



BUILDING HEALTHCARE FOR TODAY AND TOMORROW — CAPITAL PROJECTS NEWSLETTER



The milestone issue

Welcome back to the Building Healthcare for Today and Tomorrow newsletter! September started off with a bang with a series of milestones announced in the development of the Niagara Health System (NHS) health-care complex project.

On September 4, more than 100 NHS and community leaders gathered at the site where the hospital is to be built for a special sign-unveiling event where two major announcements were made. Please see inside for details!

***Pictured above:** Minister Jim Bradley announced the RFP release at a project sign unveiling on September 4. He was joined by (left to right) Niagara Falls MPP Kim Craitor, NHS Board of Trustees Chair Betty-Lou Souter, MPP Jim Bradley, NHS President and CEO Debbie Sevenpifer, Fundraising Campaign Co-Chair Archie Katzman of the It's Our Time Campaign and Cancer Care Ontario Vice President of Clinical Programs Dr. Carol Sawka.*

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Full steam ahead!

On behalf of the Province of Ontario, St. Catharines MPP Jim Bradley (Minister of Tourism, Minister Responsible for Seniors, Government House Leader and member for St. Catharines) declared that the Request for Proposals (RFP) to design, build, finance and maintain the new health-care complex to replace the existing Ontario Street and St. Catharines General sites had been released to the three short-listed building teams. The announcement took place on September 4 on the site of the new hospital, at the corner of First Street and Fourth Avenue.

MPP Jim Bradley announces the RFP release and approval to begin preliminary site work for the NHS health-care complex.



Minister Bradley also announced that NHS has been given the green light to begin the development of the Early Works project, which includes preparatory site work and fencing on the 40-acre property, in advance of the actual construction targeted to begin in fall 2008.

NHS President and CEO Debbie Sevenpifer led the proceedings at the event. “The announcements made by Minister Bradley demonstrate our commitment of bringing a new modern hospital with the programs, equipment and expertise needed for our patients to receive life-saving healthcare right here in the Niagara region,” says Debbie. “It is long overdue and is something that our patients and their families deserve.”

Minister Bradley applauded the progression of the project and focused his remarks on how the new hospital and cancer care centre will bring better healthcare for our growing, aging community and spoke of the Province’s commitment to providing the resources and infrastructure necessary to address the health-care needs of all Niagarans.

In addition to the announcement made by Minister Bradley, remarks were provided by Niagara Falls MPP Kim Craitor; Dr. Carol Sawka, Vice President of Clinical Programs at Cancer Care Ontario; Betty-Lou Souter, Chair of the Niagara Health System Board of Trustees; and Archie Katzman, Fundraising Co-Chair of the It’s Our Time Campaign.

A cancer survivor himself, MPP Craitor is familiar with the drive to Hamilton for critical care and was on hand to offer

his personal remarks on Niagara’s need for comprehensive cancer care services, which will be provided at the new Niagara Regional Cancer Centre, now known as the Walker Family Cancer Centre.

The addition of radiation treatment alone will mean that more than 1,400 people from the Niagara region will no longer have to travel to Hamilton or Toronto for cancer care.

“Our patients and their families deserve a new modern hospital with the programs, equipment and expertise needed for them to receive life-saving health care right here in the Niagara region,” said Debbie. “Thanks to the unwavering support of our physicians and staff who have committed countless hours developing the specifications for the hospital, partnered with commitment from the government, we’ve made an important step in the direction of better healthcare.”

Once complete, the 375-bed community hospital will serve St. Catharines, Thorold, Niagara-on-the-Lake and surrounding communities with a full range of acute, surgical, emergency and ambulatory services.

The new health-care complex will also house new regional services including cardiac catheterization, radiation treatment for cancer patients and 53 new longer-term mental health beds. The addition of these regional services will ensure closer-to-home access to advanced-level care for the more than 434,000 residents across the Niagara Region.



RFP Procurement 101



The pre-construction sign designating the property at the corner of First Street and Fourth Avenue in St. Catharines as the official site of the new health-care complex is unveiled.

When the RFP documents were issued to the short-listed bidders on September 4, we were formally asking them to submit a proposal to satisfy four essential components, demonstrating how they would design, build, finance and maintain the new health-care complex.

The NHS project is one of the largest hospital infrastructure projects in Ontario. It is also the first full DBFM (design, build, finance and maintain) project to receive approval under the Provincial government's Alternative Financing and Procurement (AFP) delivery model.

This new model offers NHS and the Province a guaranteed fixed price and fixed delivery date for the health-care complex, which means risks such as construction-related cost increases and delays are borne by the private sector.

Whereas projects delivered under the traditional method only include one or two-year warranties, the work on our project comes with essentially a 30-year warranty, since the successful

bidder will also maintain the facility. Over the course of the 30-year maintenance agreement, payments will be made to the building maintenance company that are performance-based and subject to penalties if the facility does not meet the standards set by NHS and Province.

The facility will remain publicly owned, publicly controlled and publicly accountable.

The RFP documents issued for this project outline the procurement process, the information required from the project team, the form in which proposals should be submitted and the criteria which will be used in evaluating the proposals.

The procurement process is the prescribed schedule of events the proponent teams follow in trying to secure the project. It began with the teams pre-qualifying through a request for qualifications (RFQ) to prove they have exemplary skills in project development and construction, as well as the financial capacity to undertake a project of this size and complexity.



