

Page 1 of 7 to/à Page 2 of 7

Withheld pursuant to/removed as

s.12

## **Capital Project Plan Nanaimo Correctional Centre Replacement July 9, 2019**

### **1. Project Background**

In June 2019, the Province approved a project to replace the Nanaimo Correctional Centre (NCC) facility on the existing site. NCC is one of ten correctional centres operated by the Ministry of Public Safety and Solicitor General (PSSG), under the responsibility of BC Corrections.

The existing NCC facility has been targeted for replacement by BC Corrections since 2007, with the need for investment reconfirmed in the 2011 and 2018 Capital Asset Management Plan updates. The project has been identified as a high-priority due to the deteriorating condition of the existing NCC facility buildings, which are of an advanced age, beyond economic and functional repair, and exhibit the following issues:

- Facility Condition Index scores that rank from “fair” to “poor”;
- Non-secure, seismically deficient construction;
- Non-purpose-built physical layout that hinders the provision of safe and secure inmate accommodation;
- Outdated utility systems that do not meet demand volumes and can impose health and safety risks; and
- Inefficient program and component areas and adjacencies.

The decision to approve the project also addresses other key project objectives, including an ability to:

- Manage immediate and long-term regional demands;
- Accommodate remand inmates closer to their courts of origin located on mid and north Vancouver Island;
- Enhance the Guthrie Therapeutic Community that has been proven to reduce reoffending; and
- Create short-term housing for incarcerated women on Vancouver Island.

BC Corrections has a mandate to protect communities through the safe control and behavioural change of adults, providing correctional services and programs to individuals 18 years or older who are:

- On a bail order awaiting trial or serving a community sentence (probation, conditional sentence order, etc.);
- Held in custody while awaiting trial or serving a custodial sentence of less than two years; or
- Detained under the authority of the Canada Border Services Agency.

The Adult Custody Division of BC Corrections is responsible for the operation of the correctional centres throughout the province which house individuals who are awaiting trial, serving a custodial sentence of less than two years or are being detained pending an immigration review. While the levels of security vary from centre to centre, each one offers inmate programs, education opportunities and vocational training to address factors that contribute to criminal behaviour.

### **2. Project Objectives**

To aid with the development of the project scope and infrastructure decisions, project objectives have been established as follows:

- a) The programmatically appropriate solution will respond to both the immediate and long-term forecasted demand on Vancouver Island and other specialized provincial programs;
- b) The project will align with the current and long-term demands of, and/or seeks to minimize impacts on, the project's stakeholder community; and

- c) The project will be economically efficient, taking into consideration all costs associated with the solution's implementation and operations.

### **3. Project Scope and Status**

The project will include:

- An estimated net area of approximately 9,880 square metres, with a proposed cell count of 226 (202 general purpose cells and 24 specialty cells);
- Secure, medium and open custody living units for men;
- Secure living units for women;
- Programme administration and areas for:
  - Academic and vocational training;
  - Indoor and outdoor recreation;
  - Workshops and greenhouses; and
  - Multi-purpose space;
- Central control and security administration;
- Support areas including:
  - Food services;
  - Health care;
  - Laundry; and
  - Stores;
- Admissions and discharge; and
- Facility administration and staff services.

The estimated area is allocated in multiple buildings across the campus in order to accommodate a variety of custody levels including open, medium and secure. It is anticipated that the campus environment currently used for the NCC will continue with the new NCC using grade, elevation and landscaping elements as natural barriers between custody levels.

The new NCC facility will be constructed on the existing site adjacent to the current facility, which will remain in operation during construction.

The project will be delivered using a design-build approach, using a two-stage competitive selection process including the public issue of a Request for Qualification to select up to three eligible design-build firms in June 2019, followed by the issue of a Request for Proposal to the selected firms in September 2019.

### **4. Project Costs and Benefits**

#### **Project Costs:**

The project has an approved total capital budget of \$157.0 million, including construction, direct costs incurred by the Province (e.g. project management, specialized equipment, and insurance) and project reserves.

