

## North Bay Regional Health Centre

# Together we are **BUILDING** for Your Health



northeast mental health centre  
centre de santé mentale du nord-est  
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North Bay and District Hospital  
Hôpital de North Bay et du district

## OPEN 2010

[NORTH BAY May 1, 2007] After many years of planning, we are absolutely delighted and excited that construction of the new North Bay Regional Health Centre has started and we look forward to its completion in summer 2010. This is one of the largest projects in the region's history with eventually more than 200 workers on site daily during the construction period.

Recently, there has been a lot of media coverage regarding our new health centre and we want to ensure you have factual information to share with your colleagues and your family and friends.

### **Contract with Plenary Health**

The contract to build, finance and maintain the new North Bay Regional Health Centre (NBRHC) for 30 years was competitively bid and a fair price was negotiated. Reports that costs have doubled since the contract price was released are inaccurate.

Over the course of 30 years after construction is complete, Plenary Health will be paid approximately \$35 million each year to pay for the

construction of the facility, building maintenance, lifecycle repair and renewal and project financing. In today's dollars, this equals \$551 million.

A third-party value for money assessment by Pricewaterhouse Coopers LLP estimates the savings will be \$56.7 million (8.7 percent) by using the Province's Alternative Financing and Procurement approach.

Over the past 18 months, staff from both the North Bay General Hospital and the Northeast Mental Health Centre has worked closely with Infrastructure Ontario in putting together the final project scope and agreement. The contract with Plenary Health includes constructing this new state-of-the-art health centre for our community and provides a 30-year warranty that requires the company to maintain and service the facility it has built. Under traditional construction models, warranties are usually only one or two years and hospital operating budgets were responsible for required repairs and maintenance upon expiration of the warranty. The new health centre contract provides a guarantee that it

will be in top shape at all times and at the end of the 30-year project agreement we will be 'burning the mortgage' on a facility that will be in great condition.

The North Bay General Hospital (on behalf of both itself and the Northeast Mental Health Centre) has received a commitment from the Province that NBGH will receive \$35 Million each year for 30 years for the payments to Plenary Health.

As you are aware the North Bay General Hospital and its Foundation have been actively fundraising for its new Hospital for the past several years. We are delighted that we have successfully achieved our goals through the wonderful generosity of our donors. We are very pleased with the success of the Foundation's fundraising initiatives and have built these contributions (pledged and already received) into the local share financing plan for our new facility.

With the donor and municipal contributions and financing that the hospital is undertaking, the local share financing plan is viable and therefore we are confident that we

will not be returning to our municipalities with further financial requests towards the construction of the new health centre.

The North Bay and District Hospital Foundation will continue to collect the pledges that have been made towards the Building Fund and it will also continue in its main role to raise funds for advanced medical equipment to help ensure that our patients always have access to the best possible care.

In 2002, the economic impact to our communities of the new North Bay Regional Health Centre construction project was noted in a study by PricewaterhouseCoopers that

found that during the construction / development phase net economic benefits to North Bay and surrounding area were \$156.3 Million - \$230.9 Million; and new employment was equivalent to approximately 400 full time equivalents (FTEs). We believe the local economic impact of this construction project has increased since this 2002 study and know that our communities are looking forward to the added economic benefits of this large construction project now underway.

To demonstrate that the Province and the hospital is committed to transparency,

Infrastructure Ontario has recently placed the **NRHC Project Agreement** and the **Value For Money Report** on its website:

<http://www.infrastructureontario.ca/en/projects/health/northbay/profile.asp>

We hope this communiqué has answered questions you may have had about our new facility. Please feel free to ask further questions by contacting the Public Relations Department at: 705-495-8127 who will ensure that your question is directed to the most appropriate person. ✉

## Construction of the new North Bay Regional Health Centre is underway...

Immediately following the official groundbreaking in March, construction equipment began arriving on the site and work has begun. Construction is expected to take 39 months.

