

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

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OFFICE OF WATER

DECISION MEMORANDUM

- SUBJECT: Availability-Based Project Waiver of American Iron and Steel Requirements for 8-inch and 10-inch Double-Disc Swing Check Valves in the Greater Texoma Utility Authority Lake Texoma Water Treatment Plant Expansion Project in the City of Sherman, TX Waiver Number 06-DW-0005
- FROM: Peter Grevatt, Director Office of Ground Water and Drinking Water

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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 Greater Texoma Utility Authority (GTUA) in the City of Sherman, TX for the purchase of two 8-inch and two 10-inch double-disc swing check valves for the Lake Texoma Water Treatment Plant Expansion Project. This waiver permits the use of four double-disc swing check valves because no known domestic manufacturers produce a product that meets the project's technical specification. This is a project-specific waiver and 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.

<u>Rationale:</u> 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 Agency determines that it is necessary to waive this requirement. The EPA has the authority to issue waivers in accordance with Section 424 of Public Law 115-141, the "Consolidated Appropriations Act, 2018". 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 GTUA's Lake Texoma Water Treatment Plant Expansion Project is necessary to increase system capacity, upgrade to membrane filtration technology, and provide a redundant drinking water source to residents. Due to aging drinking water infrastructure, the City of Sherman, supplied by the GTUA, is unable to maintain storage and pressure requirements during times of scheduled maintenance or rehabilitation of existing facilities. This expansion project will allow the GTUA to address regional drinking water needs and provide the community with safe drinking water. The double-disc swing check valves constitute less than 1% of the total material cost for this project.

The GTUA attempted to find a domestic manufacturer of 8-inch and 10-inch double-disc swing check valves and provided information to the EPA demonstrating that the specified valves are not domestically sourced and no domestic manufacturer exists.

The EPA conducted market research on the supply and availability of 8-inch and 10-inch doubledisc swing check valves and concluded that there are no domestic manufacturers of this product that meets the project's technical specifications. The EPA's inquiry supports the GTUA's assertion that the 8-inch and 10-inch double-disc swing check valves are not available domestically. 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 Sherman for the Lake Texoma Water Treatment Plant Expansion Project with respect to the double-disc swing check valves. This waiver permits the purchase of two 8-inch and two 10-inch double-disc swing check valves using DWSRF funds as documented in the State of Texas' waiver request submittal on behalf of the assistance recipient, dated August 24, 2018.

Legal Authority: Legal authority for the AIS requirements for DWSRF projects is included under P.L. 115-141, the "Consolidated Appropriations Act, 2018", under the authority of Section 424.

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.