



United States Iron and Steel (USIS) Guidance for Projects Funded through State Programs

Table of Contents

Acronyms.....	4
1. Overview.....	5
2. Definitions	6
3. Covered Iron and Steel Products.....	8
4. Projects Exempt from USIS Requirements.....	9
5. Compliance with USIS Requirements	9
A. Certification Requirements.....	10
B. TWDB Compliance Procedures.....	10
C. Recommendations and Best Management Practices.....	12
6. Exemptions.....	13
A. Exemptions Process.....	13
Attachment 1: Supplemental Guidance for the Agricultural Water Conservation Fund.....	14
Attachment 2: Certificate of Compliance with U.S. Iron and Steel Requirements.....	16
Attachment 3: Exemption Request.....	17
Attachment 4: Sample Certifications.....	20
Final Manufacturer Certification	21
Step Certification.....	20
Step Certification Letter	20
Step Certification Log.....	21

Forms and Guidance

The Texas Water Development Board (TWDB) forms and guidance documents noted in this instruction document may be accessed through the TWDB Financial Assistance website at:

<https://www.twdb.texas.gov/financial/instructions/index.asp>

Search by either the document number or name.

Acronyms

AIS	American Iron and Steel
AWCF	Agricultural Water Conservation Fund
DFUND	Texas Water Development Fund
EDAP	Economically Distressed Areas Program
EPA	Environmental Protection Agency
FIF	Flood Infrastructure Fund
RWAF	Rural Water Assistance Fund
SB	Senate Bill
SCADA	Supervisory control and data acquisition
SP	State Participation
SRF	State Revolving Fund
SWIFT	State Water Implementation Revenue Fund for Texas
TAC	Texas Administrative Code
TGC	Texas Government Code
TWDB	Texas Water Development Board
USIS	U.S. Iron and Steel
WDF	Texas Water Development Fund, usually referred to as DFUND

1. Overview

The United States Iron and Steel (USIS) provisions are mandated by Texas Water Code §17.183 and Texas Government Code (TGC), Chapter 2252, Subchapter G, as amended by Senate Bill (SB) 1289 (85th Legislative Session) and Texas Administrative Code (TAC) §363.41. These provisions require recipients of financial assistance from the programs identified below, to use iron and steel products that are produced in the United States for projects for the construction, remodel, or alteration of a building, a structure, or infrastructure. These projects could include public water systems, treatment works, and flood control measures.

This requirement applies to all bid documents submitted to the Texas Water Development Board (TWDB) and contracts executed on or after September 1, 2017, except for projects funded through the State Water Implementation Revenue Fund for Texas (SWIFT). Specifically SWIFT requirements are as follows:

- USIS does not apply to SWIFT: where the Board has adopted a resolution approving an application for financial assistance before May 1, 2019, for any portion of the project.¹
- USIS applies to SWIFT: where the Board has adopted a resolution approving an application for financial assistance on or after May 1, 2019.

The TWDB aims to ensure that applicants, consultants, and contractors follow procedures and recommendations for implementing USIS provisions in construction projects funded by the following programs:

- ✓ Agricultural Water Conservation Fund (AWCF)²
- ✓ Economically Distressed Areas Program (EDAP)
- ✓ Flood Infrastructure Fund (FIF)
- ✓ New Water Supply for Texas
- ✓ Rural Water Assistance Fund (RWAF)
- ✓ State Participation (SP)
- ✓ SWIFT (with funds committed on or after May 1, 2019)
- ✓ Texas Water Development Fund (DFUND, also referred to as WDF)
- ✓ Water Loan Assistance Fund (WLAF)

¹ Texas Water Code §17.183 and Texas Government Code §2252 and Texas Water Code §15.432 or §15.472.

² Texas Water Code § 17.183 does not apply to the Agricultural Water Conservation Fund; however, the U.S. I&S provisions in Texas Government Code, Chapter 2252, Subchapter G may apply to certain conservation projects funded through the Agricultural Water Conservation Fund. See **Attachment 1** for supplemental guidance regarding Agricultural Water Conservation Fund projects.

In this document, the term “Applicant” refers to the entity or recipient receiving funding from the TWDB.

