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# HALDIMAND COUNTY

## Report ENG-11-2019 Budget Reallocation - Haldimand Road 3 and Haldimand Road 55 Resurfacing and Shoulder Widening

For Consideration by Council in Committee on June 18, 2019

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### OBJECTIVE:

To seek Council approval for the reallocation of capital funding for the Haldimand Road 3 and Haldimand Road 55 Resurfacing and Shoulder Widening project.

### RECOMMENDATIONS:

1. THAT Report ENG-11-2019 Budget Reallocation - Haldimand Road 3 and Haldimand Road 55 Resurfacing and Shoulder Widening be received;
2. AND THAT the revised budgets as outlined in Report ENG-11-2019 be approved.

**Prepared by:** Kristopher R. Franklin, Manager, Engineering Services

**Respectfully submitted:** Tyson Haedrich, M. Eng., P. Eng., General Manager of Engineering & Capital Works

**Approved:** Donald G. Boyle, Chief Administrative Officer

### EXECUTIVE SUMMARY:

The Haldimand Road 3 and Haldimand Road 55 Resurfacing and Shoulder Widening project tender closed over the approved budget and requires a budget reallocation to award the project. The budget shortfalls will be funded through savings from an existing project and a reallocation from the Ward 1 Community Vibrancy Fund.

### BACKGROUND:

In 2018 Haldimand County completed significant paving repairs on sections of Haldimand Road 3 from Haldimand Road 55 to Hawk Street and on Haldimand Road 55 from Concession 4 to Concession 2 Walpole.

The intent of the current project is to complete the resurfacing work started in 2018 including the sections of Haldimand Road 3 to the Norfolk boundary and Haldimand Road 55 south to Rainham Road. The 2019 work also includes shoulder widening on Haldimand Road 3 from Road 70 to Riverside Drive, culvert repair and replacements and the replacement and installation of steel beam guiderail and three cable guidewire.

In accordance with Procurement Policy 2013-02, Council must approve the reallocation of funds for a capital project with a budget shortfall of \$75,000 or more (or 20% of the approved budget) or where insufficient funds are currently available.

## ANALYSIS:

The Haldimand Road 3 and Haldimand Road 55 Resurfacing and Shoulder Widening tender closed on April 16, 2019 with the following three bids:

Bidder	Bid Price Received (including full HST)
Coco Paving Inc.	\$1,407,980.00
Brennan Paving	\$1,507,707.81
Dufferin Construction Company	\$1,616,813.61

The lowest acceptable bid for the tender was received from Coco Paving Inc. in the amount of \$1,340,696 (including non-rebateable HST). The total project budget is \$1,190,000 or approximately \$160,000 over budget. The budget deficit consists of a \$100,000 shortfall in the Haldimand Road 3 and Road 55 resurfacing component and a \$60,000 shortfall in the Haldimand Road 3 shoulder widening component (funded from Ward 1 CVF).

Based on the tender review staff believe that the budget shortfall of \$160,000 can be attributed to the asphalt prices received which have been trending higher this year due to the demand created by some significant projects in the area including the Red Hill Creek Expressway in Hamilton and proposed MTO work on the Caledonia by-pass in the fall.

## FINANCIAL/LEGAL IMPLICATIONS:

In order to fund the shortfall of \$100,000 in the Haldimand Road 3 and Road 55 resurfacing staff have identified sufficient savings in the roads portion of the Alder Street project.

The Haldimand Road 3 shoulder widening is funded from Ward 1 CVF and requires a transfer from the CVF reserve account.

The following revisions to the tax supported capital budget are required to fund the project:

Project Expenditures	Current Approved Budget	Change	Proposed Revised Budget
Haldimand Road 3/55 Resurfacing (C.373.0081)	\$1,000,000	\$100,000	\$1,100,000
Alder Street – Cedar to West (C.372.0017)	\$2,014,000	(\$100,000)	\$1,914,000
Haldimand Road 3 Shoulder Widening (C.373.0118)	\$190,000	\$60,000	\$250,000
<b>Total Capital Expenditures</b>	<b>\$3,204,000</b>	<b>\$60,000</b>	<b>\$3,264,000</b>

The related financing impacts for the projects included above, are shown below:

Project Financing	Current Approved Budget	Change	Proposed Revised Budget
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CRR Roads	\$3,014,000	\$0	\$3,014,000
Community Vibrancy Reserve Fund (Ward1)	\$190,000	\$60,000	\$250,000
<b>Total Financing</b>	<b>\$3,204,000</b>	<b>\$60,000</b>	<b>\$3,264,000</b>

Once the funding is approved, staff will proceed with the award of the tender through a purchase order.

## **STAKEHOLDER IMPACTS:**

Not applicable.

## **REPORT IMPACTS:**

Agreement: No

By-law: No

Budget Amendment: Yes

Policy: No

## **ATTACHMENTS:**

1. None.