Ministerial Statement
by
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Minister of Public Works and Environment

Update on the Asphalt Plant Replacement Project and Road Paving Programme

Friday, November 6th, 2026

Mr. Speaker, improving Bermuda's roads remains a priority for this Government. Today, I rise to update this Honourable House on the replacement of our asphalt plant, explain the changes to the project, and outline how paving continues whilst that work progresses.

Mr. Speaker, allow me to say from the outset that the project to replace our asphalt plan has taken longer than expected. However, the revised arrangement, agreed in principle, with our supplier would provide Bermuda with a higher-value plant at no additional cost. There has also been no additional costs incurred because of the delay, and the Government's existing plant continues to supply asphalt for ongoing roadworks.

Mr. Speaker, I will begin with why this investment was necessary.

In 2023, technical assessments confirmed that the Government's asphalt plant and supporting paving equipment were more than twenty years old and becoming increasingly unreliable. Breakdowns were more frequent, replacement parts were harder to obtain, and downtime was affecting our ability to pave consistently.

Improving our roads therefore required investment in the equipment used to both produce and lay asphalt.

In early 2024, an agreement was then reached with Astec Industries for a new asphalt plant and screening plant, together with a new milling machine, asphalt paver and Material Transfer Vehicle commonly known as a Shuttle Buggy.

Mr. Speaker, the original target was to have the plant operational by April 2025. As preparations advanced, the time needed for site works, shipping, contractor availability, installation and testing led to a revised commissioning target of the first quarter of 2026. It should be noted that whilst the target for the new asphalt plant was revised, the new paving equipment arrived in Bermuda by May 2025.

Mr. Speaker, two subsequent developments affected the asphalt plant project further.

The first concerned the future of the Government Quarry in Hamilton Parish, where the replacement plant is to be installed.

The owners of the adjoining Rosewood property expressed interest in the Quarry site as part of possible expansion plans. Before proceeding with any further discussions, the Government agreed to facilitate an independent assessment of the costs and practical implications of potentially relocating Quarry operations.

In November 2025, aspects of the plant project were temporarily paused while that assessment was undertaken and therefore installation activities were paused and contractors were demobilised.

Mr. Speaker, we were preparing to install infrastructure expected to serve Bermuda for decades and so continuing with installation while the future of Quarry operations was being assessed would not have been prudent as it could have meant paying for work that later needed to be repeated or relocated.

The assessment concluded in April 2026 without a viable arrangement. I want to be clear, no agreement to relocate the Quarry was reached, no transaction occurred, and no decision was made to move it. The Government was therefore able to proceed at the existing site.

The second, and most recent, development arose after preparations resumed. Astec advised the Ministry of technical concerns with the particular asphalt plant model originally purchased.

According to Astec, those concerns became apparent through the operation of the same model in other jurisdictions. The company advised that this information was not known to them when our original purchase agreement was signed.

Astec brought the concerns to the Government's attention and we now have reached an agreement in principle for a different asphalt plant. Astec advises that this replacement would ordinarily cost approximately $1.2 million more than the original model and that the additional plant cost will not be passed on to the Government.

Overall, this will allow Bermuda to obtain a higher-value plant at no additional cost.

Mr. Speaker, I also want to be clear that some components have already arrived in Bermuda. These components are required for both the originally purchased plant and the proposed replacement, so they remain suitable for the project and will not need to be shipped back. However, installation has not yet begun.

The remaining components of the replacement plant will need to be manufactured in Tennessee and then shipped to Bermuda. Once the amended agreement is signed and the manufacturing, shipping, installation and testing arrangements are confirmed, the Ministry will be in a better position to provide an updated schedule.

I recognise that residents want a firm completion date, particularly after earlier targets have changed. I will do my best to ensure the next date we provide reflects an achievable programme supported by confirmed arrangements.

Mr. Speaker, I also wish to address directly whether the delays have resulted in additional costs to taxpayers.

They have not. The components already received are stored on Government land and will be used in the replacement plant. The costs incurred to date would have been necessary for the project in any event; they are not additional costs arising from the delay.

