

File: 584024.11  
 Date: April 17, 2026

Clinton Harper  
 General Manager  
 Lambton Area Water Supply System (LAWSS)  
 1215 Fort Street  
 Sarnia Ontario  
 N7V 1M1

**Attention: Clinton Harper,  
 General Manager**

**REF: 26-02 Phase 3 Various Control Panel Upgrades**

Dear Mr. Harper:

It is the opinion of Eramosa Engineering Inc., under the Request for Tender (RFQ 26-03) Phase 3 Various Panel Upgrade, project which closed on April 17<sup>th</sup>, 2026 at 1pm local time, that the subsequent project be awarded to Dielco Electric Ltd.

Four (4) bidding parties attended the mandatory site visit, with successful bids being received from two (2) potential tenders. Both successful bidders completed all the mandatory field and requirements and their bids are summarized as follows:

	<b>Dielco Electric Ltd.</b>		<b>Selectra Inc</b>	
1.0 Project Pricing	\$	462,000.00	\$	632,290.73
2.0 Pre Purchased Equipment		-		-
3.0 Provisional	\$	6,860.00	\$	6,651.30
4.0 Contingency	\$	50,000.00	\$	50,000.00
5.0 Other Cash Allowances		-		-
<b>Total (Taxes Extra)</b>	<b>\$</b>	<b>518,860.00</b>	<b>\$</b>	<b>709,942.03</b>

The project value is within the Engineer’s Opinion of Probable Cost, which the final detailed design report submission detailed as \$533,006.61, a deviation of only 2.73%. As there was a considerable difference (nearly 30% between Dielco and Selectra) we did further breakdown their numbers in the attached report. The primary differences in bids came within DIVISION 16, and was around wiring and conduit. Of the nearly \$190,000 difference between the bids, nearly \$137,000 is attributed to DIVISION 16. At this point in time we cannot provide any further detail as to the difference in cost in this section. Potential causes could be differences in estimated take-offs as a detailed cable schedule was not provided, or contractors having material on hand that were purchased at lower market value. As there was a difference, we also compared bids received during Phase 2 as Dielco and Selectra which much closer at this time. During Phase 2 bidding, Selectra was only \$13,000 higher in this category. Compared to the previous bid, Dielco has only risen by 18% in cost, and the current bid is within 7% of our current estimate for this division, whereas Selectra is noting cost increase compared to previous bids of nearly 51% and is nearly 51% higher than our current market estimate. The remainder of the bid from both

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parties remains balanced in our opinion and fair. Dielco has also been successful in delivering the Phase 2 upgrades, which have recently reached a state where Dielco can file for Substantial Completion (pending the Engineers checks and approvals) without significant extras or changes. As such we have no reason at this point in time to believe the difference in this category represents a significant risk to the project or that there is a glaring scope issue.

Based on the above provided information, and the subsequent sheets verifying bid conformance we recommend the project be awarded to Deilco Electric Ltd. with the following figures:

A	Present Contract Value (less HST)	\$462,000.00
B	Provisionals Budget (requires written approval to use)	\$6,860.00
C	Contingency Budget (requires written approval to use)	\$50,000.00
D	Project Upset Value (A + B + C)	\$518,860.00
E	Taxes (13% of D)	\$67,451.80
F	Total Contract Upset Value (D+E)	\$586,311.80

Should you have any questions about this filing please contact the undersigned. (2 pages appended)

Yours truly,

**ERAMOSA ENGINEERING INC., A CIMA+ COMPANY**



Pete Samson, P.Eng  
Director, Smart Automation

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