

**The Consolidated Report of Activities
for the quarter ended June 30, 2026**

For

The Interim Stipulated Order as Entered on November 29, 2022

By United States District Judge Henry T. Wingate

In Case Number 3:22-cv-00686-HTW-LGI

The United States v The City of Jackson, Mississippi

July 31, 2026

Prepared by Edward “Ted” Henifin, P.E.

The Interim Third-Party Manager

Of the City of Jackson’s Drinking Water System

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All of the planned work described herein is dependent upon having adequate resources to perform the work.

Executive Summary

JXN Water continues to make significant progress in restoring the water system in Jackson. The water system is operationally stable and providing water of appropriate pressure, that meets all Safe Drinking Water Act standards to all customers all the time, except for brief periods of unavoidable local interruptions during ongoing system repairs and improvements.

Priority Project Status

No.	Description	Est Comp	Comments
1	O&M Contract Phase 1	2/2023	COMPLETE
1	O&M Contract Phase 2	7/2024	COMPLETE – Effective Date 10/1/2024 through 9/30/2034
2	Winterization	12/2023	COMPLETE
3	Corrosion Control JHF	12/2023	COMPLETE
3	Corrosion Control OBC	8/2026	Construction underway.
4	Emergency Water Supply	9/2027	COMPLETE - Available throughout ISO term
5	System Planning and Stabilization a. Distribution System b. System Stabilization and Sustainability Plan	8/2026	Aligned with MEMA BRIC Grant.
6	System Stabilization and Sustainability Plan		Combined with PPL 5
7	SCADA	12/2026	Construction underway.
8	Chemical Systems	8/2027	Construction underway.
9	Chlorine System at OBC – temporary improvements	2/2023	COMPLETE
9	Chlorine System at OBC – Replacement	8/2027	Included in design for PP 8
10	Intake Structure Repairs	12/2025	COMPLETE – Inspection revealed no near term repairs necessary.
11	Treatment Facilities	6/2027	Interim milestones on chart below.
12	Sludge Assessment and Removal	8/2026	COMPLETE

13	Resilient Power Plan	10/2027	100% design complete, with CMAR for construction.
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OB Curtis
Priority Project 11 Milestone Schedule

Priority Project 11 Categories	Project/Status	Completion Date	26Q1	26Q2	26Q3	26Q4	27Q1	27Q2	27Q3	27Q4	28Q1	28Q2	28Q3	28Q4
OB Curtis WTP														
a. Membrane System	Train #1-4 and 6 Fibers Replaced	Complete												
	Train #5 Fibers Replacement	Apr-26		◆										
b. Raw Water Pumping and Screening	Raw Water Pump Station Upgrades	Jan-28	◆		◆						◆			
	Raw Water Screen Replacement	Oct-26				◆								
c. Oxidation Basin	Chemical System Improvements	Jun-28										◆		
d. Rapid Mix	Sedimentation Basin Improvements	Jun-27						◆						
e. Flocculation and Sedimentation	Sedimentation Basin Improvements	Jun-27						◆						
f. Sludge Removal	Residual Handling Improvements	Apr-27	◆		◆			◆						
g. Filters	Filter #1-6 Rehabilitation	Jun-27						◆			◆			
h. UV	UV Removed	N/A												
i. Transfer Pumping	N/A	N/A												
j. High Service Pumping	Partial Pump Replacement/Rehabilitation As Needed	N/A												
Priority Project 11 Categories	Project/Status	Completion Date	29Q1	29Q2	29Q3	29Q4	30Q1	30Q2	30Q3	30Q4				
JH Fewell WTP *														
Decommissioning/Pump Station Conversion	Fewell Pump Station Conversion	Dec-30		◆	◆					◆				

* There are no capital projects currently planned at JH Fewell. The system has been stabilized through completed projects and operations and maintenance activities. Deficiencies are addressed by operations through normal business processes.

Design Completion	◆
Bidding/GMP Completion	◆
Construction Completion	◆

Financial Challenges

On April 28, 2026, JXN Water was awarded a new federal grant (84118501) for \$54 million. This was the result of the November 2025 Congressional reallocation of funds from the \$450 million provided in the 2023 Consolidated Appropriations Act under the Safe Drinking Water Act (SDWA) Section 1452 authorization to the \$150 million provided under the SWDA Section 1442 (b) authorization. As a result JXN Water was able to pay aging outstanding invoices for eligible expenses. **At the end of the reporting period all aging invoices had been paid and the remaining balance for Grant 84118501 was \$26,050,647.52.** Those funds will be used to pay eligible expenses through Q2 2027 as JXN Water's local revenue is expected to continue to increase to allow the utility to stand financially on its own feet.