2. Definitions

Construction Contract: A contract between a political subdivision (Applicant) and a construction contractor.

Construction Material³: Construction materials are those articles, materials, or supplies made primarily of iron and steel, that are permanently incorporated into the project. This excludes mechanical and/or electrical components, equipment, and systems that are defined below. Some of these products may overlap with what is also considered “structural steel.” Examples include, but are not limited to: wire rod, bar, angles, concrete reinforcing bar, wire, wire cloth, wire rope and cables, tubing, framing, joists, trusses, fasteners (e.g., nuts and bolts), welding rods, decking, grating, railings, stairs, access ramps, fire escapes, ladders, wall panels, dome structures, roofing, ductwork, surface drains, cable hanging systems, manhole steps, fencing and fence tubing, guardrails, doors, and stationary screens.

Manufacturing process: The manufacturing process is the transformation of materials or elements into a finished product by altering their form or function to add value and includes processes such as melting, refining, forming, rolling, drawing, finishing, fabricating, and coating. If a domestic iron and steel product is taken out of the U.S. for any part of the manufacturing process, the product is considered a foreign-sourced material. However, raw materials such as iron ore, limestone, and iron or steel scrap are not subject to USIS requirements. The material(s), if any, being applied as a coating are similarly not subject to USIS requirements. Non-iron or steel components of an iron and steel product may come from non-U.S. sources. For example, for products such as valves and hydrants, the individual non-iron and steel components do not have to be of domestic origin.⁴

Mechanical and electrical components, equipment, systems, and appurtenances⁵ include, but are not limited to:

- equipment: pumps, motors, gear reducers, drives (e.g., variable frequency drives), mixers, gates, motorized screens (e.g., traveling screens), blowers/aeration equipment, and compressors;
- valves: electric/pneumatic/manual accessories used to operate valves (e.g., electric valve actuators);
- meters and sensors: meters, sensors, controls, and switches for monitoring and managing system performance;
- systems: supervisory control and data acquisition (SCADA), membrane bioreactor systems, and membrane filtration systems;

³ Adopted from EPA’s AIS Guidance.

⁴ Adopted from EPA’s AIS Guidance.

⁵ See **Attachment 1** for additional exceptions pertaining to the Agricultural Water Conservation Fund.

- filtration/processing: filters, clarifiers and clarifier mechanisms, rakes, grinders, disinfection systems, presses (e.g., belt presses), and dewatering equipment;
- conveyance and structural components: conveyors, cranes, cabinetry and housings (e.g., electrical boxes/enclosures), and shelving;
- HVAC: HVAC systems (excluding ductwork), water heaters, and heat exchangers;
- electric components: generators, lighting fixtures, electrical conduit, and electrical supports/covers/shielding;
- other items: emergency life systems, metal office furniture, , laboratory equipment, analytical instrumentation, and other appurtenances related to an electrical system necessary for operation or concealment;
- electrical system includes all equipment, facilities, and assets owned by an electric utility, as defined in Section 31.002 of the Utilities Code.

Municipal castings⁶ Municipal castings are cast iron or steel infrastructure products that are melted and cast. Municipal castings provide access, protection, or housing for components incorporated into utility owned drinking water, storm water, wastewater, and surface infrastructure. Municipal castings are typically made of grey or ductile iron or steel.

Examples of municipal castings:

- access components: access hatches; manhole covers, rings and frames, risers; service boxes; meter boxes; valve boxes, covers and risers;
- drainage components: catch basin inlet; drainage grates, frames and curb inlets; curb openings; downspout shoes (boot, inlet); inlets.
- structural and protective components: ballast screen; benches (iron or steel); bollards; cast bases; curb and corner guards;
- specialized castings: cast iron hinged hatches (square and rectangular); steel hinged hatches (square and rectangular); cast iron riser rings; steel riser rings;
- utility and aesthetic components: junction boxes; lampposts; trash receptacles; tree grates; tree guards;
- other components: Detectable warning plates; cleanout/monument boxes; construction covers and frames; trench grates.

