Federal Emergency Management Agency

Build America Buy America Act Proposed Nonavailability Waiver: Central Utah Water Conservancy District Alpine Aqueduct Reach 1 Replacement and Resiliency Project 104-inch Hazard Resilient Ductile Iron Pipe System

1. Summary

Agency: Federal Emergency Management Agency (FEMA)

<u>Waiver</u>: The Federal Emergency Management Agency (FEMA) is proposing a nonavailability waiver of the requirements of section 70914 of the Build America, Buy America Act included in the Infrastructure Investment and Jobs Act (Pub. L. No. 117-58) for a 104-inch hazard resilient ductile iron pipe system (HRDIP) used in the Alpine Aqueduct Reach 1 Replacement and Resiliency Project for the Central Utah Water Conservancy District.

<u>Applicability</u>: This proposed waiver action permits the use of 104-inch HRDIP system in the Alpine Aqueduct Reach 1 Replacement and Resiliency Project. These products will be obtained by the Central Utah Water Conservancy District and incorporated into the subject project before the expiration date of the waiver.

Waiver type: Nonavailability of a BABA-compliant domestic product.

Waiver level: Project-specific waiver.

<u>Summary of items covered in the waiver</u>: 104-inch hazard resilient ductile iron pipe system including the following required components: socket-spigot pipes, spigot-spigot pipes, S-type collar joints, flanged sockets, flanged spigots, joint tester rings, hydraulic pumps, various accessories (glands, split rings, lock rings with connecting pieces, bolts and nuts, rubber gaskets, backup rings, hook and wire system for assembly), surface repair kit, and emergency repair bands. Of these components, all are iron and steel products, with the exception of the various accessories, hydraulic pumps, and surface repair kit, which are manufactured products.

<u>Waiver justification summary</u>: 104-inch HRDIP systems are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality for use in the identified project.

<u>Length of the waiver</u>: If approved, this waiver will be in effect upon approval date and will remain in effect until Feb. 1, 2028, which is the estimated project completion date.

2. Background

The Buy America Preference set forth in section 70914 of the Build America, Buy America Act 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 United States.

Under section 70914(b), FEMA 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 United States 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 United States will increase the cost of the overall project by more than 25%. All waivers must have a written explanation for the proposed determination; provide a period of not less than 15 days for public comment on the waiver; and submit the waiver to the Office of Management and Budget Made in America Office for review to determine if the waiver is consistent with policy.

104-inch HRDIP system:

The Central Utah Water Conservancy District is requesting a product specific waiver for the 104inch HRDIP system, which includes several components: socket-spigot pipes, spigot-spigot pipes, S-type collar joints, flanged sockets, flanged spigots, joint tester rings, hydraulic pumps, various accessories, surface repair kit, and emergency repair bands. The existing Alpine Aqueduct Reach 1 (AA-1) pipeline is classified as a Class III Critical Water Supply pipeline in accordance with the functional classes presented in the American Lifelines Alliance (ALA) Seismic Guidelines for Water Pipelines (ALA 2005). Critical Class III pipelines serving large numbers of customers present significant economic impact to the community and a substantial hazard to human life and property in the event of failure. Based on the AA-1 pipeline being a Class III pipeline, the reliability of the pipeline was designed with a minimum performance objective of being able to remain in service following an earthquake having a 5% probability of exceedance in 50 years, or a return interval of 975 years (approximately 1,000 years). Remaining in service is understood to mean that the pipeline can continue to deliver water following a seismic event, even though it may have experienced significant ground displacement, structural damage, and minor leaks at pipe joints, and can remain in service to provide water to users. Following the catastrophic event, the pipeline may need to be taken out of service for repairs or replacement. Therefore, the design of the Alpine Aqueduct Reach 1 Replacement and Resiliency Project includes features and measures to withstand a large earthquake event on the Wasatch Fault.

3. Description of Award

Title of project: Alpine Aqueduct Reach 1 Replacement and Resiliency Project

<u>Infrastructure project description and location</u>: The existing Alpine Aqueduct Reach 1 (AA-1) consists of a 90-inch horseshoe shaped tunnel and 90-inch-diameter welded steel pipeline that is

