



**STAFF REPORT**

**DATE:** June 21, 2022  
**TO:** Board of Education  
**FROM:** Brian Iseli, Secretary-Treasurer  
**SUBJECT:** Five Year Capital Plan 2023/2024

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**RECOMMENDED MOTION:**

In accordance with provisions under Section 142 (4) of the School Act, the Board of Education of School District No. 35 (Langley) hereby approves the proposed Five-Year Capital Plan (Major Capital Programs) for 2023/2024, as provided on the attached Major Five-Year Capital Plan.

**BACKGROUND:**

The Ministry of Education requires school districts to submit annually a Five-Year Capital Plan. Similar to last year, it will be done in two phases with Major Capital due June 30<sup>th</sup> and Minor Capital due September 30<sup>th</sup>. Both will require a Board motion that will be done at the Regular Board Meeting in June and September. Attached is a listing of projects that are being brought to the Board for approval at tonight's meeting.

A Five-Year Capital Plan is intended to prioritize the District's investment decisions related to capital projects. The Capital Plan submitted in the District's 2021/2022 school year will have approvals for the Ministry's fiscal year 2023/2024.

Each board of education must have a Long-Range Facilities Plan (LRFP) in place for its school district that lays out management strategies for its inventory of capital assets in support of educational programming goals. The LRFP does not need to be submitted as part of a Five-Year Capital Plan, although the Ministry may request pertinent sections from it to inform its capital plan review process. The School Act further states that, before submitting a capital plan to the Ministry for approval, a board of education must approve the capital plan for its school district only by resolution. Ultimately, the Minister has the ability to either: approve; approve with modifications; or reject a capital plan, as submitted by the Board to the Ministry. The Capital Plan instructions are published by the Ministry to ensure that individual capital plans submitted by boards of education meet the provisions of the School Act, which in turn allows the Ministry

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to generate its own multi-year capital plan at the provincial level. This Ministry's capital plan is subject to annual capital funding approval by the Treasury Board.

The Ministry is seeking capital project requests under the following capital programs:

Major Capital Programs:

- Seismic Mitigation Program (SMP)
- School Expansion Program (EXP)
- School Replacement Program (REP)
- Rural District Program (RDP)
- Building Envelope Program (BEP)

Minor Capital Programs:

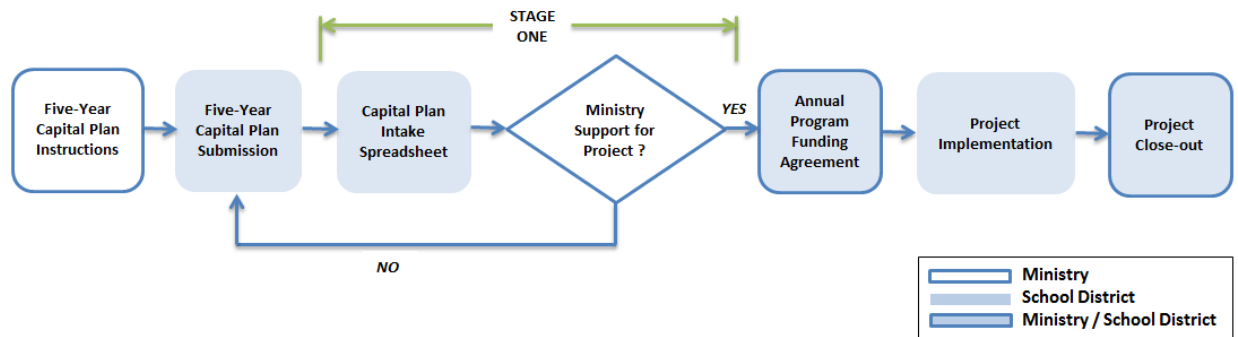
- School Enhancement Program (SEP)
- Carbon Neutral Capital Program (CNCP)
- Bus Acquisition Program (BUS)
- Playground Equipment Program (PEP)

### Capital Project Approval Process

Project requests will follow either a one-stage or a two or three-stage approval process as part of the annual Five-Year Capital Plan submission process.

