DWS Circular Letter # 2014-02

To: Drinking Water State Revolving Fund (DWSRF) Loan Applicants

From: Lori Mathieu, Public Health Section Chief, Drinking Water Section
       Cameron Walden, Supervising Sanitary Engineer, Drinking Water Section

Date: March 28, 2014

Subject: Application of the “Use of American Iron and Steel” Requirements to Federal Fiscal Year (FFY) 2014 DWSRF Assistance Agreements

The Environmental Protection Agency’s (EPA) Office of Water issued the attached memorandum on March 20, 2014 to regional EPA offices offering guidance on the application of the “Use of American Iron and Steel” (AIS) provision in the FFY 2014 Appropriation Bill (H.R. 3547) to DWSRF projects. This document follows a memorandum issued by EPA on January 24, 2014 that clarified initial information regarding the application of these requirements. This second memorandum clarifies how these requirements will be implemented and how compliance will be documented. It is important for you to be aware of these requirements and share them with your consultants.

The EPA has also drafted two national public interest waivers which are currently posted on EPA’s AIS website for a 15 day public review and comment period. These waiver requests include a waiver for de minimus incidental components of eligible infrastructure projects that comprise less than a total of 5 percent of the total material costs. Also included is a waiver for eligible projects that had engineering plans and specifications submitted prior to January 17, 2014 and approved between January 17, 2014 and the date of the waiver.

The attached memorandum also outlines the waiver process for any further waivers, and includes an information checklist in Appendix 1. Should you expect that any such waivers from this requirement may be necessary for all or part of your project, please contact a DWSRF Program representative to aid you in this process.

Compliance with the AIS requirements will be required in your loan agreement with DPH unless EPA has issued a waiver for all or part of your project. Appendix 4 of the attached memorandum provides an example of EPA recommended language to be included in construction contracts with your contractor(s). A step certification process, as outlined in the memo, is also recommended to ensure producers adhere to the AIS requirement and allow
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DWSRF loan recipients to document compliance with the AIS requirement. A sample certification is provided in Appendix 5.

More information on this new requirement is available on the EPA’s [AIS website](https://www.epa.gov/). Our staff is committed to working with you as necessary to address your project’s compliance with AIS requirements and will update you if any new information becomes available. If you have any questions, please contact a DWSRF Program representative at (860) 509-7333.

Cc:   Ellen Blaschinski, DPH