

OFFICE OF WASTEWATER MANAGEMENT

WASHINGTON, D.C. 20460

DECISION MEMORANDUM

- **SUBJECT:** Project Waiver of American Iron and Steel Requirements to City of North Miami Beach in Florida for 12-Inch, 36-Inch, and 42-Inch Butterfly Valves
- FROM: Andrew D. Sawyers, Director Office of Wastewater Management

<u>Decision</u>: The U.S. Environmental Protection Agency (EPA) is hereby granting a project waiver pursuant to the "American Iron and Steel" (AIS) requirements of 33 U.S.C. § 3914 under the authority of 33 U.S.C. § 3914(c)(2) to the City of North Miami Beach in Florida (Applicant) for 12-Inch, 36-Inch, and 42-Inch Butterfly Valves (butterfly valves). This waiver permits the use of these products, produced outside the United States, and in the specific sizes requested, at the Norwood Water Treatment Plant Upgrade and Transmission Main Improvements and Replacements Project because no known domestic manufacturers produce butterfly valves in these dimensions that meet the project's schedule.

This is a product-specific waiver and only applies to the use of the specified products for the proposed project funded by the Water Infrastructure Finance and Innovation Act (WIFIA). Any other jurisdiction with projects funded by either WIFIA or the State Revolving Funds (SRFs) that wishes to use the same products must apply for a separate waiver.

<u>Rationale</u>: According to WIFIA at 33 U.S.C. § 3914, WIFIA loan recipients must use specific domestic iron and steel products that are produced in the United States. The EPA has the authority to determine whether it is necessary to waive this requirement based on certain circumstances set forth in 33 U.S.C. § 3914(c)(2). The applicable 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 . . . iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality."

<u>Background of Waiver Request</u>: The Applicant provided information to the EPA asserting that there are no domestic manufacturers producing butterfly valves in these dimensions in sufficient and reasonably available quantities that meet the Applicant's project schedule. The butterfly valves are needed to be able to control water movement throughout the Norwood Water Treatment Plant Upgrade and Transmission Main Improvements and Replacements Project.

<u>Assessment of Waiver Request</u>: The EPA conducted market research and a public comment period on the supply and availability of butterfly valves. The basis of evaluation included thorough review of the waiver request submission, examination of domestic manufacturer catalogs or other technical data and marketing materials, personal communication with domestic manufacturers, inquiries of state staff, and outreach to contractors and engineers with expertise and familiarity with the project. For market research, the EPA contacted twelve manufacturers or suppliers. Six manufacturers or suppliers responded and, of those, four indicated an ability to supply butterfly valves. Four of the responding companies stated they could supply the parts, but with a lead time of 30-45 weeks. The Applicant asserts that it can procure the parts from a non-domestic source within 18 weeks. If the project's construction is delayed 30-45 weeks, it will unreasonably delay the completion of the project. The EPA also posted the waiver request for a 15-day public comment period. The EPA received no (zero) public comments to the waiver.

<u>Finding</u>: The EPA agrees that no domestic manufacturers produce butterfly valves meeting the project's specifications in reasonably available quantities. Since the Applicant specified the butterfly valves required for this project, and because the EPA substantiated the Applicant's claim that these products are not produced or readily available from a domestic manufacturer the City of North Miami Beach in Florida is hereby granted a waiver from the AIS requirements with respect to these butterfly valves for the Norwood Water Treatment Plant Upgrade and Transmission Main Improvements and Replacements Project. This waiver permits the purchase of the specified products as documented in the Applicant's waiver request submittal to WIFIA, dated Oct. 12, 2023.

If you have any questions concerning the contents of this memorandum, please contact Forrest Petrich, Environmental Engineer, WIFIA Program, at Petrich.Forrest@epa.gov.