



## Small System Equipment Assistance

### Cost Documentation Guidance

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#### I. Background

Applications for the Small System Equipment Assistance (**SSEA**) program must include as an attachment cost/bid documentation. SSEA projects must comply with procurement requirements. American Iron and Steel (**AIS**) requires that some SSEA eligible equipment be produced in the United States. SSEA eligible equipment is broken into 6 categories: Treatment Equipment; Process Control; Pressure Management; Portable Lab Equipment; Security and Emergency Preparedness; and other necessary equipment.

#### II. Cost Documentation and AIS Overview

- SSEA applications that do not include accompanying cost/bid documentation will be deemed incomplete.
- Depending on cost, procurement requirements may require a water system to seek at least three proposals (bids). See “Procurement Requirements” section for more details.
- In all cases, labor or installation costs associated with equipment purchase may not exceed \$2,000.
- If the equipment is subject to AIS, cost/bid documentation must indicate the ability to comply.
- If the equipment is subject to AIS, the supplier must be able to provide a certification letter that specifically references AIS. For more information, see “Frequently Asked Questions” portion below.
- Under AIS, any ancillary fittings, piping, valves, etc. that might be purchased to connect the equipment to the system, which are purchased separately from the equipment, must be AIS compliant. If these products are purchased with the equipment (in the normal course of business), then they are considered appurtenances to the equipment

and therefore, would not have to be AIS compliant if the equipment itself is not subject AIS.

- The De Minimis waiver may allow incidental components of the equipment project to be non-domestic. Examples of incidental components are: small washers, screws, fasteners (i.e. nuts and bolts), misc. Wire, corner bead, ancillary tube, etc. De Minimis components must be tracked. For more information on the De Minimis Waiver see FAQ portion below.

### III. Procurement Requirements

Procurement is the act of obtaining or acquiring something. For the SSEA program, procurement of equipment is guided by state and federal requirements. Getting multiple equipment bids, quotes or proposals is recommended and, in many cases, required.

For SSEA program equipment costing up to \$10,000 - Only a single (1) bid or proposals is required. The applicant may choose to voluntarily pursue multiple bids. Bid documentation must be included as an attachment to the funding application.

For SSEA program equipment costing \$10,001-\$20,000 – At least three (3) bids or proposals are required. The SSEA funding applicant will be asked to certify that three bids were sought and that the bid selected represented the low-cost alternative. The lowest cost bid must be included as an attachment to the funding application.

Additional Considerations:

- SSEA allows for multiple pieces of equipment not to exceed \$20,000. If not all equipment can be sourced from a single vendor, multiple bid documents must be submitted totaling the amount of funds requested.
- In no case may a funding applicant artificially divide or fragment a procurement with the goal of avoiding the requirement to receive multiple bids.
- If three quotes are not reasonably available, fewer will suffice, but the water system must document efforts to obtain the quotes. An example is a limited number of vendors that supply AIS compliant equipment.
- If equipment is required to be AIS compliant, the bid documentation must indicate the ability to comply.
- Bid documentation may not include labor or installation costs in excess of \$2,000.
- In all cases, a water system must keep a written record of the sources of the quotes or proposals received.

**IV. Categories and AIS Applicability:** The following tables identify eligible SSEA equipment and AIS applicability. If the equipment identified is subject to AIS, associated cost/bid documentation must indicate an ability to comply.

**A. Treatment Equipment**

Not Subject to AIS	AIS (must be domestic)
Chemical Dosing Pumps and Feed Equipment	Chemical Tanks (if primarily iron/steel)
Pump Calibration Equipment	Chemical Static Mixers (if purchased separately)
Plastic/fiberglass Chemical Tanks	

**B. Process Control**

Not Subject to AIS	AIS (must be domestic)
Flow Meters	Flow Control Valves
Level Controllers	
Streaming Current Monitors	
Dose Control Modules	
Flow Switch Controllers	

**C. Pressure Management**

Not Subject to AIS	AIS (must be domestic)
Booster Pumps	Pressure Tanks (surge, expansion, hydropneumatic)
Non-Iron/Steel Pressure Tanks (e.g. fiberglass)	

**Note:** The categories Monitoring and Instrumentation, Portable Lab Equipment and Security/Emergency Preparedness are not subject to the AIS requirement.

