

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

FEB 2 7 2018

OFFICE OF WATER

DECISION MEMORANDUM

- SUBJECT: Project Waiver of American Iron and Steel Requirements to the Santa Margarita Water District in California for Double-Offset Butterfly, Stainless-Steel Triple-Offset Butterfly, and Plunger Valves
- FROM: Andrew D. Sawyers, Director Office of Wastewater Management

The U.S. Environmental Protection Agency 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 Santa Margarita Water District (SMWD) in California for the purchase of three sets of valves: double-offset butterfly, stainless-steel triple-offset butterfly, and plunger valves. The double-offset butterfly valves include two 16-inch and five 30-inch valves. The stainless-steel triple-offset butterfly valves include eight 24-inch valves. The plunger valve includes one 30-inch valve. This waiver permits the use of these items manufactured outside of the United States in the SMWD's Trampas Canyon Dam and Reservoir because no domestic manufacturer produces alternative products that can meet the project's technical specifications. This is a project specific waiver and only applies to the use of the specified products 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 products 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 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."

California provided information to the EPA claiming there are no manufacturers producing doubleoffset butterfly, stainless-steel triple-offset butterfly, and plunger valves in the United States in sufficient and reasonably available quantities that can meet the project's technical specifications. The SMWD requires the three types of valves for the Trampass Canyon Dam and Reservoir project, which will provide seasonal and operational storage of 5,000 acre-feet of recycled water to meet demands for nonpotable water in the service area. The double-offset butterfly, stainless-steel triple-offset butterfly, and plunger valves are needed for highvelocity applications at the dam and reservoir project. The project requires system operating velocities greater than 27 feet per second (fps) under emergency conditions. These velocities exceed AWWA C504 standard design criteria of 16 fps. According to the applicant, the valve designs were approved by the California State Department of Safety of Dams. The applicant was unable to identify a manufacturer that could make AIS-compliant valves that can meet the project's technical specifications, specifically the operating velocities.

The Agency conducted market research on the supply and availability of double-offset butterfly, stainless-steel triple-offset butterfly, and plunger valves that can meet the project specifications and concluded that the applicant's claim that there are no domestic manufacturers that can supply a similar product is supported by available evidence. The Agency contacted nine manufacturers of valves and none of the manufacturers indicated they can produce any of the three valve types meeting project specifications. In particular, the high velocities anticipated in design under emergency conditions cannot be met by domestic valves. During public comment solicitation, EPA received no (zero) comments from any interested party, manufacturer or other.

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 these products are not available from a manufacturer in the United States, the SMWD is hereby granted a waiver from the AIS requirements. This waiver permits the purchase of the specified valves documented in the state of California waiver request submittal on behalf of the applicant dated August 11, 2017.

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 or (202) 566-1059.