



# SUMMER

OUR 62<sup>nd</sup> YEAR

CONTRA COSTA CHAPTER

March 2025



## Government Affairs

### Statement from NECA CEO **David Long** on Tariffs

Washington, D.C. - On behalf of the [National Electrical Contractors Association \(NECA\)](#), NECA Chief Executive Officer **David Long** comments on the recent tariffs implemented by President Trump:

“On behalf of our 4,000 contractors across America, we commend President Trump on his efforts focusing on the many major challenges facing our nation, including our immigration system and the devastating impact of fentanyl on our communities across America.

As the Trump administration takes action to address that issue in the form of trade between Canada and Mexico, we urge the administration to consider exclusions for essential equipment and supplies while ensuring a swift resolution that recognizes the deeply interconnected relationship the electrical contracting industry has and how it connects contractors and our customers across the U.S., Mexico, and Canada.

NECA will continue working closely with the Trump administration to protect the ability of our contractors to keep delivering power and electricity to communities across America. By doing so, we can maintain our nation’s energy advantage, support American jobs, and ensure a strong and reliable electrical infrastructure for the future.”

# **TRUMP'S NEW TARIFFS IMPACT ELECTRICAL CONTRACTORS:**

President Trump's recent tariff announcements could increase costs and disrupt supply chains for electrical contractors dependent on imported materials.

The tariffs on steel and aluminum imports, effective March 12, could lead to higher project expenses and supply chain instability.

## Key details:

- February 1, 2025: Tariffs on imports from Canada, Mexico, and China were announced, then delayed for 30 days due to national security concerns.
- February 10, 2025: A 25% tariff on steel and aluminum reinstates global duties, impacting allies like Canada and Japan.



**These changes necessitate strategic adjustments  
for NECA members to manage costs and maintain  
operational efficiency.**

**See NECA Labor Relations & Government Affairs Joint Alert:  
Tariffs, National Security, and the Electrical Construction  
Industry on following page.**



Updated February 20, 2025 (originally published February 5, 2025)

## Tariffs, National Security, and the Electrical Construction Industry

On February 1, 2025, President Trump announced executive actions that have imposed significant, additional trade tariffs on imports from Canada, Mexico, and the People's Republic of China (PRC), citing "extraordinary threat[s] posed by illegal aliens and drugs, including deadly fentanyl". Under the authority of the International Emergency Economic Powers Act (IEEPA), and the National Emergencies Act (NEA), these tariffs target the largest U.S. trade partners, accounting for billions of dollars in imports annually on things such as steel and lumber. Whether or not the courts uphold President Trump's use of the IEEPA remains to be seen.

While aimed at addressing illicit drug trafficking and border security, these tariffs may introduce economic challenges for industries dependent on international supply chains – including electrical construction. Understanding the implications of these policies is crucial for contractors to navigate potential cost increases, project delays, or shifts in material sourcing.

As of February 3, 2025, a one-month delay on implementation for tariffs between both Canada and Mexico was enacted in exchange for U.S. border enhancements.

As of February 4, 2025, China announced that it will implement a 15% tariff on certain types of coal and liquefied natural gas, and a 10% tariff on crude oil, agricultural machinery, large-displacement cars and pickup trucks. These levies are set to take effect on February 10<sup>th</sup>. China's Ministry of Commerce also announced export controls effective immediately on more than two dozen metal products including tungsten and tellurium; critical minerals used in industrial and defense applications as well as solar cells.

### Scope of Tariffs

**Effective February 14, 2025, President Trump announced a memo on the administrations "Fair and Reciprocal Plan" to adjust trade tariffs on most economic trading partners with the United States. Although no concrete details of the plan have been released, the memo details that the plan seeks to correct longstanding trade disparities, highlighting areas such as agricultural goods, ethanol tariffs, and automobile tariffs. The administration argues that such disparities contribute to the U.S.'s persistent trade deficit.**

**Effective February 12, 2025, President Trump signed proclamations to restore tariffs on steel and elevate tariffs on aluminum imports. These imports, including imports from previously exempt countries, will now face full tariff rates. The key provisions include:**

