



Rural Development

Rural Utilities Service

Water & Environmental Programs

1400 Independence Ave SW
Washington, DC 20250

DECISION MEMORANDUM

DATE: June 27, 2022

SUBJECT: Availability-Based Project Waiver of American Iron and Steel Requirements for stainless-steel fittings and ball valves for the Western Expansion Supply Line & Booster Pump Station Project for Public Wholesale Water Supply District No. 23, Fredonia, KS

Waiver Number: 22-005

FROM: Charles D. Stephens
Assistant Administrator
Acting Director, Environmental and Historic Preservation Staff
Water and Environmental Programs

Decision: The U.S. Department of Agriculture (USDA) is hereby granting an availability-based project-specific waiver of the American Iron and Steel (AIS) requirements to Public Wholesale Water Supply District No. 23, Fredonia, KS, for purchase of 2” and 3” welded stainless-steel fittings, ¾” – 3” threaded stainless-steel fittings, and 1½” – 3” threaded stainless-steel ball valves for use on its Western Expansion Supply Line & Booster Pump Station project.

This waiver is to permit the use of non-domestic products because no domestic source(s) could be found that could provide these items and meet the project’s technical specifications.

This is a project-specific waiver which applies only to the use of the specified products for the referenced project funded by the USDA Rural Development (RD) Rural Utilities Service (RUS) Water and Waste Disposal (WWD) Loan and Grant program under the Water and Environmental Programs (WEP). Any other project that wishes to use the same product must submit a separate waiver request based on the specific project circumstances.

Rationale: The AIS provision of the Consolidated Appropriations Act of 2017 (Public Law 115-31) and subsequent statutes require WEP assistance recipients to use domestic iron and steel products unless RD determines that it is necessary to waive this requirement. USDA has the authority to issue waivers in accordance with section 746 (b)(2) of P.L.115-31, which states in part: “[the requirements] shall not apply in any case or category of cases in which the Secretary of Agriculture ... or the designee of the Secretary finds that ... iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality.” Approval of

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project specific waivers of the American Iron and Steel requirement is delegated to the Engineering and Environmental Staff Director in the delegation memo dated July 2017.

Background of Waiver Request: The project consists of approximately 33 miles of distribution waterline, booster pump station and master meter vaults. The stainless steel fittings and ball valves will be used in four separate master meter vaults. The project is under construction with an estimated completion date of July 31, 2022.

The water supply district's contractor reached out to six different manufacturers or distributors. Only one indicated that they could provide AIS-compliant products, but the lead time for these would be 12-13 weeks. USDA's AIS contractor then contacted fourteen manufacturers and suppliers, including those contacted by the applicant. Three of the fourteen companies responded that they could offer some of the requested AIS-complaint products but none of the companies could provide all the products specified. USDA suggested that the water supply district reach out to those companies for the items which were available with a reasonable lead time. The items listed below were either unavailable or were available with lead times of 10-12 weeks or longer:

- 2" 304L stainless-steel standard bore raised face weld neck flange
- 2" S40 304L stainless-steel LF 90 elbow
- 2" x 1 1/2" S40 304L stainless-steel concentric reducer
- 3" S40 304L stainless-steel tee
- 3" SS 304L stainless-steel standard bore raised face weld neck flange
- 3/4" 304 stainless-steel threaded 90 elbow
- 3/4" 304 stainless-steel threaded tee
- 3/4" 304 stainless-steel threaded cross
- 1 1/2" 304 stainless-steel threaded tee
- 1 1/2" x 3/4" 304 stainless-steel threaded tee
- 1 1/2" 304 stainless-steel threaded cap
- 1 1/2" 304L stainless-steel raised face threaded flange
- 2" 304L stainless-steel raised face threaded flange
- 2" 304 stainless-steel threaded cap
- 3" 304 stainless-steel threaded cap
- 1 1/2" stainless-steel threaded 2 piece full port ball valve
- 2" stainless-steel threaded 2 piece full port ball valve
- 3" stainless-steel threaded 2 piece full port ball valve

The water district submitted a formal request to RD to waive the AIS requirements for the stainless-steel fittings and ball valves listed above on June 7, 2022. Per statutory requirement, the waiver request was posted on RD's AIS website for the mandatory 15-day public comment period, and received no comments.

Finding: USDA is granting an availability-based waiver from the AIS requirements to Public Wholesale Water Supply District No. 23, Fredonia, KS to use the stainless-steel fittings and ball valves listed above on its Western Expansion Supply Line & Booster Pump Station project. This

waiver permits the items to be purchased and installed on the project, which is funded wholly or in part using WEP funds.

Legal Authority: Legal authority for the AIS requirements for WEP projects is included under the Consolidated Appropriations Act of 2017 and subsequent statutes, under the authority of section 746 (b)(2) of P.L.115-31.

If you have questions concerning the contents of this memorandum, please contact WEP Engineering at WEPEngineering@usda.gov.