

MISSISSIPPI · WATER UTILITIES · CAPITAL BRIEFING

Mississippi's water systems are being tested to failure. Your capital plan can't be.

Jackson's 2022 collapse put a Mississippi water system under federal management and \$600 million of federal money in play. Statewide, a \$10 billion needs gap, hundreds of small distressed systems, and new lead and PFAS mandates all compete for the same dollars. Invizion helps Mississippi utilities re-sequence a capital portfolio in a click — and defend every decision.

\$10B¹ Mississippi's 20-year drinking water & wastewater infrastructure needs — about \$8.1B drinking water, \$1.9B wastewater.	\$600M² Federal emergency funding directed to Jackson's water system after the 2022 collapse — roughly \$450M for capital work at O.B. Curtis.	2.8M³ Mississippians served by the state's public water supplies, overseen by MSDH.	~\$450M⁴ ARPA matching grants for water, wastewater & stormwater through Mississippi's MCWI program.
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THE MISSISSIPPI LANDSCAPE

Four pressures are moving your project list at once

None of these is theoretical in Mississippi, and none waits for your next budget cycle. Together they mean the capital plan you approved last year may already be the wrong plan.

GOVERNANCE — THE JACKSON WARNING

A capital city put under federal management

In late August 2022, flooding on the Pearl River pushed Jackson's O.B. Curtis plant to the brink and left roughly 150,000 residents without reliable running water. The system — more than 71,000 connections across about 150 square miles — was nearly a century old, with over 300 boil-water notices and more than 7,300 line breaks since 2018¹

On November 29, 2022, U.S. District Judge Henry Wingate appointed Ted Henifin as interim third-party manager, and JXN Water has since repaired nearly 2,000 leaks and reopened 3,300 closed valves.⁵ Estimated repairs run near \$2 billion — a scale no single appropriation closes²

CAPACITY — SMALL SYSTEMS

Hundreds of small systems on the edge

MSDH oversees the public water supplies serving 2.8 million Mississippians, and the great majority are small community systems serving a few thousand people or fewer.³ For systems with thin balance sheets and part-time staff, a single main break or failed pump can mean weeks of boil-water notices.

These systems rarely have the engineering or financial bandwidth to package a fundable capital project — which is exactly why so much state and federal money moves slowly, and why sequencing matters as much as the dollar total.

RENEWAL — AGING PIPE

A \$10 billion gap, mostly underground

Mississippi carries roughly \$10 billion in 20-year water and wastewater needs — about \$8.1 billion for drinking water and \$1.9 billion for wastewater.¹ Those totals track EPA's national drinking water and clean watersheds needs surveys, the same data states use to size the gap.⁶ Four years of recent federal investment have addressed only about 4.2% of Mississippi's need.

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Deferred renewal doesn't sit still. Every year mains age past their design life, the backlog compounds, and the choice between fixing what's failing and building what's mandated gets harder.

COMPLIANCE — LEAD & PFAS

Lead and PFAS arrive as funded mandates

Roughly \$229 million of Mississippi's Drinking Water SRF allotment is dedicated to lead service line work.¹ On top of that, EPA's national PFAS drinking water rule sets enforceable limits of 4 parts per trillion for PFOA and PFOS, with monitoring and treatment obligations phasing in this decade.⁷

New obligations don't replace the old backlog — they stack on top of it. Something on the list has to move, and boards want to know why it was that project and not another.

WHO RUNS MISSISSIPPI'S WATER

A few large systems, and a very long tail of small ones

Mississippi has no dominant statewide investor-owned water company. Instead, municipal utilities and nonprofit rural water associations run most of the state's systems, with the Public Service Commission regulating the smaller pool of privately owned water and sewer utilities.

Municipal & public systems

Rates set by city councils & boards · most of the state's connections

JXN Water (Jackson) ~150,000 served · 71,000+ connections²

City of Gulfport / Hattiesburg / Biloxi Large Coast & Pine Belt municipal systems

City of Southaven / DeSoto County Fast-growing metro-Memphis suburbs

Rural water associations Nonprofit member systems serving much of rural Mississippi

Hundreds of small community systems Where financial & operational distress hits hardest³

MSDH oversees the public water supplies serving 2.8 million Mississippians.³

Investor-owned & regulated utilities

Rates & capital recovery regulated by the Public Service Commission

Privately owned water & sewer utilities Rate-regulated by the MPSC⁸

Developer & subdivision systems Small private systems, often serving new growth

Numerous small & rural systems Where funding and technical gaps are widest

Unlike states dominated by American Water or Essential/Aqua, Mississippi's private water sector is fragmented — which shifts more of the capital burden onto municipals, districts, and rural associations.

