UNITED STATES ENVIRONMENTAL PROTECTION AGENCY



WASHINGTON, D.C. 20460

## JUL 24 2015

OFFICE OF WATER

## **DECISION MEMORANDUM**

SUBJECT: Project Waiver of American Iron and Steel Requirements to Miami-Dade County for Stainless Steel Ball Valves

Sheila E. Frace

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

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 Miami-Dade County Water and Sewer Department for the purchase of 24-inch stainless steel ball valves. This waiver permits the use of these ball valves manufactured outside of the United States in Miami-Dade County's injection well project because no domestic manufacturer can produce alternatives that meet the project's technical specifications and can be delivered on time to avoid delays in the project schedule. 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.

<u>Rationale:</u> According to Section 608 of the Clean Water Act, CWSRF assistance recipients must use specific domestic iron and steel products that are produced in the United States if the project is funded through the SRFs. EPA has the authority to 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."

Miami-Dade County provided information to the EPA asserting that there are no manufacturers producing domestic stainless steel ball valves in the United States in sufficient and reasonably available quantities that meet the project's technical specifications. The project requires two stainless steel 24-inch ball valves to be used in industrial injection wells. These valves are needed to shut off the flow in the wells if the monitoring wells detect a problem, or during maintenance of the injection wells. A contractor for Miami-Dade County contacted several suppliers and manufacturers of ball valves, but was unable to find domestic valves that could meet the project's technical specifications.

The EPA conducted market research and solicited public comments on the supply and availability of stainless steel ball valves and concluded that the applicant's claim that there are no domestic manufacturers that can supply ball valves that meet the project's technical specifications and can be delivered on time to avoid delays in the project schedule, is supported by available evidence. The Agency's market research identified one manufacturer that can produce AIS-compliant ball valves, but the manufacturer estimated the lead time for delivery was in the range of 28 to 32 weeks compared to six weeks for the non-domestic valves.

Through public comment solicitation, one additional manufacturer claimed they could produce AIS-compliant ball valves that meet the project's specifications. However, the manufacturer requires two weeks for submittal of drawings and 32 weeks for delivery after the return of approved drawings. Miami-Dade County claimed that the longer lead time for the domestic valves would delay a critical milestone of the project—the completion of the first Central District Industrial Injection Well, which must be complete by November 2015 to comply with state statutes regarding ocean outfalls. The applicant claims that the longer lead times for the domestic valves would result in a completion date of May 2016 for the injection well, which is a substantial delay in the project schedule.

Since the applicant established a proper basis to specify a particular product required for this project and EPA substantiated the applicant's claim through market research that this product is not available from a manufacturer in the United States, Miami-Dade County Water and Sewer Department is hereby granted a waiver from the AIS requirements. This waiver permits the purchase of the specified ball valves documented in the state of Florida's waiver request submittal on behalf of the applicant dated June 18, 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.