 Date: 30-Nov-23
 Description: Summary of the active employee demographics on the construction site including local, regional, indigenous out-of town workers and apprentices

Trade Contractor	Local		Regional		Fly-in/Fly-out		Identify as Indigenous		Totals	
	Non-Apprentice	Apprentice	Non-Apprentice	Apprentice	Non-Apprentice	Apprentice	Non-Apprentice	Apprentice	Non-Apprentice	Apprentice
Graham Management	0	0	1	0	8	0	0	0	9	0
Graham WFP TWI	4	2	1	0	5	0	3	1	10	2
Guldmann	0	0	0	0	0	0	0	0	0	0
SELCO	0	0	0	0	0	0	N/A	N/A	0	0
Van-Con	0	0	0	0	0	0	0	0	0	0
Pro-Bond	0	0	0	0	0	0	0	0	0	0
Kaldon	0	0	0	0	14	4	0	0	14	4
Pitt Meadows (NIC Subs)	1	5	2	1	8	0	0	3	11	6
Pitt Meadows (Subs)	2	1	7	7	5	1	0	0	14	9
Moby Concrete	0	0	0	0	0	0	0	0	0	0
Whitemud (incl Cooper)	0	0	0	0	0	0	0	0	0	0
DécorB	0	0	0	0	3	0	0	0	3	0
Ex-Cel Acoustics	0	0	11	0	6	0	N/A	N/A	17	0
Griffin Glass	0	0	0	0	4	0	0	0	4	0
Dansen	0	0	0	0	4	0	N/A	N/A	4	0
Lafarge (Asphalt)	0	0	0	0	0	0	N/A	N/A	0	0
Laing	0	0	0	0	5	0	0	0	5	0
Portal Installations	0	0	0	0	0	0	N/A	N/A	0	0
RAMCO	0	0	0	0	4	0	0	0	4	0
Midwest Millwork	0	0	0	0	2	0	0	0	2	0
Roeser Hansen	0	0	0	0	2	0	0	0	2	0
Venture Elevator	0	0	0	0	0	0	0	0	0	0
Admiral	0	0	5	0	0	0	N/A	N/A	5	0
Totals	7	8	27	8	70	5	3	4	104	21

*N/A - information not made available

***Local* - Vanderhoof and area is included in Local

****Regional* - Prince George and area is included in Regional

*****Apprentice* - is assumed to include only actively indentured apprentices

**Stuart-Nechako Regional Hospital District
Board of Directors**

To: Chair and Board
From: John Illes, Treasurer
Date: January 25, 2024
Subject: **Budget Bylaw for 2024**

RECOMMENDATION: **(all/directors/majority)**

That Bylaw No. 88, being a bylaw to adopt the annual budget for 2024, be given second reading this 25th day of January 2024.

BACKGROUND

The budget bylaw presented has been updated to increase the requisition to \$6,816,625 to match the first reading of the bylaw on January 11th.

The draft requisition is included as an attachment for reference.

Attachment: **Draft Requisition
Bylaw 88**

Draft Requisition	2023 Tax Requisition	2024 Tax Requisition	Change Y/Y	Change %	Non Market Change	Anticipated Real Change
Municipalities:						
Burns Lake	320,239	322,927	2,688	0.8%	0.4%	0.4%
Fort St. James	447,173	468,925	21,752	4.9%	2.0%	2.9%
Fraser Lake	260,172	264,353	4,181	1.6%	2.1%	-0.5%
Granisle	32,540	39,983	7,443	22.9%	-0.1%	22.9%
Vanderhoof	1,148,946	1,146,479	(2,467)	-0.2%	0.3%	-0.6%
Subtot. MUNICIPALITIES	2,209,070	2,242,667	33,597	1.5%		
Electoral Area B	525,341	545,478	20,137	3.8%	3.8%	0.1%
Electoral Area C	876,291	906,096	29,805	3.4%	2.3%	1.1%
Electoral Area D	590,364	821,758	231,394	39.2%	35.9%	3.3%
Electoral Area E	500,311	985,353	485,042	96.9%	102.4%	-5.5%
Electoral Area F	1,226,123	1,315,273	89,150	7.3%	8.3%	-1.0%
ELECTORAL AREAS	3,718,430	4,573,958	855,528	23.0%		
TOTAL for REGION	5,927,500	6,816,625	889,125	15.0%		
TAX RATE PER \$1,000	\$1.233	\$ 1.185				

