

Staff Report

Presented By: Ruhul Amin, Manager, Engineering Services

Meeting Date: February 23, 2026

Subject: 2026 Road Capital Budget Adjustments

Attachment(s): None

Recommendation

That Council approve \$475,000 for funding various roads projects, funded by transfer from road capital project surpluses as outlined in Table 1 of this report.

Report Summary

This report recommends adjustments to the Road Capital Budget based on contractor bids for the 2026 program. The revisions realign funding with actual costs, reallocate surpluses, and ensure continued delivery of approved road projects without impacting service levels.

Background/Analysis

As part of the annual Road Capital Program, Council approved funding for multiple road rehabilitation and reconstruction projects based on preliminary cost estimates developed during the budget process. These estimates were prepared using historical unit rates, engineering judgment, and market conditions available at the time.

Following budget approval, the projects were tendered in accordance with the Town's Purchasing Policy. Once the tenders closed, staff completed a detailed review of the submissions for compliance, pricing accuracy, and overall value. The tender results indicate that:

- Several projects received bids below the approved budget estimates, generating savings at the project level.
- Other projects received bids exceeding the original budget estimates due to factors such as increased project scope, rising material and labour costs, and limited contractor availability.

To address these variances, a series of adjustments is recommended within the Road Capital Program. These adjustments include reallocating surplus funds from projects tendered under budget to those tendered over budget and updating individual project budgets to reflect

confirmed construction pricing. The overall Road Capital Budget remains within the original 2026 approved funding envelope.

The proposed adjustments will allow staff to proceed with construction as planned, reduce the risk of delays, and ensure continued alignment with Council-approved priorities for the road network.

Table 1: Proposed Allocation Table: Deficits Covered by Surpluses

Transfer From Projects	Transfer to Projects (\$)	Proposed Transfer Amount (\$)	Comments
Wellington Street (Gustavus to Elgin) Reconstruction (320-86824)	Bricker Street (Lloyd to Maple) Reconstruction (320-86828)	\$325,000	The Wellington Street Project received a bid that is \$390,000 below the approved budget.
Annual Asphalt Resurfacing (310-87501)	River Road (Arlington to Wellington) Reconstruction (320-86829)	\$150,000	The Asphalt Resurfacing Project received a bid that is \$195,000 below the approved budget.
	Total	\$475,000	

Linkages

- Strategic Plan Alignment: Pillar 1: Meeting the Needs of a Growing Community
- Business Plan Alignment: Development Services Capital Highlight

Financial Impacts/Source of Funding

Increased funding in the projects is contained through budget transfers as outlined.

Prepared By: Ruhul Amin, Manager, Engineering Services

Reviewed By: Dwayne Evans, Director, Development Services

Approved By: Kara Van Myall, Chief Administrative Officer