

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, FEBRUARY 07, 2024**

SUBJECT **Magnetic Resonance Imaging Scanner Replacement at the Victoria General and Royal Jubilee hospitals - Approval of Capital Bylaw No. 422**

ISSUE SUMMARY

Approval of a Capital Regional Hospital District (CRHD) \$600,000 Capital Expenditure and Borrowing Bylaw is required for Island Health to proceed with the \$5,877,000 Magnetic Resonance Imaging (MRI) Replacements at the Victoria General Hospital (VGH) and Royal Jubilee Hospital (RJH).

BACKGROUND

Originally two separate capital projects in the 2023 and 2024 Capital Plan, Island Health is now able to combine the replacement of three MRIs at VGH and RJH that have reached the end of their useful life for the cost of a single MRI scanner replacement. This can be achieved by utilizing a new “facelift” technology where the magnet is kept in place, but other components are replaced. This technology, a more cost-effective option over separate MRI scanner replacement, reduces construction time, and does not compromise South Island MRI volumes and/or waitlist times. The useful life of the MRI scanners will be extended by 10-12 years, this option aligns with green initiatives and ideals (helium re-purpose and magnet re-use).

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 \$600,000 be approved for Magnetic Resonance Imaging Scanner Replacement at the Victoria General and Royal Jubilee hospitals;
- 2) That CRHD Bylaw No. 422, “Capital Regional Hospital District Capital Bylaw No.192, 2024” be introduced and read a first, second, and third time; and
- 3) That CRHD Bylaw No. 422 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

Projects for the replacement of MRIs at VGH and RJH have been in the CRHD 10-Year Capital Plan since 2023. In prior years, the projects were presented and cash flowed separately but have been combined into one project in 2024.

Hospitals and Housing Committee – February 7, 2024
Magnetic Resonance Imaging Scanner Replacement at the Victoria General and Royal Jubilee hospitals - Approval of Capital Bylaw No. 422 **2**

The CRHD and Island Health share of the project budget are reflected in the 2024-2033 CRHD 10-Year Capital Plan that was approved by the CRHD Board on October 25, 2023. The total project cost is \$5,877,000. CRHD will cost share 30% (\$600,000) of \$2,000,000 with Island Health and the balance of \$3,877,000 will be contributed by the Hospital Foundation. The project costs will occur in 2024 and the CRHD share of \$600,000 will be debt serviced through the Municipal Finance Authority. The cost of debt servicing for the CRHD contribution has been included in the 2024 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 MRI Scanner Replacements at VGH and RJH. 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 the Capital Regional Hospital District (CRHD) funding in the amount of \$600,000 be approved for Magnetic Resonance Imaging Scanner Replacement at the Victoria General and Royal Jubilee hospitals;
- 2) That CRHD Bylaw No. 422, “Capital Regional Hospital District Capital Bylaw No. 192, 2024” be introduced and read a first, second, and third time; and
- 3) That CRHD Bylaw No. 422 be adopted.

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

ATTACHMENT

Appendix A: CRHD Bylaw No. 422, “Capital Regional Hospital District Capital Bylaw No. 192, 2024”