- **25% tariff on all imported steel, including downstream products such as fabricated structural steel and prestressed concrete stands.**
- **25% tariff on aluminum imports, up from the previous 10%.**
- **Stricter definitions of "melted and poured" to prevent transshipment and misclassification.**



## Tariffs, National Security, and the Electrical Construction Industry

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- **Termination of all general approved exclusions, limiting exemption-based imports from countries such as Argentina, Australia, Brazil, Canada, Japan, Mexico, South Korea, and the United Kingdom.**

Going into effect 12:01am eastern time on February 4<sup>th</sup>, 2025, goods imported from Canada, Mexico, and China are now subject to additional tariffs under the recent executive actions. **Please note, tariffs on imported goods from Canada and Mexico have a one-month delayed implementation.** These include:

- 25% tariff on most Canadian and Mexican imports, with a 10% tariff on Canadian energy products and a 10% tariff on all imports from China.
- The Executive Orders do not provide for a product exclusion process, meaning that every imported product from Canada, Mexico and China faces the tariff until otherwise noted by the President. Retaliation Provisions – If Canada, Mexico, or China retaliate with their own tariffs, the President retains the authority to expand or increase duties further.
- On February 1, 2025, Canadian Prime Minister Justin Trudeau announced Canada would impose retaliatory tariffs against the U.S. Canada's Department of Finance and Ministry of Foreign Affairs confirmed it would impose 25% counter-tariffs on U.S. Goods effective on February 4, 2025.
- On February 2, 2025, Mexican President Claudia Sheinbaum ordered her economy minister to implement tariff and non-tariff measures to defend Mexico's interests. While no additional details have been provided, Sheinbaum emphasized that her government did not want confrontation, but rather collaboration and dialogue.
- Trade Policy Flexibility – Tariffs may be lifted, reduced, or further delayed if Canada and Mexico take decisive action to curb illicit drug trafficking.

### Impact on Electrical Contractors

The electrical construction industry may face considerable risks due to these tariffs. The most immediate effects may include:

- **Increased Material Costs** – Essential imports such as copper wiring, electrical panels, and transformers will now be subject to significant cost increases.
- **Supply Chain Disruptions** – Delays in material procurement could impact project timelines, particularly for contractors working on large-scale infrastructure projects.
- **Contractual Challenges** – Employers with fixed-price contracts may face significant financial strain if existing agreements do not allow for adjustments due to increased tariffs.
- **Shift to Domestic Suppliers** – Some employers may seek U.S. based manufacturers to mitigate tariff exposure, though domestic suppliers may not be able to meet increased demand, further inflating prices.

### Strategies for Navigating the Tariff Landscape

Employers and industry stakeholders should adopt a proactive approach to mitigate risks associated with these trade policies. Recommended strategies include:



## Tariffs, National Security, and the Electrical Construction Industry

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- Diversified Sourcing – Exploring alternative suppliers, including domestic manufacturers or other countries' imports, can help offset price increases.
- Contractual Adjustments – Proactively negotiating cost escalation clauses in new contracts and reviewing existing agreements for provisions like “force majeure” or “change-in-law” to address tariff-related risks.
- Strategic Inventory Management – Utilizing creative strategic inventory management and coordinating with existing third-party vendors may prevent shortages in materials.
- Policy Advocacy – Engaging with policymakers may help to influence future trade negotiations and provide long term economic relief for affected businesses.
- Legal and Financial Consultation – Consult with legal and financial experts to evaluate contracts, ensure compliance, and manage risks effectively.

The NECA Labor Relations and Government Affairs teams will continue to monitor this rapidly changing landscape and provide regular updates to members and the industry.

