



WEST HANTS REGIONAL MUNICIPALITY REPORT

Information ☐	Recommendation ☒	Decision Request ☐	Councillor Activity ☐
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To: WHRM Council

Submitted by: 
Todd Richard, Director of Public Works

Date: April 28, 2026

Subject: Detailed Design Award — Falmouth WWTP Upgrades

LEGISLATIVE AUTHORITY

Nova Scotia Municipal Government Act, Section 65 authorizes Council to expend funds for municipal purposes.

RECOMMENDATION or DECISION REQUEST

It is recommended that Council:

- 1. Approve the award of the Detailed Engineering Design — Falmouth WWTP Upgrades — to Dillon Consulting Ltd. for the price of \$165,640 before applicable taxes.***
- 2. Approve an engineering contingency amount of \$24,846 before applicable taxes.***

BACKGROUND

Property ☒	Public Opinion ☐	Environment ☒	Social ☐	Economic ☒	Councillor Activity ☐
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In March 2025, Dillon Consulting Ltd. (Dillon) was commissioned to complete a Preliminary Design Report for upgrades to the Falmouth Wastewater Treatment Plant (WWTP), originally constructed in 1975. The primary objective of the study was to identify required improvements to accommodate projected increases in influent flows and to ensure compliance with the 2022 Atlantic Canada Wastewater System Guidelines.

Figure 1-1. Falmouth WWTP Location



Figure 1-2. Aerial Image of Falmouth WWTP



The Preliminary Design Report, submitted in March 2026, reassessed the originally anticipated scope of upgrades to the Falmouth WWTP. Prior to completing the study, it was expected that significant capacity expansion would be required, including the addition of a second oxidation ditch and replacement of the existing clarifier, with estimated construction costs exceeding \$3.0 million. However, a detailed review of current influent flow data and historical effluent performance has confirmed that the existing facility has sufficient capacity to accommodate both current demands and projected future growth. As a result, the project focus has shifted from expansion to targeted asset renewal and operational improvements, reducing the estimated construction cost to approximately \$1.5 million.

In consultation with Operations staff, the following key upgrades are recommended:

- Upgrade the SCADA system to integrate with VTSCADA, improving system monitoring, operational control, and data recording
- Upgrade the clarifier cover to improve reliability during winter operations
- Upgrade the dewatering system and sludge transfer pumps to increase efficiency and reliability
- Install maintenance pathways to improve access and support ongoing operations

DISCUSSION

On March 27, 2026, the Municipality received a proposal from Dillon for the completion of detailed design and tender phase engineering services. Dillon has proposed a fee of is \$165,640 + HST for this phase, with hourly rates consistent with their existing standing offer with West Hants Regional Municipality (WHRM). Based on the estimated construction cost of \$1.5 million, the proposed fee represents approximately 11% of construction cost. This is within the expected range of 10-15% for a project of this nature, involving multifaceted process-related upgrades, complex integration with existing infrastructure and advanced control systems automation.

The detailed design and tender phase engineering services include the following:

- Topographical survey of existing infrastructure and elevations.
- Confirmation and refinement of treatment process selection from preliminary design.
- Preparation of engineering designs across all disciplines (civil, structural, mechanical, electrical, and controls).
- Preparation of detailed design documents (tender drawings and specifications).
- Preparation of a Class A construction cost estimate complete with detailed quantity take-off at the 90% design stage.
- Applying for any approvals and/or permits required for this project on behalf of the Municipality, including the NSECC Approval to Construct and Municipal Building Permit.
- Responding to any contractor questions during the construction tendering period and issue of addenda as necessary.
- Review of contractor tender submissions and providing an award recommendation to the Municipality.

Staff recommend that the detailed design and tender phase engineering services be sole-sourced to Dillon. Dillon has extensive technical knowledge of the facility and has been responsible for all major engineering phases of the project to date, including:

- Design and commissioning of the Phase 1 upgrade in 2009 (control building and grinder system)
- Design and commissioning of the Phase 2 upgrade in 2010 (blower building, UV system and new clarifier)
- Completion of the Preliminary Design Report in 2025/26

Engaging a new consultant at this stage would result in duplication of effort, increased costs, and added project risk due to the need for knowledge transfer and re-familiarization with existing infrastructure and prior design decisions.

