

THE CORPORATION OF THE TOWN OF GEORGINA

REPORT NO. OID-2026-0005

**FOR THE CONSIDERATION OF
COUNCIL**

April 1, 2026

SUBJECT: FUNDING PLAN FOR RECONSTRUCTION OF HADDEN ROAD

1. RECOMMENDATION:

- a. That Council receive Report No. OID-2026-0005 prepared by the Operations and Infrastructure Department, dated April 1, 2026, regarding a Funding Plan for the reconstruction of Hadden Road;
- b. That Council approves a budget of \$3,500,000 for the reconstruction of Hadden Road to be funded by:
 - i. \$2,850,000 funded by debenture with repayments from DC reserve;
 - ii. \$150,000 funded by Road Repair and Replacement Reserve;
 - iii. Up to \$500,000 to be recovered from Chippewas of Georgina Island First Nation (GIFN);
- c. That Council approve the award of RFP OID2026-0003 to Elements Engineering Inc., up to \$296,000 including HST, for the investigation, design contract administration and inspection of the reconstruction of Hadden Road; and,
- d. That Council delegate authority to the Chief Administrative Officer to enter into a cost- sharing/benefit agreement with the Chippewas of Georgina Island First Nation (GIFN) to secure a contribution toward the portion associated with road improvements supporting the development along Hadden Road.

2. PURPOSE:

To present Council with a consolidated financial plan for the Hadden Road Reconstruction, summarize procurement results to date for engineering services, highlight the Traffic Impact Study (TIS) outcomes and recommended cross- section/intersection improvements, and obtain the necessary authorities to utilize DC reserves and long- term debt financing consistent with the Town's 2025 Development Charges (DC) Background Study.

3. BACKGROUND:

Planned work on Hadden Road

As part of the Town's long-term pavement management strategy, road conditions and repair needs are regularly assessed using pavement management software and pavement condition evaluations. The software serves as a key tool in identifying, prioritizing, and planning necessary interventions or reconstructions to maintain the Town's target service levels across its highway network.

Based on these assessments, Hadden Road was identified as a priority for full-depth reclamation and cross-section improvements in 2027. During this planned work, the Town was to review the potential for intersection improvements at the interface with Highway 48, and the continuation of the cycling and pedestrian network from Highway 48 North to Black River Road, in alignment with the draft Active Transportation Master Plan (ATMP).

This project was planned for 2027, and as such was not included in the 2026 budget. This projected reconstruction and associated budget was included in the 2025 updated development charge background study.

2025 Updated Development Charges Background Study

The Hadden Road improvements, including the intersection, MUP/sidewalk, stormwater management and pavement surface expansion and upgrades were included in the approved 2025 development charges background study. This project had a collection period from 2025-2051.

Ongoing development on Hadden Road

The Town maintains a strong and collaborative relationship with the Chippewas of Georgina Island First Nation (GIFN). The Hadden Road corridor fronts two GIFN fee- simple properties transitioning through the Additions- to- Reserve process (78 and 115 Hadden Road). These properties have plans to, or have already been, developed by GIFN. Most notably, a 14 pump fuel dispensing station and associated storefront have been constructed and operational for almost 12 months on the west side of Hadden Road, approximately 400m north of Highway 48. Other residential and commercial improvements are planned for both sides of the road. These concepts have been shared with the Town, in order to coordinate with the planned reconstruction of Hadden Road.

Town staff and GIFN have held multiple coordination meetings throughout feasibility, Traffic Impact Study (TIS), and engineering scoping to align municipal works with the development concept.

4. ANALYSIS:

Acceleration of project from 2027 to 2026

With the advancement of the developments along Hadden Road, the road itself is deteriorating quickly. Originally built to a rural standard with bitumen-surface-treated surface, the road now accommodates a significantly higher traffic volume and daily commercial deliveries. To avoid complete failure and closure, staff recommend to advance this work in coordination with GIFN to ensure stability through this corridor. Additionally, the summer peak traffic volumes are causing lengthy queueing southbound at Highway 48, which this project aims to resolve.

2025 Traffic Impact Study (TIS)

Staff have collaborated with GIFN to complete a pre-engineering assignment traffic impact study (TIS) as an early task to understand detailed traffic movement forecasts along Hadden Road and at intersections, that has been submitted to the Ministry of Transportation.

The Hadden Road Traffic Impact Study concludes that overall traffic operations along Hadden Road will remain acceptable through 2035 with the proposed development, except at the intersection of Highway 48 and Hadden Road, where the southbound shared left/right- turn movement is projected to operate near capacity during typical PM peak hours and exceed capacity during summer PM peak periods as early as 2025. To address this, the study finds that traffic signal warrants are met in 2025, 2030, and 2035 (including summer conditions) and that installation of traffic control signals would fully resolve the operational deficiencies, while also supporting separate left- and right- turn lanes as part of a broader reconstruction of Hadden Road to a Minor Collector standard, with the Town recommended to coordinate with MTO to monitor traffic growth and advance signal implementation in the near term as development and seasonal traffic increase.

Scoping and Request for Proposals (RFP)

The Request for Proposals (RFP) was developed in coordination with GIFN in late 2025. The RFP includes engineering design, contract administration and construction inspection for the reconstruction of Hadden Road, which includes improving the pavement surface type and thickness (minor collector), widening the pavement surface for the southern 400m of Hadden Road (including a turning lane), improving stormwater management, adding a Multi-use path along the entire corridor, improving traffic calming including a pedestrian crossing, and improving intersections throughout and at Highway 48.