STUART-NECHAKO REGIONAL HOSPITAL DISTRICT

BYLAW NO. 88

**Being a bylaw to adopt the Annual Budget
for the year 2024
and the Provisional Annual Budget
for the year 2025.**

The Stuart-Nechako Regional Hospital District in open meeting assembled ENACTS as follows:

1. Schedule "A" and Schedule "B" attached hereto and made part of this bylaw is the Annual Budget for the Stuart-Nechako Regional Hospital District for the year ended December 31, 2024 and the provisional Annual Budget for the Stuart-Nechako Regional Hospital District for the year ended December 31, 2025.
2. This bylaw may be cited as the "Stuart-Nechako Regional Hospital District Annual Budget Bylaw No. 88, 2024."

READ A FIRST TIME this 11th day of January, 2024

READ A SECOND TIME this _____ day of _____, 2024

READ A THIRD TIME this _____ day of _____, 2024

ADOPTED this _____ day of _____, 2024

Chairperson

Secretary

I hereby certify that this is a true copy of Bylaw No. 88 as adopted.

Secretary

Stuart Nechako Regional Hospital District - 2024 Budget and 2025 Provisional Budget

Bylaw 88**INCOME**

	2024 Budget Bylaw 88	2025 Provisional Budget Bylaw 88
Grant In Lieu of Taxes	24,000	24,000
Taxation	6,816,625	6,816,625
Interest	150,000	285,631
	<u>\$ 6,990,625</u>	<u>\$ 7,126,256</u>

EXPENSES

Business Planning		
Major Capital Project >\$5M		
Major Capital Project <\$5M	2,000,000	3,400,000
Major Equipment and Maintenance Capital	720,000	
Building Integrity and Minor Capital Grant Grant	207,000	213,943
IT Projects Grant	127,451	212,826
Administration	30,000	20,000
Directors Remuneration	10,000	10,000
	<u>\$ 3,094,451</u>	<u>\$ 3,856,769</u>
NET INCOME AT END OF YEAR	3,896,174	3,269,487

Schedule B Bylaw 88**Major Capital Projects Approved and Continuing:****None****Major Capital Projects Funded:**

2024	<i>Current Year</i>	<i>Previous Years</i>
SJH Chemistry Analyzer Replacement	\$ 253,600	
SJH FM Fire Panel Replacement	\$ 466,400	
Vanderhoof Primary Care	\$ 2,000,000	
Total	\$ 2,720,000	
2025		
Vanderhoof Primary Care	\$ 3,400,000	

Stuart-Nechako Regional Hospital District Board of Directors

To: Chair and Board
From: John Illes, Treasurer
Date: January 25, 2024
Subject: **MOU with Northern Health and Northern Hospital Districts**

RECOMMENDATION: **(all/directors/majority)**

That the Chair sign the MOU on behalf of the Stuart-Nechako Regional Hospital District

BACKGROUND

The board has previously approved to sign this MOU between Northern Health and the Northern Hospital Districts. However, Northern Rockies Regional Municipality requested changes to the MOU. The copy attached to this memo is the final proposed agreement and through staff discussions, all hospital districts are recommending approval of this agreement.

Stuart-Nechako staff are comfortable with the changes made since this agreement was last brought to the board's attention. A copy of the memo highlighting changes made since it was last presented is also attached to this memo.

Attachment: **MOU for Signing**
MOU with changes marked

Memorandum of Understanding

THIS UNDERSTANDING made as of the 7th day of October 2003 and renewed, as amended, the 16th day of October, 2023.

BETWEEN:

NORTHERN HEALTH AUTHORITY

(hereinafter called "NH")

AND:

OF THE FIRST PART

**CARIBOO-CHILCOTIN REGIONAL HOSPITAL DISTRICT
FRASER-FORT GEORGE REGIONAL HOSPITAL DISTRICT
NORTH WEST REGIONAL HOSPITAL DISTRICT
NORTHERN ROCKIES REGIONAL HOSPITAL DISTRICT
PEACE RIVER REGIONAL HOSPITAL DISTRICT
STUART-NECHAKO REGIONAL HOSPITAL DISTRICT**

(hereinafter called "RHDs")

OF THE SECOND PART

WHEREAS:

- A) NH is a regional health authority as established under the *BC Health Authorities Act* with a mandate to design, deliver and administer health care services within Northern British Columbia, and
- B) The RHDs are responsible, on a voluntary basis, for providing funding based on a cost-shared formula to NH for capital, including equipment and clinical information technology projects, within their respective service areas in accordance with the *Hospital District Act*.

