



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

OFFICE OF WATER

**DECISION MEMORANDUM**

**SUBJECT:** Project Waiver of American Iron and Steel Requirements to Santa Cruz, California for Epoxy-Coated, Convoluted Backing Rings and Schedule 40S Fittings with Threaded Ends

**FROM:** Andrew D. Sawyers, Director  
Office of Wastewater Management

Decision: The U.S. Environmental Protection Agency (EPA) is hereby granting a project waiver pursuant to the “American Iron and Steel” (AIS) requirements of 33 U.S.C. §3914 under the authority of §3914(c)(2) to the Pure Water Soquel Program in Santa Cruz, California (Applicant) for Epoxy-Coated, Convoluted Backing Rings and Schedule 40S Fittings with Threaded Ends. This waiver permits the use of these backing rings and threaded fittings, produced outside the United States, and in the specific sizes requested, at the Treatment Facilities Project for the Pure Water Soquel Program because no domestic manufacturers produce alternatives that meet the project’s technical specifications for these products.

This is a product specific waiver and only applies to the use of the specified products for the proposed project funded by the Water Infrastructure Finance and Innovation Act (WIFIA). Any other jurisdiction with projects funded by either WIFIA or the State Revolving Funds (SRFs) that wishes to use the same products must apply for a separate waiver.

Rationale: According to 33 U.S.C. §3914, WIFIA loan recipients must use specific domestic iron and steel products that are produced in the United States if the project is funded through WIFIA. EPA has the authority to determine whether it is necessary to waive this requirement based on certain circumstances set forth in 33 U.S.C. §3914(c)(2). The provision states that, “[the requirements] shall not apply in any case or category of cases in which the Administrator [of the Environmental Protection Agency] finds that— . . . (2) iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality.”

Background of Waiver Request: The Applicant provided information to EPA asserting that there are no domestic manufacturers producing epoxy-coated, convoluted backing rings and Schedule 40S fittings with threaded ends in sufficient and reasonably available quantities and of a satisfactory quality. The backing rings and threaded fittings are needed to prevent further seawater intrusion of the groundwater basin and to promote beneficial reuse by reducing 25 percent of the discharge of treated wastewater to the Monterey Bay National Marine Sanctuary.

Assessment of Waiver Request: EPA conducted market research and a public comment period on the supply and availability of epoxy-coated backing rings and threaded fittings. The basis of evaluation included thorough review of the waiver request submission, examination of domestic manufacturer catalogs or other technical data and marketing materials, personal communication with domestic manufacturers, inquiries of state staff, and outreach to contractors and engineers with expertise and familiarity with the project. For market research, EPA contacted 12 potential manufacturers and suppliers of backing rings and 16 potential manufacturers and suppliers of Schedule 40S threaded fittings. None responded indicating they had potential domestic alternatives. EPA received no (zero) public comments to the waiver request. Therefore, EPA agrees with the assessment that no domestic manufacturers produce available products meeting the project's specifications.

Finding: Since the Applicant established a proper basis to specify the epoxy-coated backing rings and Schedule 40S threaded fittings required for this project, and because EPA substantiated the Applicant's claim that these products are not produced or readily available from a manufacturer in the United States, the Pure Water Soquel Program in Santa Cruz, California is hereby granted a waiver from the AIS requirements for the Treatment Facilities Project for the Pure Water Soquel Program project. This waiver permits the purchase of the specified epoxy-coated, convoluted backing rings and Schedule 40S threaded fittings as documented in the Applicant's waiver request submittal to WIFIA, dated March 8, 2022.

If you have any questions concerning the contents of this memorandum, please contact Timothy Connor, Chemical Engineer, Water Infrastructure Division, at [connor.timothy@epa.gov](mailto:connor.timothy@epa.gov) or (202) 566-1059.