The RFP was released on December 22, 2025 and closed on February 6, 2026. There were 18 plan takers and 5 submissions received. Of the 5 submissions evaluated, Elements Engineering Inc. received the highest overall score and is recommended to

be awarded the work at a total combined value of up to \$261,934.00, which includes provisional items and does not include HST.

The design work and tendering is anticipated to carry through August of 2026, at which time the Town expects construction of the road works in late fall. The intersection improvements and application to the Ministry of Transportation are still under review and, although the design will include these improvements at Highway 48, they will not be included in the construction package until such time as we have provincial approval.

Funding Plan

The information below outlines the cost-sharing structure for infrastructure projects driven by growth involving both developers and the Town. It categorizes project costs into three main portions:

- *Developer Portion* – Costs that are directly related to a plan of subdivision or its surrounding area. These costs are considered local services, meaning they are essential for the development and must be installed or paid for by the developer.
- *Town Portion (Non-DC Eligible)* – Costs related to the repair or upgrade of existing infrastructure that benefits the broader community. These costs are not development-driven and are typically covered by the Town's reserves or other funding sources.
- *Town Portion (DC Eligible)* – Costs that arise due to new developments, such as infrastructure expansions necessary to maintain service levels. These costs are eligible for Development Charges (DCs), which are fees collected from developers to help fund growth-related infrastructure.

For this project, the project breakdown does not include developers in the formal sense. However, the developments planned and completed by GIFN form an important driver of this project. As such, negotiations with GIFN for an expanded scope have resulted in the below funding proportions, based upon an estimated project cost of \$2,500,000.00:

- *GIFN Portion* – 20% of the project costs up to a maximum of \$500,000.00
- *Town Portion (Non-DC Eligible)* – of the remaining project costs (the greater of 80% or, total cost less \$500,000), 5% of the total remaining (in alignment with the 2025 Development Charge Background Study)
- *Town Portion (DC Eligible)* – of the remaining project costs (the greater of 80% or, total cost less \$500,000), 95% of the total remaining (in alignment with the 2025 Development Charge Background Study)

It is understood that the above funding plan and GIFN negotiation was based upon an estimated project cost of \$2,500,000.00, being the amount related specifically to the current road and associated developments along Hadden. The proposed overall budget for this project, as included in the Development Charge Background Study (2025), includes contingencies, design and construction estimates for the intersection improvements and improvements associated with existing master plans (MUP/ATMP) that would not be considered part of these development related calculations, but are considered as DC eligible costs broadly as outlined in the below breakdown. The overall budget estimate including contingency for the project is \$3,500,000.00.

5. RELATIONSHIP TO STRATEGIC PLAN:

Ensuring Balanced Growth - Execution of these proposed works will promote and ensure responsible growth

Delivering service excellence - Ensure continued financial sustainability and accountability.

6. FINANCIAL AND BUDGETARY IMPACT:

The table below summarizes the work and associated costs for the project:

Task	Estimated Cost	Funding		
		Developer 20% up to \$500,000	Town DC 95%	Town Non-DC 5%
Traffic Impact Study (completed in 2025)	\$ 13,000	\$ 6,500	\$ 6,500	
Field Investigations Preliminary Design Detailed Design Construction Administration	\$ 261,934	\$ 52,387	\$ 199,070	\$ 10,477
Mobilization, demobilization and site controls Removals Road widening: drainage improvements, backfilling and grading Curb and gutter Asphalt road pavement & multi-use path Cross-walk and pavement marking Hwy 48 intersection improvements (does not include signalization)	\$ 2,196,350	\$ 441,113	\$ 1,667,475	\$ 87,762
Signalization (maintenance period) Signalization Construction	\$ 470,000		\$ 446,500	\$ 23,500
Contingency (19.1%)	\$ 558,716		\$ 530,780	\$ 27,936
	\$ 3,500,000	\$ 500,000	\$ 2,850,325	\$ 149,675

The proposed funding structure aligns with the 2025 Development Charges (DC) Study, which identifies the project as 95% development-driven, and carried an estimate in excess of the proposed budget.

Accordingly, it is recommended that \$2,850,000, representing the DC-eligible portion, be financed through long-term debt and repaid from Development Charge Reserves over a 20-year period. The remaining \$150,000, reflecting the non-DC-eligible costs, will be funded from the Road Repair and Replacement Reserve.

In addition, GIFN has committed to contributing 20% of total project costs, to a maximum of \$500,000.

The construction of any infrastructure brings ongoing maintenance responsibilities. For this project, maintenance needs are expected to be incorporated into the pavement management strategy and considered in future budget planning.

7. PUBLIC CONSULTATION AND NOTICE REQUIREMENTS:

Public consultation is not required respecting the proposed work.

Written notice will be delivered to all residents impacted by the road closure in advance. The full notice will also be provided to all agencies impacted by the closure and posted on the Town website.

8. CONCLUSION:

Staff are seeking Council approval of the recommendations outlined in this report which will enable the Town to move forward with the necessary Hadden Road improvements, ensuring the required funding, agreements, and delegated authorities are in place.

APPROVALS

Prepared By:	Michael Vos, Director, Operations and Infrastructure
Approved By:	Rob Wheeler, Deputy Chief Administrative Officer and Treasurer
Approved By:	Ryan Cronsberry, Chief Administrative Officer

Attachments:

Attachment 1 - General Plan of Work