Definitions

Categories of funding:

- Routine Capital Investment (RCI) = standard equipment replacement, major repairs, refits and upgrades, renovations; cost is over \$100,000.
- Priority Investment (PI) = Net new health care facility, net new addition to a facility, net new major diagnostic equipment and IM/IT infrastructure.
- Non-Restricted Capital Grants (Non-RCG) = projects and equipment under \$100,000.

Northern Health Capital Planning Cycle includes:

- Equipment and project identification.
- Review and prioritization.
- Overview with Regional Hospital Districts at the Fall Joint meeting with follow up detailed discussion between NH Capital Planning and each RHD CAO and CFO.
- Development of the capital plan for submission to the Northern Health Board for approval.
- Cycle runs from winter to winter (ie begins winter 2023 and ends winter 2024 for the 2024-25 capital plan).

Fiscal Years:

- RHD Fiscal Year – January to December
- NH Fiscal Year – April to March

Funding Letter:

- Annually, the Ministry of Health (MOH) provides Northern Health a Capital Funding Letter.
- The funding letter includes the approved funding for the current fiscal year, as well as notional funding amounts for the next two fiscal years.
- The Ministry, at its discretion, may amend the Capital Funding Letter.

Capital Planning Process - Appendix 1

Intent:

In order for the planning and funding of equipment, information technology and capital projects to be efficient while ensuring accountability, the parties agree with each other as follows:

1. Upon receiving the Non-RCG funding envelope from the province, NH will set funding allocations for *Minor Capital Projects and Equipment* < \$100K and *Building Integrity* <\$100k for the Regional Hospital District areas. For RHDs that are interested, NH will organize a planning session for RHD input before final decisions are made.
2. Routine Capital Investment projects will be prioritized on an NH-wide basis and presented to each RHD for feedback prior to being presented to the NH Board for approval. Senior NH Leadership will connect with each RHD to determine the best way to obtain feedback.
3. Capital Projects requiring debt servicing such as Priority Investment Projects will be presented to the Chair/Staff of each RHDs within the region to identify funding requirements prior to being presented to the NH Board for approval.

4. NH will provide three-year notional capital plans including construction, information technology and equipment projects outlining funding requirements to the respective RHDs by November 1st of each year.
5. Expansion of project scope and/or cost will require mutual agreement between NH and the RHD that the expansion is feasible within RHD taxation limits and NH capital funding and operational constraints and required approvals.
6. NH will submit a summary of projects and/or equipment costing under \$100K to each RHD quarterly.
7. NH will submit expense listings of the projects and/or equipment costing over \$100K to each RHD for reimbursement of the RHD share of the costs. The RHD may reserve the right to request further detailed invoice copies.
8. For any project with an estimated cost greater than \$5 million, including professional services, construction, and equipment, the RHD may require the use of a *Project Implementation and Accountability process* (see Appendix 2.). RHDs can make a special request for this process to be used for projects less than \$5 Million, which will be considered on a case-by-case basis.
9. The disposal of NH capital assets and disposition of proceeds will follow the guidelines set out in Appendix 3.
10. Subject to Ministry of Health review and approval, media releases announcing capital expenditures for which RHD funding is supplied will be jointly produced and released by NH and the RHD.
11. a) RHDs may provide funding for projects within their geographic boundaries and for information technology and projects or equipment outside their boundaries where there is a greater service area and there is an agreement amongst benefiting RHDs and NH for cost-sharing such projects.

b) Each RHD maintains the flexibility to negotiate independently with NH without prejudice and precedence for issues relating to the capital plan within the RHD boundary.
12. The parties agree to meet twice each year to discuss planning and funding of equipment and capital projects. NH agrees to schedule additional meetings with the individual RHD's to discuss specific capital projects and operational issues as scheduled between the RHD Chair and CAO/ED and Northern Health.