JXN Water still has unmet and unfunded wastewater needs that continue to threaten public health and the environment. While the latest rate increase may provide the needed capacity to take on new debt, these issues will remain unaddressed until a Clean Water State Revolving Loan Fund (CWSRF) can be obtained from MDEQ. Aside from critical repairs to the Savanna Street WWTP, two ongoing illegal and public health threatening sanitary sewer overflows require significant capital funding to resolve that JXN Water does not have. Additionally, the needed dredging of the storm cells at Savanna Street WWTP has been delayed as JXN Water does not have funds to meet the local match.

Local Revenue Receipts Continue to Grow

Local revenue receipts grew during the reporting period due to full implementation of the rate increase and continued collection efforts. **Through the first six months of 2026, JXN Water revenue has covered operating expenses (positive cash flow).** While still unable to cover debt service with local revenue alone, the gap between local revenue and total costs is closing. At the end of the reporting period the average monthly shortfall was \$665,172.54.

Cost Control Efforts

JXN Water continues to focus aggressively on operational cost control. **Through the first six months of 2026, JXN Water operating expenses were nearly 14 percent (\$8,000,000) below budget for the period.**

MSDH Delays on SRF Loan Approvals and Plan Reviews Threaten Timely Completion of Distribution System Improvement Projects

During the reporting period several SRF funded projects have been significantly delayed waiting for loan approvals and/or plan approvals. These delays will likely increase project costs as well as delay needed improvements to enhance system stabilization and reliability.

Report on Results Pursuant to Court Order Dated 16 September 2025

The following are the results of the actions taken in accordance with the Order (cumulative total since 16 September 2025)

- New accounts added to the billing system 1703 (assumes all no account shut offs convert to new accounts)
- Number of customer reports (self-reports) 13 (count from website forms submitted)
- Revenue Impact of Corrective Measures \$371,560 per month (estimated – based on average payment Q2)

	2025	2026						
Ticket Type	2025	Jan	Feb	Mar	Apr	May	Jun	2026
Meter Turn Off No Account	1219	102	305	425	124	318	429	1703

In person Customer Care Center is in full operation in the Jackson Medical Mall. The center averaged 41 customers per day during the reporting period, totaling over 1,900 customers assisted (approximately 3% of all customers).

Billing and Collection Improvements

At the end of Q2 2026, JXN Water had made significant improvements in the billing and collection for water services as shown in the table below.

	Monthly Avg Oct-Dec 23	Monthly Avg Q1 2026	Monthly Avg Q2 2026	Percent Increase from 2023
Number of Bills	48,682	54,608	53,952	11%
Dollars Billed	\$ 6,401,117	\$8,237,688	\$10,561,291	65%
Number of Payments	26,101	34,592	38,268	47%
Dollars Received	\$ 3,862,821	\$7,045,277	\$8,349,147	116%
Collection Rate (Bills/Payment)	53.6%	63%	71%	32%
Collection Rate (Revenue)	60.3%	86%	79%	31%

Pursuit of Rate Changes for Customers Within Public Service Commission Jurisdiction

JXN Water began conversations with the Mississippi Public Utilities Staff regarding a rate increase for the approximately 4,300 customers that live more than one mile beyond the City of Jackson corporate limits. Rates for these customers are set by the Public Service Commission according to state statute. The last time rates were changed for these customers was 1985. As a result, these rates are significantly below the rates charged to all other customers and need to be increased to ensure all customers of JXN Water are paying their fair share for the services they receive. The majority of these customers only receive drinking water service from JXN Water. The estimated impact on their monthly bills is shown in the chart below:

Water Only - 4235 accounts							
Usage Rate	Number of Meters	Average Usage CCF/MO	Proposed Average Bill	Current Average Bill	Percent Increase	Proposed Revenue	Current Revenue
\$ 3.74	3955	8	\$ 49.92	11.404	338%	\$ 2,369,203.20	\$ 541,233.84
\$ 7.48	176	12.3	\$ 122.00	18.22	570%	\$ 257,672.45	\$ 38,480.64
\$ 8.73	36	18.7	\$ 263.25	27.72	850%	\$ 113,724.43	\$ 11,975.04
\$ 9.98	54	92.9	\$ 667.89	116.936	471%	\$ 432,794.02	\$ 75,774.53
	14	757.3	\$ 6,735.87	1120.892	501%	\$ 1,131,626.83	\$ 188,309.86
	4235					\$ 4,305,020.93	\$ 855,773.90

Operating Results Through Q2 2026 (Accrual Basis)