This recommendation is consistent with the provisions within the Alternative Procurement section of the WHRM Procurement Policy (Appendix 1 — Alternative Procurement Practices, specifically items 3 and 15):

- Item 3 – To ensure compatibility with existing products, or to maintain specialized products that must be maintained by the manufacturer or its representative.
- Item 15 – For additional deliveries by the original supplier of goods or services that were not included in the initial procurement, where a change of supplier for sub additional goods, services, or construction cannot be made for economic or technical reasons such as requirements for interchangeability or interoperability with existing equipment, software, services, or installations procured under the initial procurement, and would cause significant inconvenience or substantial duplication of costs for the Municipality.

Additionally, the principles in Section 11 of the Procurement Policy (Entrenched Incumbent) apply. The potential change of supplier would not be advisable for economic and technical reasons and would cause significant inconvenience or substantial duplication of costs to WHRM.

NEXT STEPS

Following award of the RFP by Council:

- Sign Master Agreement with successful consultant.
- Issue Purchase Order to successful consultant.
- Project Engineer will be responsible for contract administration/management.

FINANCIAL IMPLICATIONS

2026-27 Capital Budget: Falmouth — Treatment Plant Phase 3 Expansion

Tender Pricing	\$165,640.00
Contingency (15%)	\$24,846.00
Non-Recoverable Tax (3.86%)	<u>\$6,897.76</u>
Tender Total	\$197,383.76

2026-27 Budget Value	\$250,000.00
Variance (under budget)	(\$52,161.24)

Within the 2026-27 Capital Budget, the Falmouth — Treatment Plant Phase 3 Expansion project is funded through the long-term borrowing. Debt servicing on this phase of the project was estimated to be \$21,706 over fifteen years, as the engineering design phase is projected to be completed under budget, the required borrowing will be reduced to 17,138.

ALTERNATIVES

- Issue RFP to engineering firms on Standing Offer list. This option is not recommended. Dillon holds a significant technical advantage due to their previous work and detailed understanding of the project's design requirements. Issuing an RFP would not align with the principle of fairness, as it would require other firms to invest time and resources to prepare proposals despite having a substantially lower likelihood of success.

ATTACHMENTS

- None

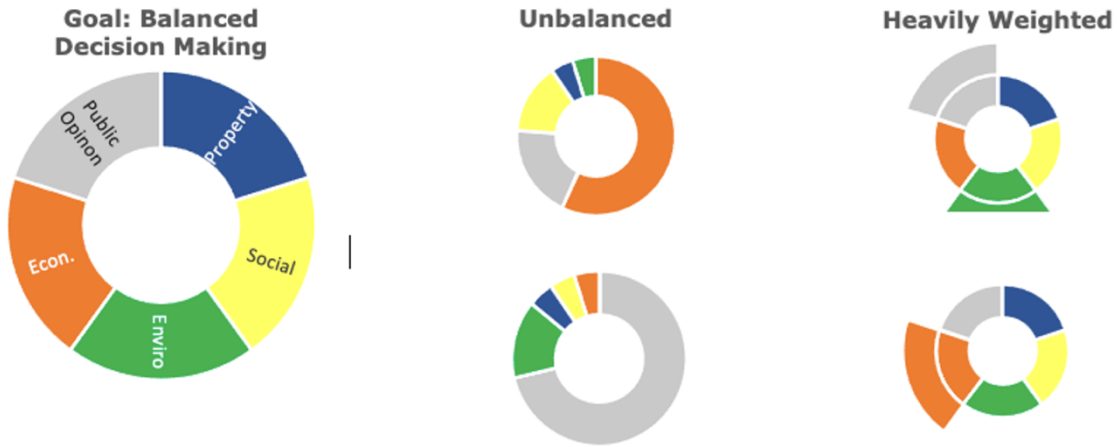
CHIEF ADMINISTRATIVE OFFICER REVIEW

The down scaled retrofit to the plant is financially positive, while providing for the same goals of accommodating development growth and compliance with the Department of Environment.

The rationalization for the recommendation to appoint Dillon Consulting Limited under the municipality's Procurement Policy is supported. I am satisfied that the recommendation complies with the procurement Policy and the specific sections noted.

I support the recommendation.

Council has been provided with a reference taken from the Meeting and Committee Procedural Policy , Appendix C “Decision Making by Council and Committee of the Whole” as a reminder of the principles highlighted for good decision making.



Report Prepared by: Tim B

Tim Bouter, Project Engineer

Report Reviewed by: T. Richard

Todd Richard, Director of Public Works

Report Approved by: Mark Phillips

Mark Phillips, Chief Administrative Officer