

---

# HALDIMAND COUNTY

## Report ENG-05-2025 Budget Reallocation - 2025 Rural Road Resurfacing Program



For Consideration by Council in Committee on April 8, 2025

---

### Objective:

To seek Council approval for the reallocation of capital funding for the 2025 Rural Resurfacing Program.

### Recommendations:

1. THAT Report ENG-05-2025 Budget Reallocation - 2025 Rural Road Resurfacing Program be received;
2. AND THAT the Tax Supported Capital Budget be amended as outlined in Report ENG-05-2025.

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

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

**Approved:** Cathy Case, Chief Administrative Officer

### Executive Summary:

The 2025 Rural Road Resurfacing Program involves resurfacing 37 kilometres of rural roads at nine project locations across the County, including the replacement of guiderails, culverts and ditching. The project was tendered in March 2025, and two compliant bids were received. Based on the lowest compliant bid from Walker Construction Limited, a budget amendment is required to increase total funding for the project. The increase will be achieved by reallocating savings from the favourable tender result in the 2025 Hot Mix Resurfacing Program.

The funding increase is necessary due to higher-than-estimated bid prices for both labour and material costs, particularly for the steel beam guiderails and culverts, which are impacted by the current economic uncertainty. By utilizing identified savings, the proposed budget amendment will not impact the Capital Replacement Reserve Fund (CRRF) balance or the 2025 Tax Capital Budget.

### Background:

The 2025 Rural Road Resurfacing Program (see Attachment 1) involves the resurfacing of 37 kilometres of rural roads, including the replacement of guiderails, culverts, and ditching at the following nine project locations across the County:

- Shoreline Trail
- Lakeshore Road – Haldimand Road 50 to Haldimand Dunnville Townline Road
- Lakeshore Road – Brookers Road to Haldimand Road 50
- Concession 1 Road Seneca – Haldimand Road 56 to Caistorville Road
- Concession 2 Walpole – Cheapside Urban Boundary to Haldimand Road 53

- South Coast Drive – Rainham Road to Cheapside Road
- Sweets Corners Road – Lakeshore Road to Rainham Road
- Townline Road West – Haldimand Road 20 to End
- Erie Street South – Bluewater Parkway to Lakeshore Road

Section 4.6 of Procurement Policy 2023-02 provides the parameters for reallocating budget funds for capital projects to address budget deficits. Under this policy, if the budget shortfall exceeds \$100,000 or 20% of the approved project budget, a report to Council is required to authorize the proposed amendments.

### Analysis:

The 2025 Rural Road Resurfacing Program (ENG-22-2025) project tender closed March 18, 2025 with two compliant bids. The lowest acceptable bid for the tender was received from Walker Construction Limited in the amount of \$4,882,668 (including non-rebateable HST). The total approved budget for all components of the project is \$4,466,100 creating a funding shortfall of \$416,568.

Based on the tender review, staff believe the higher than estimated bid prices are due to increased material costs, particularly for steel beam guiderails and culverts, which are impacted by the current economic uncertainty as well as the low Canadian dollar. After reviewing the tender results, staff believe the prices represent fair market value and recommend awarding the tender to Walker Construction Limited as the lowest compliant bidder.

### Financial/Legal Implications:

To achieve the total required budget amount of \$4,961,100, staff have identified savings within an existing project (2025 Hot Mix Resurfacing ENG-20-2025) to cover the funding shortfall. By utilizing these identified savings, the proposed budget amendment will not impact the Capital Replacement Reserve Fund (CRRF) balance or the 2025 Tax Capital Budget.