- a) Spring joint meetings will focus on the Capital Plan and business matters and will be held virtually.
 - b) Fall joint meetings will occur prior to the NH Board fall planning session and focus on preparation of the Capital Plan and feedback on strategic directions in preparation for NH Board planning and will generally be in person in Prince George.
13. The NH Board will provide the opportunity for each RHD to meet with the NH Board as meetings are held in the HSDA in which their respective communities reside.

The purpose of this meeting is:

- a) to review progress on the implementation of the approved Capital Plan,
 - b) to discuss matters of mutual concern related to future priorities for the Capital Plan, and,
 - c) to receive any other feedback and input.
14. RHDs will have opportunity to meet with NH's Board Chair and Chief Executive Officer during the course of the North Central Local Government Association (NCLGA) and Union of B.C. Municipalities (UBCM) events held each year to discuss the Capital Plan and other health related issues.
15. NH's Vice President, Clinical Operations and/or Senior Operating Officer (SOO) and the Executive Director, Capital Planning, Facilities Operations & Logistics will attend RHD meetings on a mutually agreed upon schedule for discussion of the Capital Plan and other ad-hoc items as requested.
16. Discussion on capital and other health issues will start with Senior Operating Officer, with escalation to the Vice President, Clinical Operations and then to the CEO if required. If a RHD decides that too much time has passed since an RHD has been able to meet with the NH Board, a meeting may be requested. To facilitate planning for the meeting, RHD will provide the CEO a list of discussion topics. The Board or the Board Chair and representative Directors of the Board that are within proximity or live within geography of the RHD, with the CEO, would endeavour to attend such meeting either in person or virtually.
17. The agreement will be reviewed every two years by NH and RHDs to ensure the process is accountable and effective. The current Memorandum of Understanding will remain in place until such time as it is determined and replaced with the new Memorandum of Understanding. Any party can terminate its participation by giving 90 days' notice in writing to all parties of its intent to do so.

IN WITNESS WHEREOF the parties have executed this Memorandum of Understanding as of the day, month and year first above written.

Chair, Cariboo-Chilcotin Regional Hospital District

Chair, Fraser-Fort George Regional Hospital District

Chair, Northern Rockies Regional Hospital District

Chair, North West Regional Hospital District

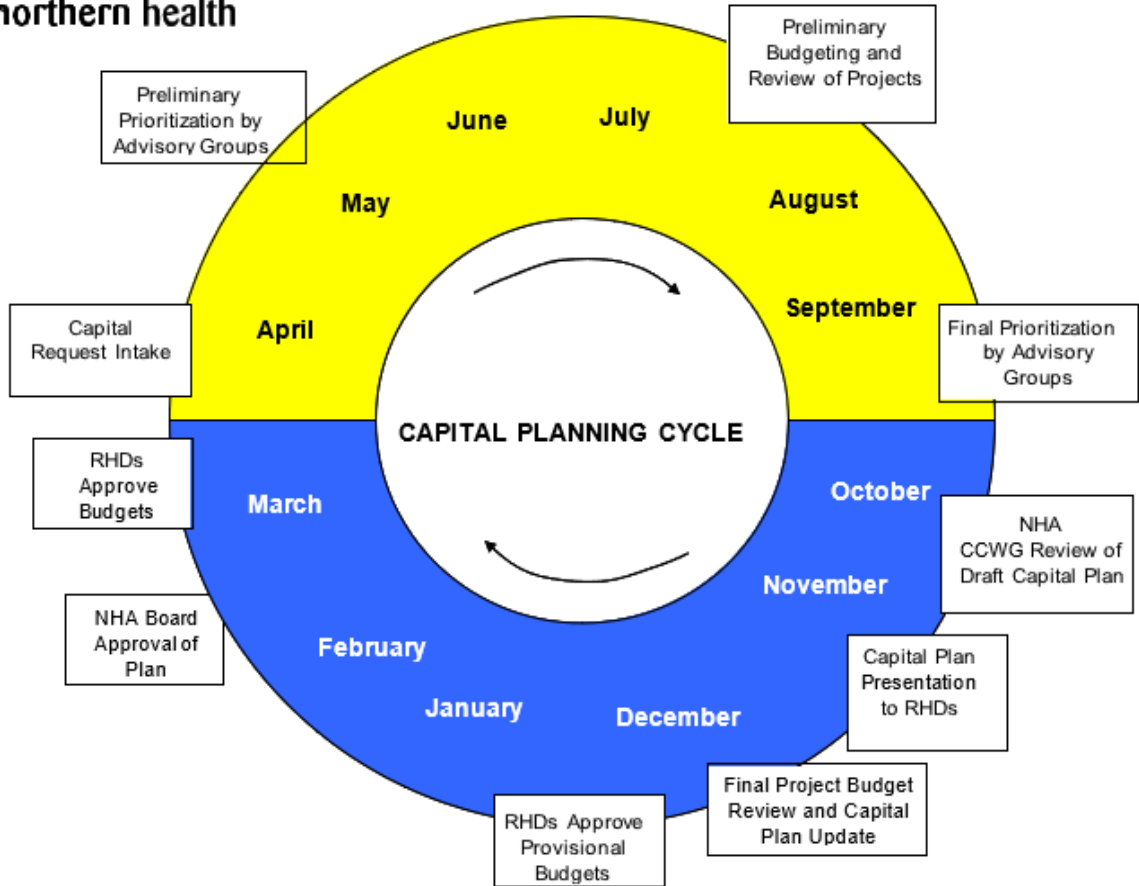
Chair, Peace River Regional Hospital District