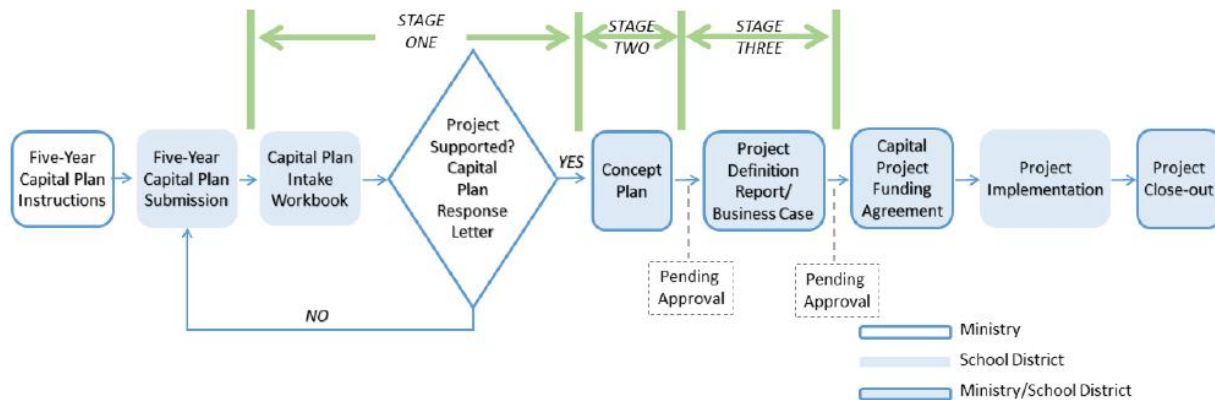
#### One-Stage Approval Process

All requests made for an Annual Capital Program project (SEP, CNCP BUS, PEP, BEP, project, will undergo a one-stage approval process. Ministry support for a qualifying project request will be based on the information provided by school districts under the appropriate tabs in the Capital Plan Intake Spreadsheet.



### Two or Three-Stage Process

By contrast, all requests for a Major Capital Program Project (SMP, EXP, REP) will now undergo a more extensive two or three-stage process dependent upon project risk level, complexity and dollar value. Initial Ministry support for a qualifying project request will be based on the preliminary information provided in a Project Request Fact Sheet, Seismic Project Identification Report, etc. depending on the program.



Under both processes, a board of education is responsible for using its local funds to cover the initial costs for any planning work and reports required to determine a proposed scope and preliminary cost estimates for a requested capital project.

### **The Capital Plan Response Letter**

Once the assessment of capital plan submissions from all school districts have been completed by the Ministry, and the provincial budget has been formally announced by the Province, the Ministry will notify each school district with a written response regarding each board's Five-Year Capital Plan submission. The Capital Plan Response Letter will identify the specific capital projects from the Minor Capital Programs and Major Capital Programs that are being supported for capital funding under the Ministry's Capital Plan. The letter will also advise the School District of the next steps for each of the supported projects, which may include:

- Proceed to acquiring a site.
- Proceed to developing a business case (Concept Plan or Project Definition Report) for a SMP project; EXP project; or REP project.
- Proceed to developing a business case for a RDP project.
- Proceed to the design, tender and construction for a SEP project; or CNCP project.
- Proceed to acquiring a bus(es) for a BUS project.
- Proceed to the purchase and installation of playground equipment for a PEP project.

- Work with BC Housing, when contacted, on developing a BEP project.

Upon receipt of the Capital Plan Response Letter from the Ministry, the board of education must adopt a single capital bylaw. This capital bylaw encompasses all capital projects included in the Capital Plan Response Letter.

### **Project Contribution Policy**

All major projects, other than the least cost option for a seismic mitigation project, require boards of education to contribute to the cost of the project, including:

- Site Acquisition
- School Addition
- New School
- School Replacement
- Rural Districts Program Project
- Seismic Mitigation Project (where a school district chooses to advance a different project scope that is not the least cost option)

The required contribution will be assessed by the government on a case-by-case basis dependent on the current financial situation of the school district. A board's ability to contribute has no bearing on the prioritization of projects when the Ministry is developing its capital plan. The value of the contribution will be negotiated and determined at the time that the business case is ready for final approval.

### **Major Capital Program Requests**

All Major Capital Program projects (including EXP, REP, RDP, SMP) proposed for Year One, Year Two and Year Three of an annual Five-Year Capital Plan require a project-specific Project Request Fact Sheet (PRFS). Year One projects should be sufficiently developed to provide a reliable assessment of need, scope of work, schedule, and cost estimate. This information allows the Ministry to properly evaluate an individual project request against both Ministry Capital Program criteria and other capital priorities across the province. Year Four and Year Five projects are understood to be notional, based on the best cost estimate, scope and schedule information for the project that is available at the time. Understandably, this project information will require further refinement in future Five-Year Capital Plan submissions, as those project requests move into a more imminent timeframe.

### **Project Request Fact Sheet (PRFS)**

The PRFS is a relatively simple document to complete (in most cases not requiring extensive consultant involvement) and provides a preliminary assessment of a proposed capital project that a board of

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education deems to be a high priority for its school district. To enable the Ministry to gain a reasonable understanding of the priority for a proposed project, the PRFS is intended to outline the particular capital need facing the school district, along with options to feasibly address that need, involving both operational changes and capital solutions, based on student enrolment forecasts and utilization of student space in existing schools. From the PRFS, the Ministry should be able to discern what risks may exist related either to undertaking an approved project or by deferring the project.

### **The District's 2023/2024 Five Year Capital Plan Submission Plan**

The 2023/2024 Five Year Capital Plan is being brought to the June 21, 2022 Regular Board Meeting for approval of the Major Capital and the Minor Capital will be brought to the September 20, 2022, Regular Board Meeting for approval.

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