a major water supply artery of the Central Utah Water Conservancy District (District). It is approximately 1.1 miles in length and begins at the 10 million gallon Olmsted Equalization Reservoir at the mouth of Provo Canyon. The existing AA-1 pipeline delivers water to three treatment plants including the Don A. Christiansen Regional Water Treatment Plant (DACRWTP) in Orem, Utah. It connects to the Jordan Aqueduct which begins near the DACRWTP. The Jordan Aqueduct is operated by the Jordan Valley Water Conservancy District and provides water into Salt Lake County. AA-1 provides water to approximately 1.6 million people living in Utah County and Salt Lake County. The majority of the existing AA-1 pipeline segment crosses through and along the toe of a large landslide complex that has seen ongoing and recent slippage activity along the AA-1 alignment since its installation in the 1980s. The existing AA-1 alignment also crosses three separate splays of the Wasatch Fault Zone. The existing pipeline is at risk of failure, because of existing geologic hazards including landslides, crossing of the Wasatch Fault, and seismic shaking. The project is located on the northeast bench area of Orem, Utah. Anticipated construction work will occur within Orem City streets including 1060 North (between 1560 East and 1360 East) and 1360 East (between 1060 North and approximately 1110 North) and across 1560 East. The remainder of the work is on lands owned by Cascade Seddie LLC and the District.

<u>Description of project:</u> The replacement for the Alpine Aqueduct Reach 1 pipeline consists of the following major elements:

- New tunnel section that is 980 linear feet long with 108-inch steel and mortar lined. The tunnel will include a 65-foot long vertical shaft;
- 4,530 linear feet of 108-inch welded steel pipe (WSP) with 90-inch connections to the existing Alpine Aqueduct Reach 1;
- 601 linear feet of 104-inch (outside diameter) Hazard Resilient Ductile Iron Pipe (HRDIP) to address the seismic conditions associated with crossing two splays of the Wasatch Fault Zone; and
- Removal of approximately 400 feet of existing 90-inch pipe and concrete headwalls and filling of the remaining and abandoned AA-1 pipe with sand or cellular grout.

Recipient Name: Central Utah Water Conservancy District

Unique Entry Identifier (UEI): D4KQUGUENDM1

<u>Federal Financial Assistance Program:</u> Building Resilient Infrastructure and Communities (BRIC)

Federal Financial Assistance Funding Amount: \$46,648,062

4. Description of Covered Items

<u>Manufactured products</u>: This waiver seeks an exception to Buy America requirements for the following manufactured products:

• 104-inch HRDIP System:

- <u>NAICS</u>: 331110
- $\circ \overline{PSC: 4710}$

5. Waiver Justification Summary

<u>Anticipated impact if no waiver is issued</u>: The 104-inch hazard resistant ductile iron pipe system is essential and required for the completion of the project. This pipe system is not manufactured within the United States in sufficient quality or quantity. Although BABAA-compliant products were identified, none entirely met the required specifications. This project does not have any approved equals for this pipe system. The current pipeline is at risk of failure if a seismic event were to occur, which jeopardizes drinking water supply to 1.6 million people living in Utah County. The current pipeline in place is at risk of failure due to existing geologic hazards, including landslides, crossing at the Wasatch Fault, and seismic activity.

<u>Description of efforts made to identify domestic products</u>: Attempts to find domestic manufacturers for 104-inch HRDIP system by the project occurred during the design phase prior to bidding. While domestic manufacturers were found for 104-inch hazard resilient ductile iron pipe, the project indicated that these manufacturers could not meet the elongation, rotation, or the size requirements needed for the Wasatch Fault crossings.

FEMA conducted limited market research to determine if there are domestic manufacturers that can produce or supply a 104-inch HRDIP system that meets the seismic requirements of the project. FEMA contacted six manufacturers for 104-inch HRDIP systems. All manufacturers contacted either confirmed that they cannot meet the project specifications or did not confirm BABAA compliance. Four domestic manufacturers cannot meet the 104-inch diameter requirement of the required HRDIP system. One manufacturer is able to meet this size requirement, however, their BABAA-compliant offering cannot meet the elongation and rotation requirements specified by the project's engineering specifications. Finally, a representative from Kubota confirmed that their HRDIP system is manufactured in Japan, and therefore not BABAA-compliant.

6. 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. FEMA'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.

7. Solicitation for Comments

The proposed waiver will be posted on <u>FEMA's public facing webpage</u> on Oct. 10, 2024, and a notice of the proposed waiver posted to the <u>Made in America website</u> on Oct. 10, 2024, to satisfy the requirement to publish any Build America, Buy America Act Project Waiver and provide the public with 15 days to submit comments. FEMA is seeking public and industry comments from all interested parties and encouraging current manufacturers of the subject products to submit comments regarding potential availability.

For more information on the Build America, Buy America Preference, please reference <u>https://www.fema.gov/grants/policy-guidance/buy-america or MadeinAmerica.gov</u>.