Political subdivision: A political subdivision includes a county, municipality, municipal utility district, water control and improvement district, special utility district, and other types of water districts created under Texas Constitution Article III, Section 52 or Article XVI, Section 59. It also includes nonprofit water supply corporations created and operating under Texas Water Code, Chapter 67.⁷ These entities are responsible for managing water resources and infrastructure within their respective jurisdictions in Texas.

Produced in the United States: For iron or steel products, “produced in the United States” means that all manufacturing processes - starting from the initial melting of the material through to the application of coatings- must take place within the United States. This excludes metallurgical processes used to refine steel additives, which are not required to occur domestically.

⁶ Adopted from EPA’s AIS Guidance.

⁷ Political subdivision is defined differently in Texas Water Code §17.871, which pertains to the Agricultural Water Conservation Fund. See Attachment 1 for supplemental guidance.

Project: A project refers to a contract, funded by the TWDB between a political subdivision and a contractor. This contract supports the planning, design, or construction of water-related infrastructure or improvements.

Structural steel⁸: Structural steel refers to rolled flanged shapes with at least one cross-sectional dimension of three inches or greater. Structural steel is commonly used in the construction of bridges, buildings, ships, railroad rolling stock, and other constructional purposes. Examples include wide-flange shapes, standard I-beams, channels, angles, tees and zees, H-piles, sheet piling, tie plates, cross ties, and other specialized shapes for construction purposes.

3. Covered Iron and Steel Products

If a construction contract funded by the TWDB must comply with USIS requirements, all covered iron and steel products must be made in the United States, regardless of whether TWDB funds were specifically used to purchase those products. The Applicant cannot use other funding sources, including their own funds, to pay for a non-compliant iron or steel products in a TWDB funded construction contract.

USIS requirements apply to products made primarily of iron or steel that are permanently incorporated into the public water system, treatment works, or agricultural water conservation project. Examples of covered products include:

- lined or unlined pipes or fittings,
- manhole covers,
- municipal castings,
- hydrants,
- tanks,
- flanges,
- pipe clamps and restraints,
- valves,
- structural steel,
- reinforced precast concrete, and
- construction materials.

To be subject to USIS requirements, a listed product must consist of more than 50% iron or steel, measured by its material costs. The calculation is based solely on the costs of materials.

The following components are not required (exempt) to comply with USIS requirements:

- Iron or steel products that are not permanently incorporated into a project.
- Mechanical and electrical components, equipment, systems, and appurtenances.⁹

⁸ Adopted from EPA's AIS Guidance.

⁹ See Attachment 1 for additional exemptions pertaining to the Agricultural Water Conservation Fund.

4. Projects Exempt from USIS Requirements

USIS requirements do not apply to a SWIFT-funded project if:

- The project, as detailed in SB 1289 from the 85th Legislature Session, is subject of a resolution approving an application for financial assistance from any TWDB funding program that was adopted by the TWDB before May 1, 2019, for any portion of the project's financing, including the planning phase.

5. Compliance with USIS Requirements

The programs affected by USIS requirements were identified earlier in this guidance under Section 2 (Overview). Applicants should review Section 2 (Overview) to determine if their project is subject to these requirements.

To ensure compliance with the USIS requirements, specific USIS contract language must be included in all contracts, including construction material purchase agreements and bid documents. Sample compliance language can be found in Section 6.A of this guidance.

The Applicant is responsible for

- ensuring that all executed construction and purchase contracts, as well as associated bid documents, comply with USIS requirements;
- maintaining records of all forms and certifications necessary to demonstrate compliance with USIS requirements; and
- providing this documentation upon request or audit.

To demonstrate compliance with USIS requirements, the Applicant must provide adequate documentation (in hard copy, electronically, or embedded in construction management software) that shows either:

1. a certification from the final manufacturer, supplier or vendor asserting that all manufacturing processes occurred in the United States; or
2. a step certification process (similar to the AIS process in [TWDB-1106](#), examples provided in **Attachment 4**).

The TWDB relies on self-certification by the Applicant to document compliance with USIS requirements.

A. Certification Requirements

Depending on the program requirements, USIS compliance certification may be required with an Outlay Report.