*This material is for informational purposes only. The material is general and is not intended to be legal advice. It should not be relied upon or used without consulting a lawyer to consider your specific circumstances, possible changes to applicable laws, applicable CBAs, prime contracts, subcontracts, rules and regulations and other legal issues. Receipt of this material does not establish an attorney-client relationship.*

# **ELON MUSK'S DOGE SHAKES UP FEDERAL OPERATIONS:**

**Elon Musk leads the effort to streamline federal operations:  
The newly established Department of Government Efficiency (DOGE),  
under the leadership of Elon Musk, aims to enhance federal operations.**

**DOGE's actions have led to mass layoffs and contract cancellations, which could impact future awards of federal contracts for electrical contractors engaging in federal work.**

**Go deeper:**

- **Contract Cancellations:** Numerous federal contracts and grants have been terminated.
- **Mass Layoffs:** Widespread reductions across various agencies.
- **DEI Program Terminations:** Many Diversity, Equity, and Inclusion programs have been ended, affecting compliance requirements.



**These changes require electrical contractors  
to adapt quickly to new federal work regulations.**

**LINKS**

**[Establishing and Implementing the President's  
Department of Government Efficiency](#)**

**[Implementing the President's "Department of Government Efficiency" Workforce  
Optimization Initiative](#)**



## DOD Halts PLAs on Construction Projects

Published Feb. 12, 2025

The Department of Defense has ordered its contracting officers to [halt the use of project labor agreements](#) on “large-scale construction projects,” according to a memo obtained by Construction Dive.

The notice, dated Feb. 7, says contracting officers shall remove PLA requirements [created by former President Joe Biden](#) that apply to projects receiving \$35 million or more in federal funds.

As part of the memo — signed by John M. Tenaglia, principal director of defense pricing, contracting and acquisition policy for the DOD — contracting officers were ordered to amend solicitations for federal contracts to remove PLA requirements.

AGC CEO Jeffrey Shoaf said in a statement that it had [anticipated a move like the DOD’s](#) and it proved the AGC’s past assertions that the PLA mandate was not legal.

“We expect all federal agencies involved in procuring construction services to follow suit and drop what is clearly an unlawful mandate from their construction solicitations,” Shoaf said.

The Defense Department did not respond to Construction Dive’s request for more information.

The memo comes a few weeks after a U.S. Federal Claims [judge hamstrung the order](#) by ruling in favor of a group of construction companies that filed protests against the implementation of the mandate on specific projects. Judge Ryan Holte said in his Jan. 21 ruling that the implementation of the mandate on seven contract procedures in 2024 ignored federal agencies’ own research indicating PLAs would be anti-competitive and relied on “arbitrary and capricious” policy.

The Associated General Contractors of America helped facilitate the legal challenge to Biden’s approach of a PLA mandate.

Holte’s decision, however, only directly impacted bid protests filed in six states over projects solicited by the U.S. Army Corps of Engineers, General Services Administration and Naval Facilities Engineering Systems Command. Both USACE and NAVFAC are part of the DOD.

The ruling cut off the mandate at the knees, and opened the door for other bid protest challenges, Dirk Haire, Washington, D.C.-based partner at Philadelphia-headquartered law firm Fox Rothschild said at the time. He represented some of the plaintiffs in the bid protest case.

The DOD contracts out billions of dollars worth of construction work each year. For example, in November, the [agency awarded roughly \\$2.3 billion](#) worth of design, engineering and construction work, according to the Construction Broadsheet.



## **NorCal NECA Workshop**

### **Creating a Change Order Process**

*Sponsored by the Northern California Chapter, NECA Member Services Committee*

*Thursday, March 13<sup>th</sup> @ 8:30 a.m. - 4:30 p.m.*

*at NorCal NECA in Pleasanton, CA*

**Target Audience: Subcontractors and Project Managers**

This seminar will provide the tools you need to support your change order requests and promote a standardized change order protocol. In order to reach a fair agreement with owners, architects, engineers, general contractors and subcontractors, industry resources and documents will also be discussed.

**Following this course, participants will be able to:**

- Discuss the impacts of scope creep and understand how to price the impact
- Explain schedule acceleration and understand how to price the impact
- Identify impacts of poor schedule management and understand how to price the impact
- Analyze direct costs, overhead-profit costs and consequential costs and impact factors

**The NorCal NECA office still has a few seats available for this course being held on Thursday, March 13, 2025.**

**For more information or to register for this course, click [here](#).**



# CAL FIRE'S NEW FIRE RISK MAPS

## MEAN BIG CHANGES FOR CALIFORNIA HOMEOWNERS

By [Julie Johnson](#) and [Harsha Devulapalli](#) | Updated Feb. 25, 2025 9:52 a.m.

