

Calgary



Update on U.S. Tariffs and The City's Supply Chain

EC2025-0450
13 May 2025

Verbal Report C2025-0253:

- Update Council Executive Committee on tariffs, supply chain disruptions or any other proposed regulatory changes that would have a significant negative impact on The City of Calgary's supply chain and/or financial position.

Recommendation

That Executive Committee recommends that Council receive this presentation for the corporate record.

Tariff Situation as of Today

**Executive Committee
Update on
April 15, 2025**



April 15, 2025

- Canada announces they will allow the importing of U.S. manufactured vehicles without tariffs if auto manufacturers keep Canadian production



April 17, 2025

- Government of Canada announces tariff relief programs

April 17, 2025

- Government of Alberta pauses procurement policy response to U.S. tariffs



April 24, 2025

- Government of Canada announces \$2B strategic response fund



Into the Future

- Ongoing Canada-U.S. talks may shift tariffs or trade deals
- City adjusts procurement to reduce financial and operational risk



Tariffs still in effect, starting as early as March 4, 2025



U.S. imposed 25% tariff on all steel and aluminum



U.S. imposed 10% tariff on energy exports*



U.S. expanded tariffs with 25% on foreign-made passenger vehicles and auto parts*







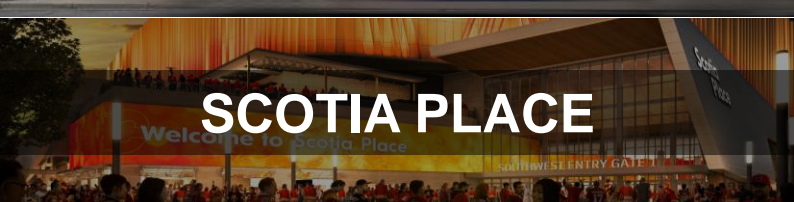
Canada retaliatory measures on U.S. goods estimated at \$59 billion + limited automotive

*carve outs and exceptions for CUSMA compliant goods

Impact on The City's contracts

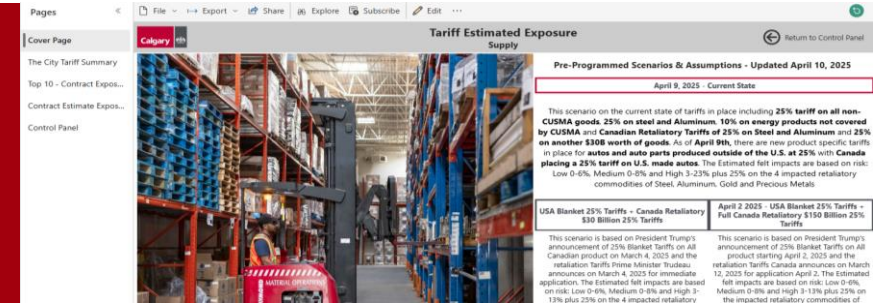


Spotlight on Key Capital Projects

	Tariff Risk Level			Project Summary
	Specialized Equipment	Construction Materials	Services	
 COMPOST FACILITY EXPANSION	Low Risk	Low Risk	Low Risk	Electrical components from the U.S, which represents less than 10% of the project cost, could be impacted. No project contingency available to offset tariff impact.
 FISH CREEK WASTEWATER TREATMENT PLANT UPGRADES	Medium Risk	Low Risk	Low Risk	No tariff impacts to date. Multi-year construction commencing this year. Potential impacts to costs of critical electrical components and large pumps are proactively monitored and managed.
 5A NETWORK	Low Risk	Low Risk	Low Risk	The only component sourced from the U.S. is a specialty metal sheet used for sidewalk ramps, valued at less than 1% of program budget.
 GREEN LINE LRT - SE	Medium Risk	Low Risk	Low Risk	Construction will ramp up in 2025/summer of 2026, providing time to find alternate markets and sources. There is a risk of inflated construction costs due to market conditions.
 SCOTIA PLACE	Medium Risk	Low Risk	Low Risk	Proactive measures taken to mitigate tariff impacts. Steel contract has already been awarded within budget, while concrete and excavation have been locally sourced.

Procurement in Practice: Driving Resilience and Collaboration with The City

We're continually improving our procurement processes to strengthen supply chain modelling and decision-making. Stay up to date on The City of Calgary's response to U.S. tariffs online: [Calgary.ca/tariffs](https://calgary.ca/tariffs)



We're working with Supply Chain Canada (SCC) and other governments to share best practices, exchange insights, and strengthen procurement resilience. At SCC's Calgary conference, we'll showcase our collaborative approach to building stronger, more adaptive supply chains.

Since the March 31 procurement enhancements went live, \$94M of City contracts had 10% Social Procurement Weighting to boost small business participation.



Closing and Recommendation

That Executive Committee recommends that Council receive this presentation for the corporate record.