- For projects requiring an Outlay Report to release funds (e.g., EDAP projects or certain FIF projects), a certification of compliance must be submitted with each Outlay Report (see **Attachment 2**).
- For projects funded through programs that do not require Outlay Reports to release funds, the Applicant must maintain compliance certification records throughout the project.

In all cases, USIS compliance records must be available for inspection or submission upon request by TWDB staff. TWDB staff may also request interim certificate of compliance (see [TWDB-1105-A](#) in **Attachment 2**) during project construction.

For **each** construction contract, a final certificate of compliance must be submitted prior to approval of the final release of retainage and issuance of a Certificate of Approval from the TWDB Executive Administrator.

B. TWDB Compliance Procedures

To comply with USIS requirements, Applicants must follow these steps to ensure compliance throughout the project lifecycle:

1. Exemption Request

Applicants must submit any request for an exemption to the TWDB project manager as soon as possible. **Until an exemption is granted, USIS requirements remain in effect.** It is highly recommended to submit a request for exemption as early in the project as possible. It is not recommended to request an exemption after the advertisement for bids. A checklist detailing the information required for processing an exemption, along with TWDB's exemption determination checklist, is included in **Attachment 3**. See Section 7 (Exemptions) for more information regarding these requests.

2. Bid Advertisement Language

Applicants must include specific USIS language in the Advertisement for Bids for all construction contracts funded by the TWDB programs listed in Section 2 (Overview), including EDAP, FIF, DFUND, RWAF, WLAF, SWIFT, and SP. The required language is as follows:

Any contract(s) awarded under this Invitation for Bids is/are subject to the United States Iron and Steel (USIS) requirements of Texas Water Code § 17.183 and/or Texas Government Code, Chapter 2252, Subchapter G, as amended by SB 1289, 85th Legislative Session, as applicable.

For appropriate language regarding projects funded through the AWCF see **Attachment 1**.

3. Construction Contract Language

Applicants must include the following USIS requirements in all construction contracts:

*The Contractor acknowledges to and for the benefit of the **Applicant** (“Purchaser”) that it understands the goods and services under this Agreement are being funded with monies made available by the Texas Water Development Fund, Rural Water Assistance Fund, Economically Distressed Areas Program, State Participation Fund, State Water Implementation Fund of Texas¹⁰, Flood Infrastructure Fund, New Water Supply for Texas, and/or Agricultural Water Conservation Fund. That these funds have statutory requirements commonly known as “United States Iron and Steel” that requires all of the iron and steel products used in the project to be produced in the United States (“United States Iron and Steel Requirement”) including iron and steel products provided by the Contractor pursuant to this Agreement. The Contractor hereby represents and warrants to and for the benefit of the Purchaser that (a) the Contractor has reviewed and understands the United States Iron and Steel Requirement, (b) all of the iron and steel products used in the project will be and/or have been produced in the United States in a manner that complies with the United States Iron and Steel Requirement, unless a waiver of the requirement is approved, and (c) the Contractor will provide any further verified information, certification or assurance of compliance with this paragraph, or information necessary to support a waiver of the United States Iron and Steel Requirement, as may be requested by the Purchaser. Notwithstanding any other provision of this Agreement, any failure to comply with this paragraph by the Contractor shall permit the Purchaser to enforce this Agreement and recover as damages against the Contractor any loss, expense, or cost (including without limitation attorney’s fees) incurred by the Purchaser resulting from any such failure (including without limitation any impairment or loss of funding, whether in whole or in part, from the TWDB or any damages owed to the Purchaser).*

In the execution of the Contract, the Contractor shall be familiar with and at all times shall observe and comply with all applicable federal, state, and local laws, ordinances and regulations concerned with the use of iron and steel made in the United States which in any manner affect the conduct of the work.

4. The Applicant must include the following language on the General Notes Plan Sheet(s).

This project is subject to the U.S. Iron and Steel (USIS) requirements of Texas Water Code § 17.183 and/or Texas Government Code, Chapter 2252, Subchapter G, as amended by SB 1289, 85th Legislative Session, as applicable. All iron and steel products used in project construction must be produced in the United States.

