



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

APR 28 2015

OFFICE OF
WATER

DECISION MEMORANDUM

SUBJECT: Project Waiver of American Iron and Steel Requirements to the Napa Sanitation District for 24-Inch Diameter Butterfly Valves

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

A handwritten signature in black ink, appearing to read "A. Sawyers", is written over the "FROM:" line.

The EPA is hereby granting a project waiver pursuant to the “American Iron and Steel” requirements of the Clean Water Act Section 608 under the authority of Section 608(c)(2) to the Napa Sanitation District in California for the purchase of 24-inch butterfly valves. This waiver permits the use of these butterfly valves manufactured outside of the United States in the Los Carneros Water District Recycled Water Pipeline project because no domestic manufacturer produces alternatives that can be delivered on time to avoid delays in the project schedule and meet the project’s technical specifications. This is a project specific waiver and only applies to the use of the specified product for the proposed project funded by the Clean Water State Revolving Fund. Any other project funded by either the Clean Water or Drinking Water State Revolving Fund that wishes to use the same product must apply for a separate waiver based on the specific project circumstances.

Rationale: According to the AIS requirements, CWSRF and DWSRF assistance recipients are required to use specific domestic iron and steel products that are produced in the United States if the project is funded through an assistance agreement. The Agency can determine whether it is necessary to waive this requirement based on certain circumstances set forth in Section 608(c)(2) of the Clean Water Act. 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.”

The Napa Sanitation District plans to install large diameter butterfly valves at the connection to a recycled water supply and in the recycled water distribution main as part of the Los Carneros Water District Recycled Water Pipeline project. The purpose of the project is to provide an agricultural area with a source of recycled water in time for the 2016 peak irrigation demand. The project will reduce reliance on groundwater, which has become increasingly depleted in the area’s groundwater basin and is experiencing seawater intrusion. The Napa Sanitation District requires the valves to be delivered with no longer than a 10 week lead time, because a longer lead time would result in delays in the project schedule. The project has a short timeline, with less than a year from the Notice to Proceed to project completion and is divided into five milestones, and each milestone will bring recycled water to users once the valves and pipes have

been installed and tested. The first milestone would need to be complete by mid-summer in order to provide users with recycled water for the 2016 irrigation season. If there are significant delays in the project schedule, users would need to continue to truck in water supplies, pump groundwater or use surface water for irrigation. In addition, due to California environmental statutes, there are seasonal restrictions on construction work, and even short delays in the project schedule may lead to longer delays because of the restrictions. The applicant applied for a waiver promptly after receiving notification from suppliers that there were no AIS-compliant butterfly valves that met the technical specifications that could be delivered on time to meet the project schedule.

The Napa Sanitation District attempted to find a domestic producer of the large diameter butterfly valves, and provided information to the Agency demonstrating that there are no 16-inch to 24-inch diameter butterfly valves manufactured in the United States in sufficient and reasonably available quantities and of satisfactory quality to meet the project schedule deadlines and the required technical specifications. The shortest lead time for AIS compliant valves that the applicant was able to find was 16 to 18 weeks, but given the short timeframe of the project, even a 4 week delay would mean that the project would not be able to meet the first milestone and each subsequent milestone would also be delayed, leaving a portion of users without recycled water for the 2016 peak irrigation demand. The applicant selected large diameter butterfly valves, which are manufactured outside of the United States for use in the Los Carneros Water District Recycled Water Pipeline project.

The EPA has conducted market research and solicited public comments on the supply and availability of 16-inch to 24-inch butterfly valves. Through soliciting public comments, EPA was able to find a domestic manufacturer of 16-inch and 18-inch butterfly valves that met the project's technical specifications and could be delivered on time to avoid significant delays in the project schedule. However, EPA was unable to find a domestic manufacturer of 24-inch butterfly valves that could be delivered to meet the project schedule, and concluded that the Napa Sanitation District's claim that there are no domestic manufacturers of 24-inch butterfly valves that meet the project schedule deadlines and technical specifications, is supported by available evidence. The minimum amount of lead time that a domestic manufacturer indicated they would need to provide the 24-inch butterfly valves was 14 weeks, which would result in delays in the project schedule and impact Napa Sanitation District's ability to provide water in time for the 2016 peak irrigation demand.

Since the applicant established a proper basis to specify a particular product required for this project and the EPA substantiated the applicant's claim through market research that this product is not available from a manufacturer in the United States without significant delays in the project schedule, Napa Sanitation District is hereby granted a waiver from the AIS requirements. This waiver permits the purchase of the specified 24-inch diameter butterfly valves documented in the state of California's waiver request submittal on behalf of the applicant dated March 4, 2015.

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