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

JAN 2 7 2020

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, High-Velocity Butterfly Valves

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

The U.S. Environmental Protection Agency (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 Santa Margarita Water District (SMWD) in California for the purchase of double-offset, high-velocity, dry-shaft butterfly valves. The double-offset butterfly valves range in size from 10 inches to 30 inches, with a total of 26 valves. 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.

Rationale: 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 double-offset, high-velocity, dry-shaft butterfly valves in the United States in sufficient and reasonably available quantities that can meet the project's technical specifications. The SMWD requires the valves for the Trampas Canyon Dam and Reservoir project, which will provide seasonal and operational storage of 5,000 acre-feet of recycled water to meet demands for non-potable water in the service area.

The double-offset, high-velocity, dry-shaft butterfly valves are needed for high-velocity, direct-burial applications at the dam and reservoir project. The project requires dry-shaft designs with a neutral and static elastomeric seat in order to protect against pressurized leakage, corrosion, and actuator failures. The project also 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 Department of Water Resources, Division 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, including the high operating velocities.

The Agency conducted market research on the supply and availability of double-offset, high-velocity, dry-shaft butterfly valves that can meet the project specifications and concluded that the applicant's claim that there are no domestic manufacturers that can supply an equivalent product is supported by available evidence. The Agency contacted eight manufacturers of valves and none of the manufacturers indicated they can produce butterfly valves meeting the project specifications. In particular, the high velocities anticipated in design under emergency conditions cannot be met by domestic butterfly valves. One manufacturer contacted by the Agency recommended that SMWD consider using ball valves designed for high velocity instead of the double-offset designs. EPA presented the alternative valve suggestions to SMWD, which responded that alternative valve designs would not meet the project requirements. SMWD presented evidence and rationale for rejecting the alternative valves, citing the potential for catastrophic failure under the site conditions. During public comment solicitation, EPA received one comment. The public comment repeated the recommendations from the same manufacturer who suggested alternatives during EPA's market research. EPA evaluated the public comment and determined that it did not present any additional information that had not already been evaluated.

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 from November 25, 2019.

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.