¹⁰ State Water Implementation Fund of Texas (SWIFT) follows U.S. Iron and Steel requirements for projects where the Board adopted a resolution approving the application on or after May 1, 2019.

5. The Applicant and prime construction contractor must obtain certifications from the final manufacturer delivering the iron and steel product to the worksite, vendor, or contractor, asserting that all manufacturing processes occurred in the United States. Sample manufacturer certification is included in **Attachment 4**.
6. The Prime Construction Contractor and Applicant must maintain a file containing the certifications from the final manufacturers and any TWDB approved waivers. This file must be available for review by TWDB representatives and/or State Auditors upon request. Sample certification letters and a step certification log are included in **Attachment 4**.
7. The Applicant may be required to submit interim Certificates of Compliance with USIS requirements using form [TWDB-1105-A](#), as provided in **Attachment 2**.
8. The Applicant must submit a Final Certificate of Compliance (form [TWDB-1105-A](#)), stating that the project was completed in compliance with the USIS requirements after completion of each construction contract. After receiving the Final Certificate of Compliance, TWDB issues a Certificate of Approval and approves the final release of retainage.

C. Recommendations and Best Management Practices

The following recommendations are not required but are suggested for Applicants to consider when implementing USIS requirements:

1. The Applicant and its consulting engineer should evaluate the applicability and availability of USIS-compliant products during all project phases. If it becomes clear that an exemption is necessary, the Applicant should request the waiver as early as possible, preferably within the design-phase.
2. While a waiver application may be submitted at any time during the project, Applicants should account for TWDB's review schedule (10 days public comment period plus additional review time) when planning their project timeline. Waiver requests after the advertisement for bids or start of construction are not recommended.
3. Develop procedures for maintaining records of USIS documentation. TWDB recommends keeping either the Step Certification or the Final Vendor Certification documents on file.
4. Clearly identify separate bid items that must comply with USIS requirements on the Bid Form.
5. Incorporate USIS compliance documentation into contractor submittal procedures, including shop drawings, material lists, and manufacturer certifications, etc.
6. Discuss USIS requirements during pre-bid conferences and pre-construction meetings to clarify contractor responsibilities and ensure the availability of compliant iron and steel products for the project.

7. Submit USIS Compliance documentation as required or requested by TWDB. Note that project documentation records must be kept throughout the duration of the project financing.

6. Exemptions

Under TGC § 2252.203, as added by SB 1289 during the 85th Legislative Session, the TWDB may grant exemptions for specific cases or categories if certain conditions are met. Exemptions for USIS can be issued under one of the following three reasons:

1. Iron and steel products produced in the United States are not:
 - a. produced in sufficient quantities,
 - b. reasonably available, or
 - c. of satisfactory quality.
2. Use of iron and steel products produced in the United States will increase the overall project cost by more than 20 percent.
3. Complying with the USIS requirements is inconsistent with the public interest.

A. Exemptions Process

Exemptions requests must be submitted by the Applicant. It is strongly discouraged to request an exemption after the advertisement for bids or the start of construction. If an exemption is requested after a bid advertisement or start of construction, the USIS requirements will remain in effect until TWDB grants the exemption.

To apply for a project exemption, the Applicant should email the request in the form of a Word document (doc) or PDF to the TWDB Project Manager (or Contract Manager for AWCf grant projects). Proper and sufficient documentation must be provided by the Applicant, as outlined in **Attachment 3**.

After receiving an application for an exemption of the USIS requirements, the TWDB will review the request for administrative completeness as outlined in **Appendix 3**. If the exemption request is incomplete, any deficiencies must be remedied within 10 business days, or the exemption request will be rejected. Once the exemption request is deemed administratively complete, it will be published, as submitted, on the TWDB website for 10 days to allow informal public comments. After the public comment period is complete, the TWDB will determine whether the application sufficiently documents and justifies the statutory basis for the exemption.

The TWDB will notify the Applicant that an exemption request has been approved or denied as soon as such a decision has been made. Exemptions can only be approved or denied by the Board. Approved exemptions will be posted on the TWDB's [U.S. Iron and Steel webpage](#). The Applicant must keep a copy of the signed waiver in their USIS Certification File.