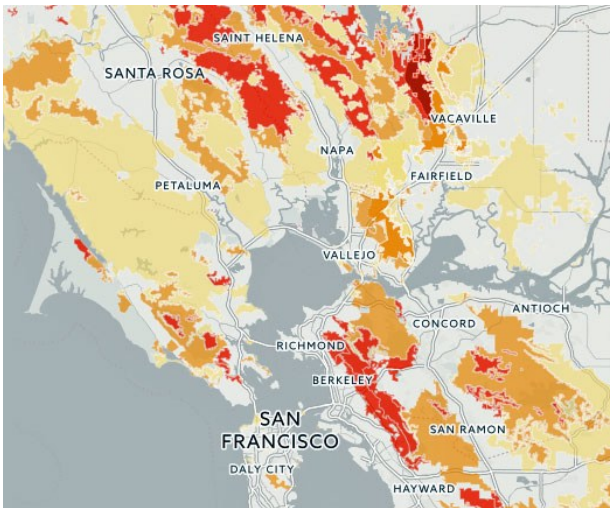
The California Department of Forestry and Fire Protection, Cal Fire, released new draft maps this week showing fire hazards in cities across California's Bay Area and the state's northern coast as part of a two-month rollout process ending in Southern California on March 24.

The new maps, which provide crucial information on the risk of wildfires breaking out across California and update previous documents dating back to 2011, are likely to directly impact building and landscape-use guidelines in some of the state's most vulnerable areas.

California Governor Gavin Newsom said Cal Fire's new maps would add at least 1.4 million acres to zones requiring stricter fire safety regulations. More than 360,000 of those acres are in the coastal Northern California area, according to the *Los Angeles Times*.

According to the Democratic governor, the maps will expand the current wildfire building resiliency requirements in the state's high-fire hazard zones by 1.16 million acres, while the zones at "very high" risk of fires are expected to expand by approximately 247,000 new acres.

*Click [here](#) to continue reading.*



To find out the fire risk level of a particular address, click [here](#) to be taken to article that has spot in which you may enter the address.

**Ricardo Lara, Insurance Commissioner**  
**California Department of Insurance**

[Questions and Answers – Insurance and CAL FIRE Fire Hazard Severity Zone Maps](#)

# THINK LIKE A LEADER

presented by

**ELECTRI**  **INTERNATIONAL**  
Research and Education for the Electrical Construction Industry

## Think Like A Leader

This interview series, presented by ELECTRI International, introduces listeners to some of the most successful contractors and electrical industry leaders in the United States.

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## SYNERGY

### ELinks

[Inside Wireman Wage Rates, Cost-per-Hour, and Shift Rates](#)

[Sound and Communications Wage and Fringe Schedules A, B, C, D, & E](#)

Sound and Communications - Schedule E: [Cost/Hour](#) [Shift Rates](#)

[CE/CW Wage Schedule Effective January 1, 2025](#)

Summary Annual Report: [Electrical Workers Health and Welfare Plan](#)

Summary Annual Report: [Electrical Workers Retirement Plan](#)



## March 2025

Sun Mon Tue Wed Thur Fri Sat

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### 7 Four-Leaf Clover Facts to Know for St. Patrick's Day

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March 3rd - 5th  
2025 Association Executives Institute Meeting  
Chicago, IL

9 10 11 12 13 14 15



**Health & Welfare Trust**  
Training Center  
Martinez  
@ 11:00 a.m.

**Retirement Trust**  
Training Center  
Martinez  
@ 9:00 a.m.

**Seven Days Till Spring**

16 18 19 20 21 22



**JATC**  
Training Center  
Martinez  
2:00 p.m.

23 24 25 26 27 28 29

March 24th - 26th  
District 6 & 9 Spring Council Meeting  
Scottsdale, AZ

30 31