The following revisions to the 2025 Tax Supported Capital Budget are required to fund the project:

	Current Approved Budget	Change	Proposed Revised Budget
<b><u>Rural Road Resurfacing</u></b>			
761932 Shoreline Trail- All	\$30,800	\$25,000	\$55,800
761934 Lakeshore Road - Haldimand Road 50 to Haldimand-Dunnville Townline Road	\$527,900	\$10,000	\$537,900
762026 Lakeshore Road - Brookers Road to Haldimand Road 50	\$493,000	\$5,000	\$498,000
762003 Concession 1 Road Seneca - Highway 56 to Caistorville Road	\$629,000	\$325,000	\$954,000

762008 Concession 2 Walpole - Cheapside Urban Boundary to Haldimand Road 53	\$377,200	\$(30,000)	\$347,200
762035 South Coast Drive - Rainham Road to Cheapside Road	\$1,239,800	\$(80,000)	\$1,159,800
762036 Sweets Corners Road - Lakeshore Road to Rainham Road	\$170,600	\$80,000	\$250,600
762039 Townline Road West - Haldimand Road 20 to End	\$867,800	\$70,000	\$937,800
762402 Erie Street South - Bluewater Parkway to Lakeshore Road	\$130,000	\$90,000	\$220,000
<b><u>Total Rural Road Resurfacing</u></b>	<b>\$4,466,100</b>	<b>\$495,000</b>	<b>\$4,961,100</b>
<b><u>Hot Mix Resurfacing</u></b>			
741931 Rainham Road - Haldimand/Dunnville Townline Road to Haldimand Road 20	\$2,008,400	\$(220,000)	\$1,788,400
741941 Sandusk Road - Highway 6 to Haldimand Road 20	\$1,355,000	\$(250,000)	\$1,105,000
742402 First Line - Highway 6 to Oneida Road (tracks)	\$250,000	\$(25,000)	\$225,000
<b>Total Hot Mix Resurfacing</b>	<b>\$3,613,400</b>	<b>\$(495,000)</b>	<b>\$3,118,400</b>
<b>Total Capital Expenditures</b>	<b>\$8,079,500</b>	<b>\$0</b>	<b>\$8,079,500</b>
<b><u>Financing:</u></b>			
<b><u>CRR Roads Infrastructure</u></b>			
761932 Shoreline Trail – All	\$30,800	\$25,000	\$55,800
762008 Concession 2 Walpole - Cheapside Urban Boundary to Haldimand Road 53	\$377,200	\$(30,000)	\$347,200
762036 Sweets Corners Road - Lakeshore Road to Rainham Road	\$170,600	\$80,000	\$250,600

762402 Erie Street South - Bluewater Parkway to Lakeshore Road	\$130,000	\$90,000	\$220,000
762026 Lakeshore Road - Brookers Road to Haldimand Road 50	\$0	\$5,000	\$5,000
762003 Concession 1 Road Seneca - Highway 56 to Caistorville Road	\$0	\$325,000	\$325,000
741931 Rainham Road - Haldimand/Dunnville Townline Road to Haldimand Road 20	\$2,008,400	\$(220,000)	\$1,788,400
741941 Sandusk Road - Highway 6 to Haldimand Road 20	\$1,355,000	\$(250,000)	\$1,105,000
742402 First Line - Highway 6 to Oneida Road (tracks)	\$250,000	\$(25,000)	\$225,000
<b><u>Total CRR – Roads Infrastructure:</u></b>	<b>\$4,322,000</b>	<b>\$0</b>	<b>\$4,322,000</b>
<b><u>CCBF Reserves</u></b>			
761934 Lakeshore Road - Haldimand Road 50 to Haldimand-Dunnville Townline Road	\$527,900	\$10,000	\$537,900
762026 Lakeshore Road - Brookers Road to Haldimand Road 50	\$493,000	\$0	\$493,000
762003 Concession 1 Road Seneca - Highway 56 to Caistorville Road	\$629,000	\$0	\$629,000
762035 South Coast Drive - Rainham Road to Cheapside Road	\$1,239,800	\$(80,000)	\$1,159,800
762039 Townline Road West - Haldimand Road 20 to End	\$867,800	\$70,000	\$937,800
<b><u>Total CCBF Reserves:</u></b>	<b>\$3,757,500</b>	<b>\$0</b>	<b>\$3,757,500</b>
<b>Total Financing</b>	<b>\$8,079,500</b>	<b>\$0</b>	<b>\$8,079,500</b>

Provided 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

**References:**

1. [Policy No. 2023-02 Procurement Policy](#)

**Attachments:**

1. Project Map