

REPORT TO COUNTY COUNCIL

Request for Additional Funds and Single Source Approval – Tillsonburg Wastewater Treatment Plant Odour Control Construction

To: Warden and Members of County Council

From: Director of Public Works

RECOMMENDATIONS

1. That County Council authorize the transfer of \$250,000 from the Wastewater – Tillsonburg Reserve to fund the construction of the Tillsonburg Wastewater Treatment Plant Odour Control project;
2. And further, that County Council approve single source award for the construction component to Jackson Electric Incorporated, for \$187,000 (excluding HST), as outlined in Report PW 2026-12, and pursuant to Section 7.3 of the County's Purchasing Policy 6.07;
3. And further, that County Council authorize the Chief Administrative Officer and Director of Public Works to sign all documents related hereto.

REPORT HIGHLIGHTS

- The purpose of this report is to obtain County Council approval for the transfer of funds from the Wastewater – Tillsonburg Reserve to undertake the construction of the Tillsonburg Wastewater Treatment Plant (WWTP) Odour Control project.
- In addition, this report seeks County Council approval to single source the construction component of the project to Jackson Electric Incorporated (Jackson Electric). Jackson Electric has a long-standing working relationship with Oxford County Public Works, are familiar with the site and existing systems, consistently provide good value for service, and have committed to completing the required work within a shortened project schedule.

- The original construction cost estimates were underestimated because costs were based on initial high-level assumptions and did not adequately account for the full scope of work. As part of detailed design, the County's design consultant, Aecom, provided updated construction estimates, which showed that additional funds are required to complete the project.
- Installation of odour abatement and mitigation equipment for the recently constructed headworks and waste activated sludge thickening buildings and existing biosolids dewatering building will virtually eliminate all sources of odour being exhausted into the atmosphere from the Tillsonburg WWTP.
- This project will utilize ozone generating technology, which is a broad-spectrum solution, effective across many high-load odour sources with low operating expenses and no consumables.

IMPLEMENTATION POINTS

Upon County Council approval, and finalization of the odour control design, a contract will be executed with Jackson Electric, prior to proceeding with the work. It is expected that this project will be completed in Q2 of 2026.

Financial Impact

Project costs for the design and construction (design-build) of the Tillsonburg WWTP Odour Control project are shown in Table 1 below. Emergency funding of \$350,000 was previously approved in accordance with the Purchasing Policy for the purchase of the odour control units from Ruks Engineering (September 2025). An additional budget transfer of \$102,000 was approved (December 2025) to address additional design considerations identified during the project, bringing the total design funding for Aecom to \$214,000. These updates informed the design and have led to the current report before Council.

As part of Aecom's expanded scope of work, detailed preliminary construction cost estimates were prepared and submitted. These estimates (ranging from \$310,000 to \$580,000) identified that the project team's original construction cost estimates were underestimated and insufficient to fully account for all aspects of the project. Jackson Electric has submitted a quote of \$187,000 to complete the required construction work, coming in well below the estimated cost provided by Aecom.

Table 1: Expenditure Summary for the Tillsonburg WWTP Odour Control Project

Account/Description	Previously Approved Budget*	Total Project Amount (excluding HST)
250200 - Tillsonburg WWTP - Odour Abatement (Emergency Purchase: \$350,000) (Budget Transfer Memo: \$102,000)	\$452,000	\$639,000
Contingency		\$50,900
Non-Refundable HST (1.76%)		\$12,100
TOTAL ESTIMATED EXPENDITURES		\$702,000
Budget Variance		(250,000)

*Previously approved 2025 budget with commitments of \$447,000 and remaining funds of \$5,000.

The 2026 budgeted closing balance of the Wastewater – Tillsonburg Reserve is approximately \$12.2 million, which is sufficient to fund the additional requirement of \$250,000 and budget transfer memo of \$102,000 (not included in the 2026 approved budget).

The Single Source provisions under Section 7.3 of the County’s Purchasing Policy 6.07, allow a single source process if the goods are available from more than one supplier, but there are valid and sufficient reasons for selecting one supplier. In this procurement process, staff are recommending a single source supplier process pursuant to 7.3.2 d) which states “The required goods and/or services are to be supplied by a particular supplier(s) having special knowledge, skills, expertise or experience”, supported by the reasons set out in this report. Approval authority for single source procurement for the value of \$120,000 or greater is subject to County Council approval, outlined under the provisions of Section 5.5 of the County’s Purchasing Policy 6.07.