Every capital dollar has to be defensible

Whether you answer to the Public Service Commission or a city council, the question is the same: why this project, why now, why at this cost? After Jackson, Mississippi's oversight bodies are asking it harder than ever.

MSDH Bureau of Public Water Supply holds Safe Drinking Water Act primacy in Mississippi — monitoring, plan review, operator licensing, lead service line inventories, and the state's Drinking Water SRF and infrastructure grant programs³

MDEQ administers the Clean Water State Revolving Fund and the state's ARPA water infrastructure grants, and enforces Clean Water Act permits for wastewater systems⁹

Mississippi Public Service Commission (MPSC) regulates rates and capital recovery for privately owned water and sewer utilities⁸

City councils, boards & JXN Water approve municipal capital plans in public — and in Jackson's case, under a federal court-appointed manager.⁵

The money is moving — can your plan absorb it?

Mississippi utilities have more capital funding available than they've had in a generation. The constraint is no longer only dollars — it's readiness: which projects are shovel-ready, which qualify, and how the timing lines up with everything else on the list.

~\$448M Drinking Water SRF has been allotted to Mississippi, including roughly \$229M dedicated to lead service line replacement — the state fund is administered by MSDH and backed by federal appropriations and the Infrastructure Investment and Jobs Act¹⁰

~\$253M Clean Water SRF has been allotted for wastewater and water-quality projects, administered by MDEQ¹⁹¹¹

~\$450M in ARPA matching grants flow through Mississippi's MCWI program for water, wastewater, and stormwater investment⁴

\$600M in federal funding for Jackson — about \$150M for technical assistance and \$450M for capital work — is the largest single federal investment in a Mississippi water system²

USDA Rural Development water and environmental programs fund loans and grants for small and rural Mississippi systems that can't reach conventional capital markets¹²

MISSISSIPPI WATER, IN BRIEF

Questions Mississippi utility leaders are asking

Short, sourced answers — the same facts we'll dig into on a call, in the context of your system.

What happened to Jackson's water system, and who runs it now?

In August 2022, flooding pushed Jackson's O.B. Curtis plant to near-failure and left roughly 150,000 residents without reliable water. On November 29, 2022, a federal judge appointed Ted Henifin as interim third-party manager, and the system now operates as JXN Water, which has repaired nearly 2,000 leaks and reopened 3,300 valves.⁵²

How much federal money is going to Jackson's water system?

Congress directed about \$600 million to Jackson's water system after the 2022 collapse — roughly \$150 million for technical assistance and \$450 million for capital work, much of it at the O.B. Curtis treatment plant. Even so, the full repair bill has been estimated near \$2 billion.²¹

How big is Mississippi's water infrastructure gap?

Mississippi's 20-year drinking water and wastewater needs total roughly \$10 billion — about \$8.1 billion for drinking water and \$1.9 billion for wastewater. Recent federal investment has covered only about 4.2% of that gap, so most of the burden still falls on utility capital budgets and rates.

What funding is available to Mississippi water utilities right now?

Mississippi has been allotted roughly \$448 million in Drinking Water SRF (about \$229 million for lead lines) and \$253 million in Clean Water SRF, plus about \$450 million in ARPA matching grants through the MCWI program, alongside USDA Rural Development loans and grants for small systems. The constraint is increasingly readiness, not dollars.¹⁴¹²

Who sets water rates in Mississippi?

It depends on ownership. Municipal utilities — and JXN Water under its court-appointed manager — set rates through their governing bodies, while the Mississippi Public Service Commission regulates rates for privately owned water and sewer utilities. Either way, capital spending has to be justified to a decision-making body and, increasingly, to ratepayers.⁸

How does Invizion help Mississippi water utilities plan capital?

Invizion is scenario-based capital portfolio optimization for water utilities. It lets you model how a funding award, a lead or PFAS deadline, or an aging-asset failure reshuffles your whole project list, re-sequence the portfolio automatically, and keep a defensible record of every decision for your board, the Public Service Commission, or ratepayers. The best next step is a short first meeting to look at it against your own program.

REFERENCES

Sources

Every figure in this briefing is tied to a primary or authoritative source.

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11. U.S. EPA, Clean Water State Revolving Fund — the federal-state financing program for wastewater and water-quality infrastructure. epa.gov
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ABOUT INVIZION

Capital program optimization for utilities

Invizion is a purpose-built capital lifecycle management platform for water and wastewater utilities. It integrates budgeting, CIP, scenario analysis, and funding-source tracking in one system — so utilities can re-sequence a capital portfolio in a click and demonstrate audit-ready, defensible decisions to regulators, boards, and rating agencies.

See what a defensible Mississippi capital plan looks like — book a 20-minute first meeting.

Book your first meeting →