

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, DECEMBER 03, 2025**

SUBJECT **Victoria General Hospital Electrical Energy Centre – Approval of Capital Bylaw No. 431**

ISSUE SUMMARY

Approval of a Capital Regional Hospital District \$15,000,000 Capital Expenditure and Borrowing Bylaw is required for Island Health to proceed with the \$50,000,000 Victoria General Hospital (VGH) Electrical Energy Centre (EEC).

BACKGROUND

There is a need for development of an EEC at VGH to replace the hospital's aging electrical infrastructure and provide capacity to meet current and future operational needs of the site for the next 25+ years. The current power requirements (vital, delayed vital and normal) have exceeded their maximum capacity due to the continual expansion of the VGH campus. The existing generators are 40+ years old and the ability to find replacement parts for ongoing maintenance has become challenging.

The new EEC will deliver vital, delayed vital, conditional and normal power to the campus as well as emergency backup power with redundancy. The EEC will house BC Hydro service entrance equipment, BC Hydro metering, transformation equipment, generator paralleling and synchronization controls, dual transfer bypass switches and switchboards.

ALTERNATIVES

Alternative 1

The Hospitals and Housing Committee recommends to the Capital Regional Hospital District Board:

- 1) That Capital Regional Hospital District (CRHD) funding in the amount of \$15,000,000 be approved for Victoria General Hospital Electrical Energy Centre;
- 2) That CRHD Bylaw No. 431, "Capital Regional Hospital District Capital Bylaw No.199, 2025" be introduced and read a first, second, and third time; and
- 3) That CRHD Bylaw No. 431 be adopted.

Alternative 2

That this report be referred back to staff for additional information based on Hospitals and Housing Committee direction.

IMPLICATIONS

Financial Implications

The EEC project at VGH has been included in the CRHD 10-Year Capital Plan as a potential partnership between the CRHD and Island Health. Island Health will provide \$35,000,000 (70%) and CRHD \$15,000,000 (30%), for a total project cost of \$50,000,000.

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The total project budget and CRHD share are reflected in the 2025-2034 CRHD 10-Year Capital Plan that was approved by the CRHD Board on October 30, 2024. The project costs will be cash flowed over years 2025-2030 and the CRHD share of \$15,000,000 will be debt serviced through the Municipal Finance Authority. The cost of debt servicing for the CRHD contribution has been included in the 2025 Board Approved Financial Plan based on cash flow projections provided by Island Health.

CONCLUSION

Approval of a CRHD Capital Expenditure and Borrowing Bylaw is required to proceed with the Victoria General Hospital Electrical Energy Centre. This capital project will help ensure Island Health is able to provide quality health care services for the capital region.

RECOMMENDATION

The Hospitals and Housing Committee recommends to the Capital Regional Hospital District Board:

- 1) That Capital Regional Hospital District (CRHD) funding in the amount of \$15,000,000 be approved for Victoria General Hospital Electrical Energy Centre;
- 2) That CRHD Bylaw No. 431, “Capital Regional Hospital District Capital Bylaw No.199, 2025” be introduced and read a first, second, and third time; and
- 3) That CRHD Bylaw No. 431 be adopted.

Submitted by:	Michael Barnes, MPP, Senior Manager, Health and Capital Planning Strategies
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Housing, Planning and Protective Services
Concurrence:	Kristen Morley, J.D., Corporate Officer & General Manager, Corporate Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer & General Manager, Finance & Technology
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT

Appendix A: CRHD Bylaw No. 431, “Capital Regional Hospital District Capital Bylaw No. 199, 2025”