

## **OFFICE OF WASTEWATER MANAGEMENT**

WASHINGTON, D.C. 20460

## **DECISION MEMORANDUM**

- **SUBJECT:** Project Waiver of American Iron and Steel Requirements to Bloomington & Normal Water Reclamation District in Bloomington, Illinois for Several Types of Valves
- FROM:Andrew D. Sawyers, DirectorOffice of Wastewater Management

<u>Decision</u>: 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 33 U.S.C. § 3914(c)(2) to the Bloomington & Normal Water Reclamation District in Bloomington, Illinois (Applicant) for 6-inch check valves; 6-inch butterfly valves; and 8 -inch, 20 -inch, and 30 -inch plug valves (valves). This waiver permits the use of these products, produced outside the United States, and in the specific sizes and quantities requested, at the Wastewater System Modernization & Rehabilitation project because no known domestic manufacturers produce AIS-compliant in sufficient and reasonably available quantities that meet the project's technical specifications and schedule.

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.

<u>Rationale</u>: According to WIFIA at 33 U.S.C. § 3914, WIFIA loan recipients must use specific domestic iron and steel products that are produced in the United States. The 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 applicable 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 . . . iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality."

<u>Background of Waiver Request</u>: The Applicant provided information to the EPA asserting that there are no domestic manufacturers producing valves in sufficient and reasonably available quantities and of a satisfactory quality that meet their project's schedule. These valves are necessary to control the flow of wastewater into and out of their treatment facility. Timely delivery of the valves is required because the project will otherwise be delayed by six months due to seasonal environmental factors affecting construction.

<u>Assessment of Waiver Request</u>: The EPA conducted market research and a public comment period on the supply and availability of valves. 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, the EPA contacted 11 manufacturers or suppliers. Six manufacturers or suppliers indicated that they could provide AIS-compliant valves that could meet the product specifications. Three of the six manufacturers provide lead times of 12 to 28 weeks for the valves, which would present a significant project delay due to environmental constraints limiting the construction window for the project. The Applicant followed up with the remaining three manufacturers. One manufacturer could not provide products that meet the project specifications, one was non-responsive, and one confirmed lead times that were 18 to 31 weeks. The EPA also posted the waiver request for a 15-day public comment period. The EPA received one public comment from a manufacturer offering temporary nondomestic valves to install that can be replaced with domestic options when they become available; however, the suggestion was not feasible for the project because the valves must be installed underground prior to the end of the construction season. Therefore, the EPA agrees with the assessment that no domestic manufacturers produce valves that would meet the project's technical specifications or schedule.

<u>Finding</u>: Since the Applicant established a proper basis to specify the valves required for this project, and because the EPA substantiated the Applicant's claim that these products are not produced or readily available from a manufacturer in the United States, the Bloomington & Normal Water Reclamation District in Bloomington, Illinois is hereby granted a waiver from the AIS requirements for the Wastewater System Modernization & Rehabilitation project. This waiver permits the purchase of the specified products as documented in the Applicant's waiver request submittal to WIFIA, dated August 27, 2024.

If you have any questions concerning the contents of this memorandum, please contact Dan-Tam Nguyen, Environmental Engineer, WIFIA Program, at Nguyen.Dan-Tam@epa.gov.