Separately, Astec's proposed replacement arrangement means that the approximately $1.2 million difference in plant value will not be charged to the Government. The approved project budget will not increase as a result of these revised arrangements.

These are two separate but important points: there have been no additional costs caused by the delay, and the proposed change of plant will result in the country receiving a higher valued plant at no additional cost.

Mr. Speaker, there is a separate equipment matter that I wish to provide an update on and that is the Material Transfer Vehicle which is commonly referred to as the "Shuttle Buggy".

It arrived as part of the paving equipment delivered in May 2025 and was originally purchased to complement the other paving equipment by improving efficiencies in certain designated areas.

During staff training and familiarisation, officers assessed how best to use the equipment on Bermuda's roads. That work raised concerns about whether the Shuttle Buggy would deliver the operational value originally anticipated.

Its operating weight is approximately twice that of the largest piece of paving equipment currently used by the Ministry. That weight is particularly relevant where roads are supported by ageing retaining walls or bordered by vulnerable infrastructure.

Several recent wall failures, including along Middle Road, Smith's, and North Shore Road, Hamilton Parish, reinforced the need for a detailed assessment. Officers subsequently identified locations where

use of the Shuttle Buggy would be constrained. Although it could operate successfully in some areas, those restrictions would significantly limit its usefulness across our road network.

This explains why it is not being deployed islandwide.

The Ministry therefore entered discussions with Astec about returning it. Astec has agreed in principle to accept the Shuttle Buggy at its original purchase price, less shipping, inspection and refurbishment costs. The estimated net credit is approximately $700,000.

That amount remains an estimate, subject to the final arrangements. It represents substantial value that would be recovered from equipment whose use in Bermuda would be limited.

Mr. Speaker, while these matters have been addressed, road paving in Bermuda has continued.

The asphalt used for ongoing Government paving works has been produced by the Government's existing plant, which will continue supplying asphalt while the replacement project progresses. We also have a longstanding arrangement with Surface Expertise Limited to assist with supplying asphalt if the Government plant is down.

Further, Astec has committed to helping us maintain the existing plant until the replacement is commissioned. These arrangements support the continuation of paving while we work towards bringing the new facility into operation.

Mr. Speaker, residents understandably judge progress by the condition of the roads they use. The equipment investment matters because it supports that work, but the Ministry has continued delivering improvements and will continue to do so.

Over recent months, completed works have included resurfacing the eastbound lane of Middle Road in Warwick between Camp Hill and Longford Road, and sections of North Shore Road, including the Shelly Bay stretch.

To support the construction of the new Swing Bridge, we also undertook paving works for the detour route, including Kindley Field Park, the baseball field parking area, Double Dip parking lot, the new Waller's Point mini-roundabout and Southside Road.

These completed projects demonstrate that the plant replacement and the ongoing paving programme are progressing alongside each other and the delay to the new plant has not brought our efforts to a halt.

Mr. Speaker, the next stages of the paving programme will build on that progress.

In Warwick, the Ministry will complete the resurfacing of Middle Road between Camp Hill and Longford Road by paving the westbound lane. Paving will also advance along Middle Road from the Lighthouse Road junction towards Camp Hill.

In Hamilton Parish, the programme will continue progressing eastward from the entrance of Shelly Bay Beach to the Causeway.

These works form part of the wider effort to improve roads across Bermuda. The replacement plant will strengthen our ability to sustain that effort by providing the modern infrastructure needed for a more reliable paving programme over the years ahead.

Mr. Speaker, I recognise that the public has waited longer than expected for the new asphalt plant and thus residents deserve a clear explanation of what has changed.

The revised arrangements would secure a higher value plant at no additional cost, while the proposed return of the Shuttle Buggy would recover substantial value for taxpayers. Our next task is to finalise those arrangements and confirm a realistic delivery and commissioning schedule.

I thank the Ministry's officers and road crews for keeping the paving programme moving and Astec for working with us towards a better outcome.

Mr. Speaker, every resident who travels to work, takes a child to school or makes their way home has a stake in the condition of our roads. They should feel the benefit of this investment in their everyday commute.

That is the standard we must deliver, better roads today, supported by the equipment and capacity to maintain them for years to come.

Thank you, **Mr. Speaker.**