Attachment 1: Supplemental Guidance for the Agricultural Water Conservation Fund

Overview

This supplemental guidance provides additional information to ensure compliance with the United States Iron and Steel (USIS) provisions. Projects funded through the Agricultural Water Conservation Fund must adhere to these requirements, which are established under Texas Government Code (TGC), Chapter 2252, Subchapter G, as amended by Senate Bill (SB) 1289, 85th Legislative Session, and Texas Water Code §§ 17.871–17.912.

Definitions

Political subdivision refers to any of the following entities:

- A district or authority created under Section 52, Article III, or Section 59, Article XVI, of the Texas Constitution.
- A municipality
- A county.
- An institution of higher education as defined by Section 61.003, Education Code.
- Any interstate compact commission to which the state is a party.
- Any nonprofit water supply corporation created and operating under Chapter 67.

Person: An individual, corporation, partnership, association, or other legal entity that is not classified as a political subdivision.

Applicability

Under TWDB programs, the USIS requirements outlined in TGC, Chapter 2252, Subchapter G, apply only to contracts between the TWDB and a political subdivision to financing, refinancing, or providing funds to construct, remodel, or alter a building, structure, or infrastructure. For projects funded under the Agricultural Water Conservation Fund, these requirements do not apply to projects undertaken by “persons” (commonly referred to as “participants”) who receive funding from a political subdivision funded by the TWDB.

Project Examples, Exemptions, and Construction Requirements

USIS requirements are limited to projects involving the construction, remodeling, or alteration of a building, a structure, or infrastructure. Explicit exemptions outlined in TGC § 2252.203 are addressed in Section 7 (Waivers) of this document. Additionally, “mechanical and electrical components, equipment, systems, and appurtenances” such as those listed herein are not subject to USIS requirements.

U.S. Iron and Steel Requirements

Projects funded through the Agricultural Water Conservation Fund that must comply with USIS requirements include, but are not limited to:

- Rebar and structural steel used in canal lining projects.
- Pipes in canal-to-pipeline conversions and pipeline replacement projects.
- Well Casing for projects involving well drilling activities.

Exempt Components

The following projects and components are exempt from the USIS provisions within the Agricultural Water Conservation Fund, in addition to the “mechanical and electrical components, equipment, systems, and appurtenances” detailed within this guidance. Equipment cost share projects for purchasing and installing the following (this list is not exhaustive):

- Meters
- Surge-flow valves
- Soil-moisture probes
- Center pivots (including pad/slab construction)
- Efficiency improvements for center pivot and pumping plants
- Pivot control systems
- Telemetry, remote monitoring, or supervisory control and data acquisition (SCADA) systems
- Automated gates (including fabrication and construction)
- Weather stations (including footings, foundations, pads or slabs)

Provisions for Bid Documents

Applicants must ensure compliance with the Construction Requirements outlined in Texas Administrative Code §367.12 when preparing bid documents for construction contracts funded through AWCF. In addition to these requirements, the following language must be included in all Advertisements for Bids:

Any contract(s) awarded under this Invitation for Bids is/are subject to the United States Iron and Steel (USIS) requirements of Texas Government Code, Chapter 2252, Subchapter G, as amended by SB 1289, 85th Legislative Session, as applicable.

Attachment 2: Certificate of Compliance with U.S. Iron and Steel Requirements

This form is available at: <https://www.twdb.texas.gov/financial/instructions/doc/TWDB-1105-A.pdf>

Attachment 3: Exemption Request

The purpose of this checklist is to ensure that all necessary and relevant information is submitted to the Texas Water Development Board (TWDB). This checklist is for informational purposes only and does not need to be included as part of the exemption application.

