



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

JUL 10 2019

OFFICE OF WATER

DECISION MEMORANDUM

SUBJECT: Availability-Based Project Waiver of American Iron and Steel Requirements for Check Valve in the City of Oxford, NC Water Storage Tank Construction and Rehabilitation Project
Waiver Number 04-DW-0005

FROM: Jennifer L. McLain, Acting Director
Office of Ground Water and Drinking Water

A handwritten signature in blue ink, appearing to read "Jennifer L. McLain".

The U.S. Environmental Protection Agency (EPA) is hereby granting an availability-based project-specific waiver pursuant to the American Iron and Steel (AIS) requirements to the City of Oxford, North Carolina, for the purchase of one check valve for the Oxford Water Storage Tank Construction and Rehabilitation Project. This waiver permits the use of one 14-inch check valve that has not been produced domestically because no known domestic manufacturers produce a product that meets the project's schedule and technical specifications. This project-specific waiver only applies to the use of the specified product for the referenced project funded by the Drinking Water State Revolving Fund (DWSRF). Any other project funded by either the Drinking Water or Clean Water State Revolving Fund (SRF) that wishes to use the same product must request a separate waiver based on the specific project circumstances.

Rationale: The AIS provision requires DWSRF assistance recipients to use specific domestic iron and steel products if the project is funded through an SRF assistance agreement unless the EPA determines that it is necessary to waive this requirement. The EPA has the authority to issue waivers in accordance with section 1452(a)(4)(A) of the Safe Drinking Water Act. The provision states in part: "[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."

The City is currently constructing a new elevated water storage tank, rehabilitating two existing water storage tanks, and installing associated water mains. The 14-inch check valve is necessary to replace a valve at one of the City's existing water storage tanks. The new tank will be equipped with an aeration unit, which will reduce the presence of disinfection byproducts in the

finished water. The check valve constitutes less than one percent of the total material cost for this project.

The City attempted to procure an AIS-compliant 14-inch check valve from a manufacturer with a quoted delivery lead time of 14-16 weeks. The manufacturer ordered the valve body casting on August 8, 2018, from a U.S. foundry, and it was delivered in December 2018. The casting did not pass quality assurance and quality control (QAQC) testing, and the manufacturer solicited a different U.S. foundry to supply the body casting. The valve body from the second foundry originally had an estimated shipment date of May 2019 but was received in June 2019. This casting also failed the QAQC testing and a new potential delivery date is set for August 2019; however, the project is scheduled to be completed in July 2019.

The City contacted several other domestic manufacturers to find a comparable AIS-compliant check valve and provided information to the EPA demonstrating that no manufacturers of 14-inch check valves meet the project's schedule and technical specifications.

The EPA conducted market research on the supply and availability of 14-inch check valves and concluded that there are no domestic manufacturers of these products that meet the project's schedule and technical specifications. The EPA's inquiry supports the City's assertion that the check valves produced domestically have lead times of several months for delivery. Per statutory requirement, the waiver request was posted on the EPA's AIS website for the mandatory 15-day public comment period. The EPA did not receive any comments.

The EPA is granting an availability-based waiver from the AIS requirements to the City of Oxford, North Carolina, for the Water Storage Tank Construction and Rehabilitation Project with respect to a check valve. This waiver permits the purchase of one 14-inch check valve using DWSRF funds as documented in the State of North Carolina's waiver request submittal on behalf of the assistance recipient, dated June 5, 2019.

Legal Authority: Legal authority for the AIS requirements for DWSRF projects is included under the Safe Drinking Water Act, under the authority of section 1452 (a)(4)(A).

If you have questions concerning the contents of this memorandum, please contact Dallas Shattuck, Physical Scientist, Drinking Water Protection Division, at shattuck.dallas@epa.gov or (202) 564-0972.