**D. Monitoring and Instrumentation**

**E. Portable Lab Equipment**

**F. Security and Emergency Preparedness**

Not Subject to AIS	Not Subject to AIS	Not Subject to AIS
Chlorine Analyzers	Turbidimeters	Chlorine Analyzers
Sensor Controllers	Colorimeters	Sensor Controllers
On-Line Turbidimeters	pH Meters	On-Line Turbidimeters

Chart Recorders	Alkalinity Test Kits and Jar Test Equipment	Chart Recorders
Pressure Transmitters		Pressure Transmitters
Level Transmitters		Level Transmitters

**G. Other Necessary Equipment\***

Not Subject to AIS	AIS (must be domestic)
Pumps	Valves
Motors	Couplings
	Yard Piping

\* Equipment and instrumentation not listed above may be considered but requires prior authorization by OHA.

**V. Frequently Asked Question**

**A. What cost/bid documentation is needed?**

To be eligible for funding, a water system’s SSEA application must include as an attachment cost/bid documentation from equipment supplier(s). For more details about eligible equipment, costs, or contact information for general questions carefully review all program materials posted on Oregon Health Authority’s (OHA) SSEA Webpage linked below.

<https://www.oregon.gov/oha/PH/HEALTHYENVIRONMENTS/DRINKINGWATER/SRF/Pages/ssea.aspx>

**B. How many bids are needed?**

For the SSEA program, procurement of equipment is guided by state and federal requirements. Getting multiple equipment bids, quotes or proposals is recommended and in many cases required. For more information see “Section III Procurement Requirements.”

**C. What if I don’t know exactly what equipment I need or how to find a supplier?**

The Oregon Health Authority Circuit Rider is available to assist in identifying needed equipment and suppliers. Circuit rider resources can be accessed at the link below.

<https://www.oregon.gov/oha/ph/HEALTHYENVIRONMENTS/DRINKINGWATER/OPERATIONS/Pages/circuitrider.aspx>

**D. Where can I learn more about the American Iron and Steel requirement?**

Visit the US Environmental Protection Agency’s AIS website to learn more about the AIS requirement.

<https://www.epa.gov/cwsrf/state-revolving-fund-american-iron-and-steel-ais-requirement>

**E. Who can I contact to help locate an AIS compliant product or to ask questions about whether AIS applies to a particular piece of equipment?**

US Environmental Protection Agency (EPA) staff dedicated specifically to answering AIS questions are available. Any questions can be addressed to [SRF\\_AIS@epa.gov](mailto:SRF_AIS@epa.gov). Any correspondence should be attached to application materials that are ultimately reviewed by Business Oregon. Common questions include: requesting assistance in locating a domestic product, clarification requests about whether a particular iron and steel product is subject to AIS, questions about certification letters, or questions about the De Minimis waiver.

**F. How do I comply with the AIS requirement and what is a “certification letter”?**

To comply with AIS, subject iron and steel products must be produced in the United States. To demonstrate compliance suppliers must provide a certification letter. SSEA funding recipients will be required to gather certification letters for any products subject to AIS. To learn more about certification letters see the EPA presentation linked below.

[https://www.epa.gov/sites/production/files/2020-08/documents/lunch\\_and\\_learn\\_certification\\_letters\\_july\\_2020.pdf](https://www.epa.gov/sites/production/files/2020-08/documents/lunch_and_learn_certification_letters_july_2020.pdf)

**G. What is the AIS De Minimis Waiver?**

The AIS [De Minimis Waiver](#) allows for incidental components of the project to be non-domestic. SSEA funding recipients will be required to document any De Minimis products. Business Oregon will provide a spreadsheet to assist in tracking.

- Examples of incidental components: small washers, screws, fasteners (i.e. nuts and bolts), misc. wire, corner bed, ancillary tube, etc.
- Example of what is **NOT** considered incidental (regardless of cost): significant process fittings (i.e. tees, elbows, flanges, brackets), distribution system fittings and valves, force main valves, pipes for water distribution, treatment and storage tanks, large structural support structures, etc. These items must be AIS compliant.
- Any 1 De Minimis item cannot exceed 1% of total project material cost.
- All cumulative De Minimis items cannot exceed 5% of total project material cost.
- De Minimis products must be incidental to the project purpose.

**VI. Resources**

- For questions about the SSEA program, please contact the [Business Oregon Regional Development Officer](#) for your area.
- For assistance with applications or identifying needed equipment and supplies, please contact OHA’s [Circuit Rider Program](#).
- If you have additional questions, contact Adam DeSemples, OHA SRF Program Coordinator at [adam.desemples@dhsosha.state.or.us](mailto:adam.desemples@dhsosha.state.or.us) or 971-673-0422.