Items	<input type="checkbox"/>	Notes
<p>General</p> <ul style="list-style-type: none"> • Request includes the following information: <ul style="list-style-type: none"> ○ Description of the foreign and domestic construction materials ○ Unit of measure ○ Quantity ○ Price ○ Time of delivery or availability ○ Location of the construction project ○ Name and address of the proposed supplier(s) ○ Detailed justification for the use of foreign construction materials • Applicants must demonstrate a good faith effort to solicit bids for domestic iron and steel products through language in requests for proposals, contracts, and communications with the prime contractor. 		
<p>Cost Requests</p> <ul style="list-style-type: none"> • Cost-based requests include the following information: <ul style="list-style-type: none"> ○ Comparison of overall project cost using domestic iron and steel products versus foreign iron and steel products. ○ Relevant excerpts from the bid documents used by contractors for the cost comparison. ○ Supporting documentation indicating that the contractor conducted a reasonable market survey, including: <ul style="list-style-type: none"> ○ A description of the process used to identify suppliers ○ A list of contracted suppliers. ○ Signed and sealed statement from the consulting engineer certifying they have reviewed the waiver request conditions and attest to their accuracy. 		
<p>Availability Requests</p> <ul style="list-style-type: none"> • For availability-based exemptions, request includes the following: <ul style="list-style-type: none"> ○ Supporting documentation demonstrating the availability, quantity, and/or quality issues with domestic material, such as supplier or pricing information from a reasonable number of domestic sources. • A statement from the applicant, engineer, prime contractor, and/or supplier - along with supporting documentation - confirming the non-availability of the domestic construction materials for which the request is sought. 		
<p>Additional Considerations To your best knowledge, has the State received other requests for similar materials on comparable projects?</p>		

TWDB Checklist for Exemption Request

Instructions: This checklist is to be completed by TWDB during the review of the exemption requests. Each question in the checklist must be answered by marking the appropriate box as Yes, No or N/A.

Marks within shaded boxes may indicate grounds for denial of the waiver. If no marks fall into shaded boxes, the request may be eligible for approval, providing it demonstrates that at least one or more of the following conditions apply to the domestic product for which the exemption is requested:

1. *The iron and/or steel products are not produced in the United States in sufficient quantities, are not reasonably available, or are not of satisfactory quality.*
2. *The inclusion of the U.S.-produced iron and/or steel products would increase the cost of the overall project by more than 20 percent. For this purpose, “cost of the project” refers to the total amount of the TWDB Board’s funding commitment for the construction portion of the project.*

Review Items	Yes	No	N/A	Notes
Cost Request <ul style="list-style-type: none"> • Does the exemption request include the following information? <ul style="list-style-type: none"> o Comparison of overall cost of project with domestic iron and steel products to overall cost of project with 				
<ul style="list-style-type: none"> o Relevant excerpts from the bid documents used by the contractors to complete the comparison 				
<ul style="list-style-type: none"> o A sufficient number of bid documents or pricing information from domestic sources to constitute a reasonable survey of the market 				
<ul style="list-style-type: none"> • Does the Total Domestic Project exceed the Total Foreign Project Cost by more than 20%? 				
Availability Requests <ul style="list-style-type: none"> • Does the exemption request include supporting documentation sufficient to show the availability, quantity, and/or quality of the iron and/or steel product for which it is requested? <ul style="list-style-type: none"> o Supplier information or other documentation indicating availability/delivery date for materials o Project schedule o Relevant excerpts from project plans, specifications, and permits indicating the required quantity and quality of materials 				
<ul style="list-style-type: none"> • Contractors made a reasonable effort to locate domestic suppliers of materials, such as a description of the process for identifying suppliers and a list of contacted suppliers? 				
<ul style="list-style-type: none"> • Based on the materials delivery/availability date indicated in the supporting documentation, will the materials be unavailable when they are needed according to the project schedule? (By item, list schedule date and domestic delivery quote date or other relevant information) 				

<ul style="list-style-type: none">• Is TWDB aware of any other evidence indicating the non-availability of the materials for which the exemption is requested? Examples include:<ul style="list-style-type: none">o Multiple requests for the materials described in this request, for comparable projects in Texaso Multiple requests for the materials described in this request, for comparable projects in other Stateso Correspondence with construction trade associations indicating the non-availability of the materials• Are the available domestic materials indicated in the bid documents of inadequate quality compared to those required by the project plans, specifications, and/or permits?				
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Attachment 4: Sample Certifications

U.S. Iron and Steel (USIS) Certification must document the location of all manufacturing processes involved with the production of iron and steel materials. Each entity handling the iron and steel products (including supplier, fabricator, manufacturer, processor, etc.) must certify that their specific role in the process was performed domestically.