Communications

The communication strategy for this project will be similar to other County projects. The Contractor and County staff will form an open channel of communication and will include other members of the project team including operational staff.




In addition, project updates will be conveyed to the public through the County website and social media platforms. A *Speak Up, Oxford!* page has been developed to provide updates and answer questions on this and other Tillsonburg water and wastewater projects - <https://speakup.oxfordcounty.ca/tillsonburg-water-and-wastewater-projects>.

2023-2026 STRATEGIC PLAN

Oxford County Council approved the **2023-2026 Strategic Plan** on September 13, 2023. The Plan outlines 39 goals across three strategic pillars that advance Council's vision of "Working together for a healthy, vibrant, and sustainable future". These pillars are: (1) *Promoting community vitality*, (2) *Enhancing environmental sustainability*, and (3) *Fostering progressive government*.

The recommendations in this report support the following strategic goal:

Strategic Plan Pillars and Goals

PILLAR 1	PILLAR 2	PILLAR 3
		
Promoting community vitality	Enhancing environmental sustainability	Fostering progressive government
Goal 1.3 – Community health, safety and well-being		

See: [Oxford County 2023-2026 Strategic Plan](#)

DISCUSSION

Background

Tillsonburg WWTP Upgrade

The Tillsonburg WWTP is located inside Coronation Park in the Town of Tillsonburg. The WWTP is immediately surrounded by parkland to the south and west, industrial lands to the east and residential units to the north. Additional residential units are located south of Coronation Park.

The WWTP underwent an extensive upgrade (substantially completed in February 2025) to address and rectify process bottlenecks for future capacity expansion. The upgrade included new headwork facilities (screening and grit removal), primary and secondary clarifiers and pumping equipment, aeration equipment and waste activated sludge thickening facilities. These new processes and equipment were commissioned and brought online late 2024 into early 2025.

WWTP Odours and Preferred Solution

As spring arrived and temperatures rose in April 2025, people began spending more time outdoors. Almost immediately, the County started receiving concerns from nearby residents and businesses about unpleasant odours emanating from the WWTP. As the weather continued to warm, it became clear that the new headworks and waste activated sludge thickening processes were generating nuisance odours that were being exhausted directly to the atmosphere through rooftop heating, ventilation and air conditioning (HVAC) systems.

While these odours do not pose a public health risk, they have significantly affected residents' enjoyment of their properties and nearby outdoor spaces. If left unaddressed, persistent odours also create a risk of corrosion and long-term damage to WWTP infrastructure. Under Section 14 of the *Environmental Protection Act (EPA)*, the Ministry of the Environment, Conservation and Parks (MECP) is granted the authority to respond to odour concerns when there is reason to believe that a discharge into the environment is causing or could cause harm to the natural environment or a person, a loss of enjoyment of the normal use of property, or interferes with the normal conduct of business.

Between April 10 and December 4, 2025, the County received 56 complaints regarding WWTP odour as well as inquiries from Town of Tillsonburg staff, Council and the MECP. The MECP has also received several direct complaints from residents regarding the odour. Each complaint received by staff, as required, has been reported to the MECP District Manager within two business days. Staff have also provided regular updates to MECP outlining corrective actions being taken, including progress on the Tillsonburg WWTP Odour Control Project.

In late August 2025, the County launched a social media campaign to inform the community that the County was aware of the issue and to explain the steps that were being taken to help alleviate the odours.

Staff also consulted with a firm specializing in environmental engineering related to odour/bacterial removal and received recommendations on ozone-generation technology as a preferred solution. Ozone odour removal equipment works by generating ozone (O₃), a highly reactive molecule, which then oxidizes odour-causing substances, effectively breaking them down and neutralizing the odour. The consultant also identified the onsite biosolids dewatering building as a source of odour and recommended including this building as part of the solution, to fully minimize the potential of any odours leaving the WWTP.

Emergency Purchase Funding and Budget Transfer

Staff originally planned on requesting funding for odour control equipment as part of the 2026 Business Plan and Budget. However, due to continued residential complaints and impacts of the odours on the surrounding community, emergency funding of \$350,000 was approved in September 2025 to procure the odour control equipment and ensure installation could be completed as soon as possible. Through the emergency funding and single sourcing of the equipment supplier and the design consultant, the project realized approximately five-month time savings. These time saving measures are critical to fast-tracking the completion of this project and reducing the impacts to the community.

