



OFFICE OF GROUND WATER AND DRINKING WATER

WASHINGTON, D.C. 20460

DECISION MEMORANDUM

SUBJECT: Project-Specific Nonavailability Waiver of Build America, Buy America (BABA) Act Requirements for Dallas Rural Water District, Illinois, for Fuel Generators for the Water System Upgrades Project
Waiver Number 05-DWB-0026

FROM: Jennifer L. McLain, Director

Decision

The U.S. Environmental Protection Agency is hereby issuing a project waiver pursuant to the domestic preference set forth in section 70914 of the Build America, Buy America (BABA) Act included in the Infrastructure Investment and Jobs Act (Pub. L. No. 117-58), under the authority of section 70914(b), to the Dallas Rural Water District, Illinois (Applicant), for the purchase of fuel generators. This waiver permits the use of fuel generators because no known domestic manufacturers produce BABA-compliant products that meet the technical specifications of the project. This waiver is applicable to expenditures made for the specified products for the Water System Upgrades Project funded by the Drinking Water State Revolving Fund (DWSRF), on or after the effective date of the final waiver until June 16, 2028.

This is a project-specific waiver. Any other project that wishes to use the same products must apply for a separate waiver.

Background

The Buy America Preference set forth in section 70914 of the BABA included in the Infrastructure Investment and Jobs Act (Pub. L. No. 117-58), requires all iron, steel, manufactured products, and construction materials used for infrastructure projects under Federal financial assistance awards be produced in the U.S.

Under section 70914(b), the EPA may waive the application of the Buy America Preference in any case in which it finds that: applying the domestic content procurement preference would be inconsistent with the public interest; types of iron, steel, manufactured products, or construction materials are not produced in the U.S. in sufficient and reasonably available quantities or of a satisfactory quality; or the inclusion of iron, steel, manufactured products, or construction materials produced in the U.S. will increase the cost of the overall project by more

than 25 percent. All waivers must have a written explanation for the proposed determination; provide a period of not less than fifteen (15) calendar days for public comment on the proposed waiver; and submit the proposed waiver to the Office of Management and Budget's (OMB) Made in America Office for review to determine if the waiver is consistent with policy.

Summary

Waiver Type: Nonavailability of a domestic product in sufficient and reasonably available quantities or of a satisfactory quality.

Waiver Level and Scope: Project level waiver for one product for a single project. No other project will utilize the waiver.

Waiver Description: Project-specific nonavailability waiver of BABA manufactured products requirements or construction materials requirements where applicable to the Dallas Rural Water District for fuel generators.

Project Summary: The Water System Upgrades project in Hamilton, Illinois includes upgrading multiple booster stations, installing a metered flow control valve, and replacing the District's entire SCADA/telemetry system. This will include the installation of fuel generators that are needed at each site to ensure they remain in service during an emergency.

Length of the waiver: From the effective date of the final waiver until projection completion, which is estimated to be June 16, 2028.

Summary of Items Covered in the Proposed Waiver (including NAICS):

Fuel Generator

- NAICS: 335312
- PSC: 6115

Description of Efforts Made to Avoid the Need for a Waiver

Both Dallas Rural Water District and the EPA made every effort to obtain BABA-compliant fuel generators. This is both documented in the waiver request, and in the description of the EPA's and Dallas Rural's extensive research efforts listed below.

Prior to submission of the waiver request, Dallas Rural Water District conducted their own market research. They contacted three (3) individual potential BABA-compliant manufacturers for the product which was requested to be waived. When a domestic product which could meet the technical specifications for the project could not be identified, the waiver request was submitted, initiating EPA market research.

The EPA conducted market research in June 2025. The market research process included thorough review of the waiver request submission, examination of domestic manufacturers' catalogs and other technical data and marketing materials, personal communication with domestic manufacturers, inquiries of regional project officers, and outreach to contractors and

engineers with expertise and familiarity with the project. During market research, the EPA contacted twelve (12) manufacturers of fuel generators. The EPA identified these manufacturers in an attempt to find all potential BABA-compliant manufacturers of the above-mentioned product(s).

When contacted, two (2) manufacturers indicated potential to meet the specifications of the project while being BABA-compliant. After one (1) manufacturer was contacted by the assistance recipient, they declined to confirm that their fuel generators comply with either BABA or the technical specifications of the project. The other manufacturer, after an initial contact, never responded to the assistance recipient. Based on the technical evaluation conducted, the claim that BABA-compliant products that meet the project's specifications are not available is supported.

Assessment of Cost Advantage of a Foreign-Sourced Product

Under OMB M-24-02, agencies are expected to assess "whether a significant portion of any cost advantage of a foreign-sourced product is the result of the use of dumped steel, iron, or manufactured products or the use of injuriously subsidized steel, iron, or manufactured products" as appropriate before granting a public interest waiver. The EPA's analysis has concluded that this assessment is not applicable to this waiver as this waiver is not based on the cost of foreign-sourced products.

Summary of Public Comments

A memorandum soliciting public comments and the Applicant's waiver request were posted on the EPA's public facing webpage and a notice of the waiver request was also posted to the OMB's Made in America website on January 20, 2026, to satisfy the required fifteen (15) day public comment period. The comment period for the waiver closed on February 3, 2026. The EPA received no public comments and therefore no changes were made between this waiver decision memorandum and the version that was posted for public comment.

Description of Award

Recipient Name and/or Unique Entity Identifier (UEI):

Recipient Name: Dallas Rural Water District

Recipient Unique Entity Identifier: LAVDUQULLMQ4

Federal Financial Assistance Identification Number (FAIN): 02E03247

Federal Financial Assistance Listing Name: 66.468 Drinking Water State Revolving Fund

Federal Financial Assistance Listing Number: 66.468

Federal Financial Assistance Funding amount: \$4,810,983.00

Total Cost of Infrastructure Expenditures: \$4,810,983.00