Following successful completion of the RFQ stage, the successful short-listed bidders evolve through a competitive RFP stage where they submit a proposal demonstrating how they would satisfy the four essential DBFM components: how they propose to design, build, finance and maintain the new health-care complex.

The last stage of the procurement process involves selecting the winning bidder and implementing the Project Agreement, which is a defining contract of terms and conditions agreed to between the winning bidder and the NHS. Once the signing parties have executed the Project Agreement, this guides the terms of the relationship over a 30 year term.

The NHS and Infrastructure Ontario (IO) worked closely to select the qualified teams based on the results from the RFQ process. Teams were short-listed based on their project development, construction and financial capacity to undertake projects of this size and complexity.

“Progressing to the stage of issuing the RFP is an extremely huge milestone for the project,” explains Gloria Kain, NHS Chief Planning and Development Officer, “Getting the documents out to the bidding teams represents one of the most important steps in the procurement process before construction can begin.”

The first milestone for the project occurred in February when we selected the three short-listed teams through the RFQ. With this most recent milestone of releasing the RFP, the project has reached its first step towards the development of the complex, as this is the first occasion to share information with the bidders, allowing them to begin work on their proposals.

This process moves very swiftly and bidders vying for the project have already begun to get to work on their proposals. The teams were formally introduced to the project last week at a preliminary meeting with the NHS, IO and project advisors that introduced the vision, themes and background of the NHS and the project.

Now that the RFP has been issued, bidders will be given approximately seven months to work on their submissions. During this competitive process, they will review the key documents that

NHS staff and physicians have created to aid them in their design in order to develop a proposal for how they plan to design, build, finance and maintain the facility using innovation, efficiency and best practices.

Once the proposals are received, the hospital, in consultation with IO and the Ministry of Health and Long-Term Care, will evaluate the bids based on a variety of criteria to assess the quality of the proposal from a technical and financial perspective. They will then choose their preferred proposal and negotiate a final contract with the winning team. The entire procurement process is also overseen by an independent, third-party fairness monitor.

Following the signing of the contract and financial close, when all of the project’s contracts and conditions are met, construction on the new building is scheduled to begin in fall 2008, with substantial completion targeted for late 2011.

Who was the RFP released to?

- The following three project teams (also commonly referred to as the proponent teams or consortia) bidding on the project were short-listed through a request for qualifications (RFQ) issued in November 2006:
- Hospital Infrastructure Partners Inc. - Carillion Canada, EllisDon Corporation, LPF Infrastructure Fund (Labourers’ Pension Fund of Central and Eastern Ontario), Stantec/Murphy Hilgers Architects in Joint Venture, Rybka, Smith and Ginsler
- Plenary Health - Plenary Group, PCL Constructors, Bregman + Hamann Architects and Silver Thomas International Architects, Johnson Controls, Deutsche Bank
- Infusion Health - Billfinger Berger BOT, John Laing, Vanbots Construction, Parkin Architects/Vermeulen-Hind Architects in Joint Venture, Honeywell Building Solutions, RBC Capital Markets



You are all to thank for helping shape better healthcare in Niagara



Ontario, or many of our other important initiatives.

Nowhere has this commitment been more apparent than in the tremendous amount of work that has been undertaken in support of the new health-care complex. The workload for this project is like none we have ever seen before, and for most of the people of the NHS involved in the planning of the project, this workload is in addition to their regular duties. These physicians, nurses, allied health professionals, staff and volunteers all deserve a sincere thank you for their commitment, expertise and sacrifice in order to build a better health-care system and a better Niagara.

I would like to express my sincere gratitude to everyone involved in this project. Because of the immeasurable amount of work put forth by the user groups and steering committees,

you are making this project a reality. I would especially like to thank Gloria Kain, Chief Planning and Development Officer and the NHS Project Team for leading this ambitious project, as well as our Board of Trustees, all of our project advisors and partners at Infrastructure Ontario and the Ministry of Health and Long-Term Care.

I would also like to extend thanks to the Regional and Municipal Councilors for their support of tax levies that served to ensure this project would move forward. Just as important is the significant progress towards achieving the \$40-million fundraising goal of the It's Our Time Campaign through the leadership of the NHS Foundation and our many community volunteers, as well as the generous giving of donors to date. We have achieved substantial milestones in the securing of our local share towards the new facility and will continue to achieve success working together as a team.

We are now well on our way to bringing much-needed services to the people of Niagara. And for that, I thank you all.

With gratitude,

Debbie Sevenpifer
President and CEO
Niagara Health System

Note from the Editor



You may notice that the newsletter has a new look! We have undertaken this change as an introduction to a new and improved format and theme. Beginning with the next issue, this newsletter will not only focus on the status of the new health-care complex, but will keep you informed about capital projects currently being undertaken at all of our NHS sites, in addition to improvements in service delivery across our sites.

To capture the essence of this new theme, the newsletter is now called, Building Healthcare for Today and Tomorrow - Capital Projects Newsletter. We hope you'll enjoy this new format that will inform you on site improvements occurring at your own community hospital, as well as across the Region of Niagara. Beginning with this edition, the newsletter will also be issued on a bi-weekly basis to provide you with these updates.

We hope you look forward to these updates as we continue to strive to bring better healthcare to the residents of Niagara.

We are interested in your feedback!

What would you like to know about the project or service improvement and redevelopment at our NHS sites? If you have an idea for an issue of this publication, or have a question, please contact the Editor:

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