#### **Project Benefits:**

The project includes numerous benefits that impact staff, inmates and key stakeholders of both NCC and PSSG. These benefits include:

- Capacity to manage immediate and long-term demand;
- Safer, seismically sound and healthy facilities, purpose designed for corrections use;
- Remanded inmates held closer to their courts of origin;
- Expansion of the Guthrie Therapeutic Community to lead to further reductions in reoffending;
- Short-term accommodation for incarcerated women on Vancouver Island; and

- Provision of purpose-built facilities and programming to address inmates with mental health and substance use needs.

Economic benefits associated with the project's development as informed by the British Columbia Input-Output Model (BCIOM) are estimated as follows:

- 649 direct jobs during construction;
- 277 jobs associated with indirect and induced activity; and
- 94 jobs created through an induced impact associated with re-spending by workers.

The current facility employs approximately 130 permanent, full-time staff, including correctional officers, administrative staff, and service providers (e.g. health, food and program delivery services). Once operational, the permanent, full time staff complement for NCC will increase to approximately 160.

#### **Society Benefits:**

The project aims to address issues, both within BC Corrections' mandate and beyond, which will impact the broader society on Vancouver Island. The resulting benefits include:

- Humane conditions for women awaiting trial and court appearances on Vancouver Island;
- Expansion of capacity to deliver evidence-based programs that reduce reoffending behaviour; and
- Provision of a custodial environment conducive to the stabilization, treatment and programming of offenders with mental health and substance use needs, in addition to addressing their criminal behavioural patterns.

## **5. Project Risks**

To better manage the stakeholders involved in the development and delivery of the project and its objectives, a Project Executive Board has been established that meets monthly. The Board is responsible to provide overall direction and make key decisions for the project, with focus on scope, budget, schedule, and communications.

Risks associated with the project were identified and assessed in terms of cause, probability and consequence. Wherever possible, controls and mitigating strategies were identified. The primary risks associated with the project include:

#### ***Scope and Functionality:***

These risks arise when a building is not sized or designed appropriately, resulting in reduced functionality, less efficient operations, and potential user dissatisfaction.

Measures to mitigate scope risks include:

- Broad consultation with stakeholders during the service delivery model analysis process;
- Extensive user involvement during the functional design phase to ensure integration of inputs for better functionality leading to higher user satisfaction; and
- Engagement of an expert design team acting as advisors to the Province throughout the project. This reduces the likelihood of errors and omissions in the design and during construction.

#### ***Schedule Risk:***

This risk arises if the design/construction processes take longer than expected.

Measures to mitigate this risk include:

- Signing of a Design Build Agreement with the successful design builder establishing the design and construction schedule and setting the substantial completion date. This agreement is scheduled to be signed with the preferred proponent in the spring of 2020.

**Cost Risk:**

These risks arise from the possibility that overall project and construction costs are higher than the approved budget (e.g. unanticipated site contamination, hazardous materials or construction escalation delay).

Measures to mitigate this risk include:

- Escalation and inflation estimates built into the project budget based on most current market forecasts; and
- Appropriate reserves established should unanticipated escalation risk materialize.



July 12, 2019

Ref: 111827

Honourable Darryl Plecas  
Speaker of the Legislative Assembly Parliament Buildings  
Victoria BC V8V 1X4

Dear Honourable Speaker:

**Re: Capital Project Plan for the Nanaimo Correctional Centre Replacement**

An amount of \$156.983 million has been approved for the replacement of the Nanaimo Correctional Centre (decision letter enclosed as Appendix A). As per the decision letter, a capital project plan is to be submitted by the Ministries of Citizens' Services and Public Safety and Solicitor General and made public.

Please find attached the capital project plan for the replacement Nanaimo Correctional Centre at the existing Nanaimo Correctional Centre lands operated by Ministry of Public Safety and Solicitor General. The plan is being submitted in accordance with Section 14 of the *Budget Transparency and Accountability Act*.

Sincerely,

Jinny Jogindera Sims  
Minister

**Attachments:**

- Appendix A: Ratified Decision Letter regarding Nanaimo Correctional Centre
- Appendix B: Major Capital Project Plan for the Nanaimo Correctional Centre Replacement