

April 30, 2026

Mark Fredericks
Senior Planner
Town of Wolfville
200 Dykeland Street
Wolfville, NS B4P 1A1

Dear Mr. Fredericks:

RE: Bid Results Review for WOL016-2025 Earnscliffe Avenue Reconstruction

On April 22, 2026 the bid for the above noted project were received. A summary of the bids is included below:

Bidder	Bid Price (Excluding HST)
Meisner Excavation	\$ 2,406,999
Dexter Construction	\$ 2,718,670
Harbour Construction	\$ 4,244,465

We understand that these prices have come in higher than the Town of Wolfville's original anticipated budget for the project. As Wolfville's review engineer, CBCL has conducted a review of the tender pricing and we believe it reflects industry pricing.

Unfortunately in recent years, pricing in the construction industry has experienced unprecedented escalation and this has been paired with high inflation. These year-over-year industry price increases have been high since the 2020 and are now paired with the recent tariffs and fuel price increases that have occurred this year in 2026. Increased fuel prices result in increased costs of construction including cost of: running site equipment, mobilizing, trucking, and manufacturing and delivering construction materials. In recent years labour availability and cost of skilled trades have also been a major factor contributing to higher construction costs.

The following are some specific points why bid prices might be higher than pre-tender budgets for this project:

- ▶ Three (3) bids is lower than ideal but about average. Contractor backlog of work is running about 6-7 months on average and this reduces number of bidders.

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- ▶ The low bid being 12% low suggests there was competition.
- ▶ The highest bidder being significantly high likely reflects contractor backlog.
- ▶ In addition to the recent fuel increases and tariffs, the capital cost of machinery replacement/leasing is increasing.
- ▶ Skilled construction labour availability across all 33 trades is in short supply with 9% of trade workers leaving the industry in the first 3 months of 2026, which is an all time record. Many departures are due to retirements of the most productive workers, 50 to 55 years old, leaving and few young workers are entering. The new hires are less costly but less productive driving up costs an adding to schedules.

All of these factors contribute to construction cost escalation and contractors price this escalation into bids. We hope this review was informative and we are happy to answer any further questions.

Yours very truly,

CBCL Limited



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Municipal Engineer
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Reviewed by:
Archie Thibeault
Estimating Coordinator

Attachments: Bid Results

CC: David Copp

Project No: 251096.00