Chair, Stuart-Nechako Regional Hospital District

Chair, Northern Health

APPENDIX 1

CAPITAL PLANNING CYCLE



APPENDIX 2**NORTHERN HEALTH / REGIONAL HOSPITAL DISTRICT
PROJECT IMPLEMENTATION AND ACCOUNTABILITY PROCESS****POLICY**

Northern Health (NH) is responsible for Capital Projects and Regional Hospital Districts (RHDs) are responsible to the taxpayer and require accountability regarding Capital Projects from Health Authorities. NH has the expertise to implement projects and RHDs reserve the right to decide the amount of funding contribution to the projects.

NH and RHDs agree that projects are to be developed using the following guidelines:

- Routine Capital Investment (RCI) = standard equipment replacement, major repairs, refits and upgrades, renovations; cost is over \$100,000.
- Priority Investment (PI) = Net new health care facility, net new addition to a facility, net new major diagnostic equipment and IM/IT infrastructure.

ROUTINE CAPITAL INVESTMENT**Northern Health to provide:**

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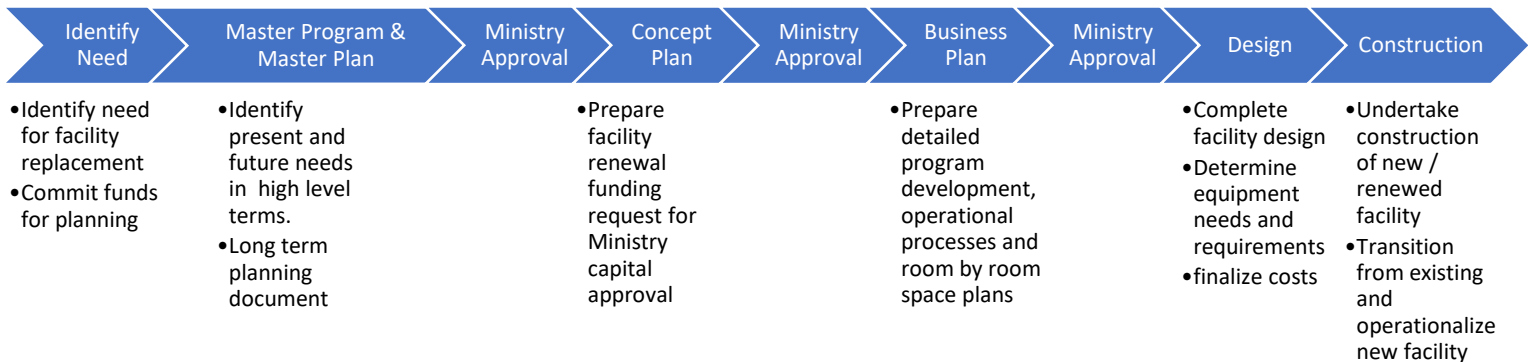
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AND DISPOSITION OF PROCEEDS****POLICY**

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[MARKED UP COPY]**Memorandum of Understanding**

THIS UNDERSTANDING made as of the 7th day of October 2003 and renewed, as amended, the 16th day of October, 2023.

