



Rural Development

Rural Utilities Service

Water & Environmental  
Programs

1400 Independence Ave SW  
Washington, DC 20250

**DECISION MEMORANDUM**

**DATE:** July 25, 2022

**SUBJECT:** Availability-Based Project Waiver of American Iron and Steel Requirements for two 24"x16" Ductile Iron Restrained Joint Reducers to the Southern Iowa Rural Water Association, for its Water System Improvements Project in Creston, IA

Waiver Number: 22-006

**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 pursuant to the American Iron and Steel (AIS) requirements to the Southern Iowa Rural Water Association, for the purchase of two 24"x16" Ductile Iron Restrained Joint Reducers for its Water System Improvements Project in Creston, IA. This waiver permits the use of this reducer because no known domestic manufacturers can deliver a product that meets the project's technical specifications in a timely manner.

This is a project-specific waiver which applies only to the use of the specified product 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." As per the delegation memo of July 2017, approval of project specific waivers has been delegated to the Engineering and Environmental Staff Director.

Background of Waiver Request: The Southern Iowa Rural Water Association (SIRWA) Water System Improvements Project in Creston, IA, consists of a Water Treatment Plant (WTP), Transmission Main, and Elevated Storage Tank. Water was to be provided to the WTP site by June 1, 2022, via connections between the existing water distribution system and a new transmission main. The two 24"x16" Ductile Iron Restrained Joint Reducers are needed to complete and test the transmission main.

The project contractor originally ordered the reducer on December 28, 2021, and was scheduled for delivery in late July or August 2022; however the lead time from that supplier has slipped significantly. The project contractor and USDA's AIS contractor then contacted a total of 14 potential manufacturers or suppliers of the referenced item. Ten responded that they could supply AIS-compliant reducers meeting the project's specifications, but all quoted lead times of 12 weeks or longer. The reducers are necessary to complete a connection that will supply water to the WTP, and to accommodate flushing and testing of approximately 8 miles of new 24-inch and 20-inch diameter transmission main piping. This work needs to coincide with a scheduled shutdown of Creston Airport. Filling and flushing water at this location is needed before September 26, 2022, to avoid additional airport shutdowns in the event leaks are found in this segment of piping. Any additional delays in delivery of the reducers could result in interruptions to airport operations, likely resulting in economic losses for businesses and others who rely on the airport.

SIRWA submitted to RD a formal request to waive AIS requirements for the reducers on June 21, 2022. Per statutory requirement, the waiver request was posted on RD's AIS website for the mandatory 15-day public comment period, and the Agency received no comments.

Finding: USDA is granting an availability-based waiver from the AIS requirements to the Southern Iowa Rural Water Association, for its Water System Improvements Project in Creston, IA, with respect to 24"x16" Ductile Iron Restrained Joint Reducers. This waiver permits the purchase of two such reducers using WEP funds as documented in the city's waiver request submittal.

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](mailto:WEPEngineering@usda.gov).