



## 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 to the City of Iuka, Kansas, for Point-of-Use Reverse Osmosis Treatment Units for the Iuka Water System Improvements 2024 Project

**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 City of Iuka (Applicant) for the purchase of point-of-use reverse osmosis treatment units. This waiver permits the use of point-of-use reverse osmosis treatment units 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 Iuka Water System Improvements 2024 Project funded by the Drinking Water State Revolving Fund (DWSRF), on or after the effective date of the final waiver until December 31, 2027.

This is a project-specific waiver. No other project will utilize the 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 a single project. No other project will utilize the waiver.

Waiver Description: Project specific nonavailability waiver of the BABA requirements to the Iuka Water System Improvements 2024 Project located in Iuka, KS, for point-of-use reverse osmosis treatment units.

Project Summary: The City of Iuka, Kansas, is undertaking a water system improvements project to address nitrate contamination and aging infrastructure within its public water supply system. The project includes installing point-of-use reverse osmosis treatment units at all service connections to reduce nitrate levels below the EPA and Kansas Department of Health and Environment (KDHE) Maximum Contaminant Level; replacing aging valves and meters; recoating the interior of the existing 100,000-gallon elevated water tower with an NSF-compliant epoxy coating; and completing structural, piping, and electrical repairs at the existing well house.

Length of the waiver: From the effective date of the final waiver until the project's completion which is estimated to be December 31, 2027.

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

The following items are covered under this waiver:

Point-of-Use Reverse Osmosis Treatment Unit:

- NAICS: 333310
- PSC: 4610

**Description of Efforts Made to Avoid the Need for a Waiver**

Both the KDHE and the EPA made every effort to obtain BABA-compliant point-of-use reverse osmosis treatment units. This is both documented in the waiver request, and in the description of the EPA's extensive research efforts listed below.

Market research was concluded on November 7, 2025. During market research the EPA contacted ten (10) manufacturers of point-of-use reverse osmosis treatment units. No BABA-compliant options for the products were found. Based on the technical evaluation conducted, the claim that BABA-compliant products that meet the project’s specification 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 February 3, 2026, to satisfy the required fifteen (15) day-public comment period. The comment period for the waiver closed on February 17, 2026. The EPA received one (1) public comment from a supplier recommending a potential domestic manufacturer. The project reached out to the manufacturer, but the manufacturer stated that it could not produce a BABA-compliant product.

**Description of Award**

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

Recipient Name: City of Iuka

Recipient Unique Entity Identifier: CD4DY9HZNPD8

Federal Financial Assistance Identification Number (FAIN): 96703003

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

Federal Financial Assistance Listing Number: 66.468

Federal Financial Assistance Funding amount: Total federal financial assistance: \$900,000

Total Cost of Infrastructure Expenditures: Total project cost is estimated to be: \$642,000