BETWEEN:

NORTHERN HEALTH AUTHORITY

(hereinafter called "NH")

AND:

OF THE FIRST PART

**CARIBOO-CHILCOTIN REGIONAL HOSPITAL DISTRICT
FRASER-FORT GEORGE REGIONAL HOSPITAL DISTRICT
NORTH WEST REGIONAL HOSPITAL DISTRICT
NORTHERN ROCKIES REGIONAL HOSPITAL DISTRICT
PEACE RIVER REGIONAL HOSPITAL DISTRICT
STUART-NECHAKO REGIONAL HOSPITAL DISTRICT**

(hereinafter called "RHDs")

OF THE SECOND PART

WHEREAS:

- A) NH is a regional health authority as established under the *BC Health Authorities Act* with a mandate to design, deliver and administer health care services within Northern British Columbia, and
- B) The RHDs are responsible, on a voluntary basis, for providing funding based on a cost-shared formula to NH for capital, including equipment and clinical information technology projects, within their respective service areas in accordance with the *Hospital District Act*.

Definitions

Categories of funding:

- Routine Capital Investment (RCI) = standard equipment replacement, major repairs, refits and upgrades, renovations; cost is over \$100,000.
- Priority Investment (PI) = Net new health care facility, net new addition to a facility, net new major diagnostic equipment and IM/IT infrastructure.
- Non-Restricted Capital Grants (Non-RCG) = projects and equipment under \$100,000.

Northern Health Capital Planning Cycle includes:

- Equipment and project identification.
- Review and prioritization.
- Overview with Regional Hospital Districts at the Fall Joint meeting with follow up detailed discussion between NH Capital Planning and each RHD CAO and CFO.
- Development of the capital plan for submission to the Northern Health Board for approval.
- Cycle runs from winter to winter (ie begins winter 2023 and ends winter 2024 for the 2024-25 capital plan)

Fiscal Years:

- RHD Fiscal Year – January to December
- NH Fiscal Year – April to March

Funding Letter:

- Annually, the Ministry of Health (MOH) provides Northern Health a Capital Funding Letter.
- The funding letter includes the approved funding for the current fiscal year, as well as notional funding amounts for the next two fiscal years.
- The Ministry, at its discretion, may amend the Capital Funding Letter.

Capital Planning Process - Appendix 1

Intent:

In order for the planning and funding of equipment, information technology and capital projects to be efficient while ensuring accountability, the parties agree with each other as follows:

1. Upon receiving the Non-RCG funding envelope from the province, NH will set funding allocations for *Minor Capital Projects and Equipment* < \$100K and *Building Integrity* <\$100k for the Regional Hospital District areas. **For RHDs that are interested, NH will organize a planning session for RHD input before final decisions are made.**
2. Routine Capital Investment projects will be prioritized on an NH-wide basis and presented to each RHD for feedback prior to being presented to the NH Board for approval. **Senior NH Leadership will connect with each RHD to determine the best way to obtain feedback.**
3. Capital Projects requiring debt servicing such as Priority Investment Projects will be presented to the Chair/Staff of each RHDs within the region to identify funding requirements prior to being presented to the NH Board for approval.

4. NH will provide three-year notional capital plans including construction, information technology and equipment projects outlining funding requirements to the respective RHDs by November 1st of each year.
5. Expansion of project scope and/or cost will require mutual agreement between NH and the RHD that the expansion is feasible within RHD taxation limits and NH capital funding and operational constraints and required approvals.
6. NH will submit a summary of projects and/or equipment costing under \$100K to each RHD quarterly.
7. NH will submit expense listings of the projects and/or equipment costing over \$100K to each RHD for reimbursement of the RHD share of the costs. The RHD may reserve the right to request further detailed invoice copies.
8. For any project with an estimated cost greater than \$5 million, including professional services, construction and equipment, the RHD may require the use of a *Project Implementation and Accountability process* (see Appendix 2.). RHDs can make a special request for this process to be used for projects less than \$5 Million, which will be considered on a case-by-case basis.
9. The disposal of NH capital assets and disposition of proceeds will follow the guidelines set out in Appendix 3.
10. Subject to Ministry of Health review and approval, media releases announcing capital expenditures for which RHD funding is supplied will be jointly produced and released by NH and the RHD.
11. a) RHDs may provide funding for projects within their geographic boundaries and for information technology and projects or equipment outside their boundaries where there is a greater service area and there is an agreement amongst benefiting RHDs and NH for cost-sharing such projects.