Applicants may fulfill this requirement using one of the following certification methods:

1. Final Manufacturer Certification

The final manufacturer delivering the iron or steel product to the worksite, vendor, or contractor, must provide a certification. This certification must identify all entities involved in handling the product and confirm that all manufacturing processes were completed in the United States.

2. Step Certification

Each entity handling the iron or steel product must provide an individual certification letter verifying that their specific step in the process was performed domestically.

NOTE: All certifications must be documented on official company letterhead to ensure compliance with the USIS requirements.

Final Manufacturer Certification

The following is a sample certification letter for USIS compliance. The document must be on company letterhead and include a certification from the final manufacturer. It should list all parties involved in handling the product, from the raw iron or steel processor to the contractor installing the final product.

Date
Company Name
Company Address City,
State Zip

Subject: United States Iron and Steel Certification for Project (XXXXXX)

I, (company representative), certify that the following products and/or materials shipped/provided to the subject project are in full compliance with the United States Iron and Steel requirement as required in Texas Water Code § 17.183 and/or Texas Government Code, Chapter 2252, Subchapter G, as amended by SB 1289, 85th Legislative Session, as applicable.

Item, Products and/or Materials:

- 1. Xxxx*
- 2. Xxxx*
- 3. Xxxx*

Such processes took place at the following location:

<i>Contractor:</i>	_____	_____	_____
	<i>(Name)</i>	<i>(Item)</i>	<i>(Process)</i>
<i>Supplier:</i>	_____	_____	_____
	<i>(Name)</i>	<i>(Item)</i>	<i>(Process)</i>
<i>Manufacturer:</i>	_____	_____	_____
	<i>(Name)</i>	<i>(Item)</i>	<i>(Process)</i>
<i>Processor:</i>	_____	_____	_____
	<i>(Name)</i>	<i>(Item)</i>	<i>(Process)</i>

If any of the above compliance statements change during the course of providing material for this project, we will immediately notify the prime contractor and the engineer.

Signed by company representative

Step Certification

Step certification is a process where each handler of the iron and steel products (e.g., supplier, fabricator, manufacturer, processor) certifies that their specific step in the process was performed domestically. This process requires obtaining a separate certification letter from each handler, starting with the processor of the raw iron or steel and continuing through to the contractor responsible for installing the final product.

Step Certification Letter

The following information is provided as a sample letter of step certification for USIS compliance. Documentation must be provided on company letterhead by each handler responsible for their part of the iron or steel product process.

Date
Company Name Company
Address City, State Zip

Subject: United States Iron and Steel Step Certification for Project (XXXXXXXXXX)

I, (company representative), certify that the (melting, bending, coating, galvanizing, cutting, etc.) process in the (manufacturing or fabricating) of the following products and/or materials shipped or provided for the subject project is in full compliance with the United States Iron and Steel requirements required in Texas Water Code § 17.183 and/or Texas Government Code, Chapter 2252, Subchapter G, as amended by SB 1289, 85th Legislative Session, as applicable.

Item(s), Product(s) and/or Material(s):

- 1. Xxx*
- 2. Xxx*
- 3. Xxx*

Such process took place at the following location:

Handler: _____
(Name) (Item) (Process)

If any of the above compliance statements change while providing material for this project, we will immediately notify the prime contractor and the engineer.

Signed by company representative

Step Certification Log

The following information is provided as a sample log to keep track of step certification for U.S. Iron and Steel (USIS) compliance. The TWDB makes no claims regarding the legality of the step certification log with respect to USIS compliance.

United States Iron and Steel Step Certification Log for

(Iron or Steel Product)

CONTRACTOR:		
(NAME)	(ITEM)	(PROCESS)
SUPPLIER:		
(NAME)	(ITEM)	(PROCESS)
MANUFACTURER:		
(NAME)	(ITEM)	(PROCESS)
PROCESSOR:		
(NAME)	(ITEM)	(PROCESS)