At the time emergency funding was requested, staff were unaware of the full level of effort required for odour emission projects. The original design, mechanical, and electrical and control cost estimates underestimated the scope and did not fully account for the modelling, reporting, and the construction work required. As a result, additional funding was required for both the design and construction phases. To avoid interrupting the design schedule and to keep the project moving forward, a budget transfer was approved in December 2025 to fully fund Aecom's expanded scope.

Comments

Expanded Project Scope

After several project team meetings and as the project advanced, it became clear that the scope of this project evolved to be significantly larger and more complex than initially anticipated. The project was expanded to include:

- Design of a new, centralized heating, ventilation and air conditioning (HVAC) system for the dewatering building. The building currently has wall and roof-mounted exhaust fans that are incompatible with the odour removal equipment and must be removed. A new, centralized HVAC system is required to replace the existing system in the dewatering building.
- Electrical and instrumentation and control tie-ins for odour equipment for all three buildings.
- Design deliverables summarized in 50% / 90% / Issued for Construction (IFC) packages including drawings, specifications, and cost estimates.
- Updated dispersion modelling for existing odour sources and future odour control, including an updated Emission Summary and Dispersion Modelling (ESDM) report.
- Preparation of an acoustic model to predict the potential noise impacts at nearest noise sensitive receptors due to the existing and future noise sources. The results and status of compliance will be provided in an Acoustic Assessment Report (AAR).
- Pre-submission consultation with the MECP for the Air and Noise Environmental Compliance Approval (ECA) amendment application.
- Project management, technical and contract administration support as well as post-construction services.

Staff recognize the importance of moving forward with the installation of odour removal technology to prevent odour impacts to the neighbours of the Tillsonburg WWTP and the users of Coronation Park. With warmer weather approaching, odour levels are expected to increase at the WWTP and potentially affect nearby residents and park users. Prompt action is needed to complete this project, mitigate impacts on the community, and reduce the risk of infrastructure damage or further MECP involvement, including potential enforcement actions such as provincial orders, penalties or fines.

Single Source Construction

Staff are proposing to single source the construction of this project to Jackson Electric based on their working experience and the value for service they provide to the County, their availability to meet the proposed construction schedule, and the ability to prioritize work for the County. Single sourcing the construction will save a minimum of two months compared to the competitive process, which could delay rectifying the odour issues further into warmer months.

Accurate costing of this work by a contractor requires detailed design drawings. By single sourcing the construction work, engineered design submittals (50%, 90%, and 100% packages) can be shared directly with the constructor over the course of the project, helping to reduce the overall project schedule and allowing the contractor to propose alternatives that manage costs effectively. These reviews will also help prevent unforeseen delays and additional costs related to information requests and change orders. Jackson Electric has submitted pricing based on the 50% design package. It is anticipated that only minor adjustments will occur between the 50% and 100% design submissions.

Upon Council approval and finalization of the odour control design, the construction component of this project will be awarded to Jackson Electric Incorporated. Jackson Electric is a long-standing contractor of Oxford County, being listed on the Public Works Facilities Division's repair roster and demonstrating excellent value for service. Jackson Electric is familiar with the Tillsonburg WWTP existing mechanical and electric systems and prioritizes service for Oxford County, responding to emergency and reactive maintenance issues quickly.

Jackson Electric understands the urgency of this project and has confirmed they are available for the proposed construction period, further reducing potential delays that could be associated with the tendering process and ensuring that this project is completed as quickly as possible for the Tillsonburg community.

CONCLUSIONS

Staff recommend that Council approve the transfer of funds from the Wastewater – Tillsonburg Reserve to fund the construction phase of the Tillsonburg Wastewater Treatment Plant Odour Control project.

Staff also recommend that Council approve single sourcing the construction component of the Tillsonburg Wastewater Treatment Plant Odour project to Jackson Electric Incorporated.

These recommendations are important to keep the project on schedule, reduce odour impacts for the community, and minimize regulatory risks.

SIGNATURES

Report author:

Original signed by

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Departmental approval:

Original signed by

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Director of Public Works

Approved for submission:

Original signed by

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