b) Each RHD maintains the flexibility to negotiate independently with NH without prejudice and precedence for issues relating to the capital plan within the RHD boundary.
12. The parties agree to meet twice each year to discuss planning and funding of equipment and capital projects. NH agrees to schedule additional meetings with the individual RHD's to discuss specific capital projects and operational issues as scheduled between the RHD Chair and CAO/ED and Northern Health.

a) Spring joint meetings will focus on the Capital Plan and business matters and will be held virtually.

- b) Fall joint meetings will occur prior to the NH Board fall planning session and focus on preparation of the Capital Plan and feedback on strategic directions in preparation for NH Board planning and will generally be in person in Prince George.
13. The NH Board will provide the opportunity for each RHD to meet **annually** with the NH Board **as meetings are held in the HSDA in which their respective communities reside.**
- The purpose of this meeting is:
- to review progress on the implementation of the approved Capital Plan,
 - to discuss matters of mutual concern related to future priorities for the Capital Plan, and,
 - to receive any other feedback and input.
14. RHDs will have opportunity to meet with NH's Board Chair and Chief Executive Officer during the course of the North Central Local Government Association (NCLGA) and Union of B.C. Municipalities (UBCM) events held each year to discuss the Capital Plan and **other health** related issues.
15. NH's Chief Operating Officers (COOs), Vice President, Clinical Operations and/or Senior Operating Officer (SOO) and the Executive Director, Capital Planning, Facilities Operations & Logistics will attend RHD meetings on a mutually agreed upon schedule for discussion of the Capital Plan and other ad-hoc items as requested.
16. **Discussion on capital and other health issues will start with Senior Operating Officer, with escalation to the Vice President, Clinical Operations and then to the senior NH operational and capital leaders with escalation to the CEO if required. If a RHD decides that too much time has passed since an RHD has been able to meet with the NH Board, a meeting may be requested. To facilitate planning for the meeting, RHD will provide the CEO a list of discussion topics. The Board or the Board Chair and representative Directors of the Board that are within proximity or live within geography of the RHD, with the CEO, would endeavour to attend such meeting either in person or virtually.**
17. The agreement will be reviewed every two years by NH and RHDs to ensure the process is accountable and effective. **The current Memorandum of Understanding will remain in place until such time as it is determined and replaced with the new Memorandum of Understanding.** Any party can terminate its participation by giving 90 days' notice in writing to all parties of its intent to do so.

IN WITNESS WHEREOF the parties have executed this Memorandum of Understanding as of the day, month and year first above written.

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Chair, Fraser-Fort George Regional Hospital District

Chair, Northern Rockies Regional Hospital District

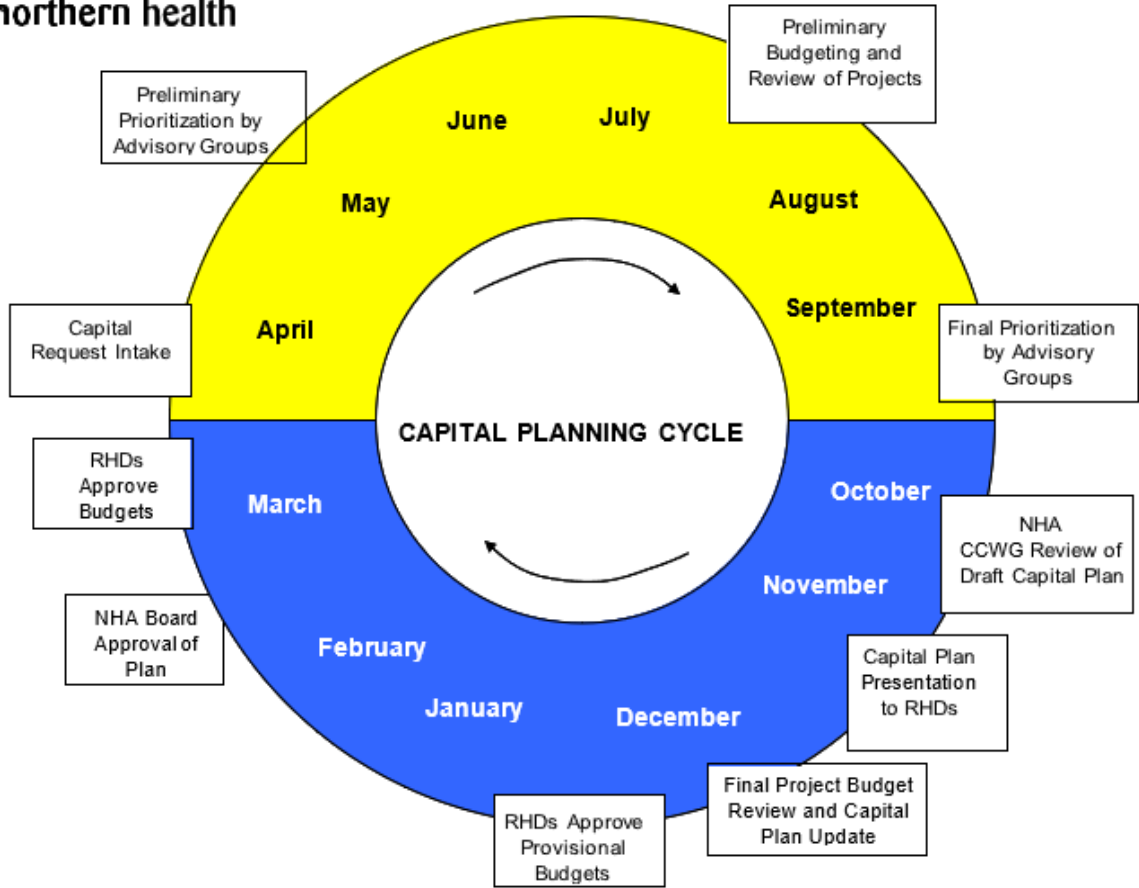
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Chair, Stuart-Nechako Regional Hospital District

Chair, Northern Health

APPENDIX 1
CAPITAL PLANNING CYCLE



APPENDIX 2**NORTHERN HEALTH / REGIONAL HOSPITAL DISTRICT
PROJECT IMPLEMENTATION AND ACCOUNTABILITY PROCESS****POLICY**

Northern Health (NH) is responsible for Capital Projects and Regional Hospital Districts (RHDs) are responsible to the taxpayer and require accountability regarding Capital Projects from Health Authorities. NH has the expertise to implement projects and RHDs reserve the right to decide the amount of funding contribution to the projects.

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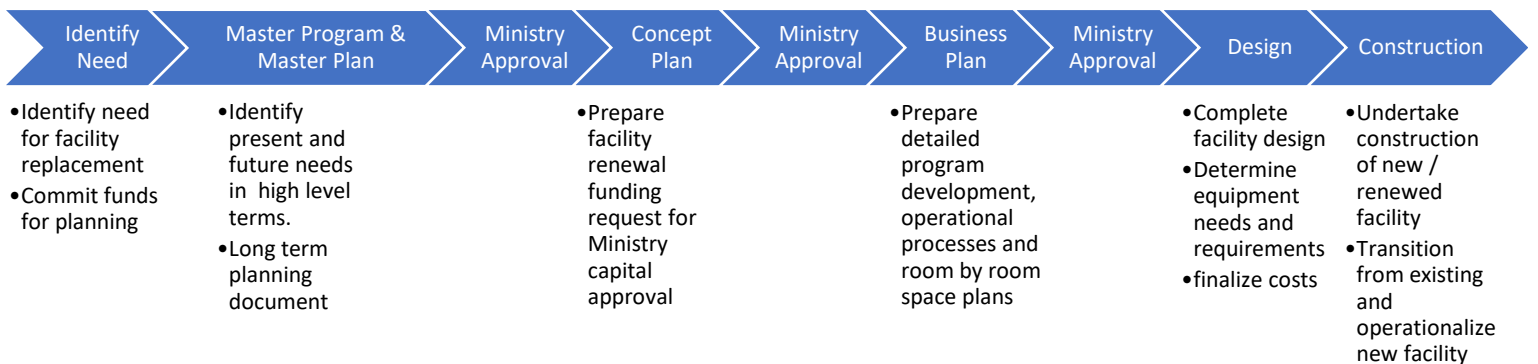
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