JXN Water			
Budget vs. Actuals			
January - June, 2026			
		Total	
	Actual	Budget YTD	% of Budget
Expenses			
Customer Service			
7100 Billing	2,578,354.88	2,190,000.00	117.73%
7110 BOSS (IT Integrater)	1,089,268.42	1,500,000.00	72.62%
7115 Call Center	394,646.52	312,000.00	126.49%
7120 Metering	2,598,364.09	3,150,000.00	82.49%
Total Customer Service	\$ 6,660,633.91	\$ 7,152,000.00	93.13%
Drinking Water Expenses			
7090 Valve Assessment	1,005,305.00	1,200,000.00	83.78%
7125 Distribution System Management	902,903.58	1,230,000.00	73.41%
7130 Maintenance and Repairs - Drinking Water	8,337,705.68	9,000,000.00	92.64%
7140 Plant O & M - Drinking Water	16,901,771.79	18,000,000.00	93.90%
Total Drinking Water Expenses	\$ 27,147,686.05	\$ 29,430,000.00	92.24%
JXN Water Operating			
5000 Business Licenses		250.02	0.00%
5010 Claim Settlements	20,756.80	30,000.00	69.19%
5020 Conference/Training	23,558.86	48,000.00	49.08%
5055 Occupancy	74,068.32	120,000.00	61.72%
5090 Gasoline & Vehicle Maintenance	36,003.23	30,000.00	120.01%
5100 Insurance	347,722.14	33,000.00	1053.70%
5170 Uniforms	8,755.57	12,000.00	72.96%
7180 Materials and Suppiies	2,016.93	120,000.00	1.68%
8005 Bank Charges	53,359.10	600,000.00	8.89%

Contractual Support			
5040 Engineering		90,000.00	0.00%
5045 Locating	373,673.96	300,000.00	124.56%
5065 Phone/IT Systems	144,929.06	180,000.00	80.52%
5145 Rate Study	38,818.50	12,000.00	323.49%
5160 SMBI	49,237.00	108,000.00	45.59%
5165 Security	243,183.40	210,000.00	115.80%
7005 Accounting	40,387.65	60,000.00	67.31%
7010 Communications/PR	588,707.55	780,000.00	75.48%
Postage	398.00		
Total 7010 Communications/PR	\$ 589,105.55	\$ 780,000.00	75.53%
7015 Compliance	970.00	60,000.00	1.62%
7020 Financial Advisor	60,000.00	120,000.00	50.00%
7025 Legal	228,581.53	120,000.00	190.48%
Total Contractual Support	\$ 1,768,886.65	\$ 2,040,000.00	86.71%
Total JXN Water Operating	\$ 2,335,127.60	\$ 3,033,250.02	76.98%
Payroll Expenses			
5130 COJ Reimbursement		720,000.00	0.00%
7200 Staffing/Temps	126,726.69	120,000.00	105.61%
ITPM Compensation	195,826.56	259,999.98	75.32%
Reimbursements	34,173.42	72,000.00	47.46%
Taxes	73,290.93	54,000.00	135.72%
Wages	777,557.96	720,000.00	107.99%
Total Payroll Expenses	\$ 1,207,575.56	\$ 1,945,999.98	62.05%
Sewer Expenses			
5140 Cleaning and Maintenance	3,334,827.29	3,600,000.00	92.63%
7230 Metering - Sewer Expenses	97,159.50	130,000.02	74.74%
7240 Plant O & M - Sewer	7,291,569.11	9,060,000.00	80.48%
7250 Program Management	429,509.88	1,170,000.00	36.71%
7270 Sewer Repairs	1,839,852.90	3,000,000.00	61.33%
Total Sewer Expenses	\$ 12,992,918.68	\$ 16,960,000.02	76.61%
Total Expenses	\$ 50,343,941.80	\$ 58,521,250.02	86.03%

Precautionary Boil Water Notices

There were no city-wide precautionary boil-water notices issued during the reporting period.

The continued accelerated efforts to find and fix legacy leaks in the system along with the long-overdue replacement of valves and hydrants and the occasional pipe break continue to require issuing many precautionary BWN each month. There were 64 issued during the quarter with an average of 33.2 connections impacted for 3.6 days each.

Water Production (Total O.B. Curtis (OBC) and J.H. Fewell (JHF))

The daily demand on the water plants continues to trend down. The quarterly average was 35.1 mgd. This trend is very encouraging and will continue to be monitored and reported in future quarterly reports. Compared with Q2 2023, this represents a reduction of 25.6 %.

Estimated water loss is approximately 50% (17 mgd) compared to more than 65% (35 mgd) in October 2023. Leak identification and elimination efforts continue. Once daily peak demand can be met by OBC, we plan to take JHF offline. Capital projects to support taking JHF offline are in design for the distribution system and should be under construction in early 2027. Work to increase firm capacity at OBC is underway and should be complete in 2027, setting a target date for JHF shutdown in mid-2029.

The estimated savings realized by reducing water loss by 17 MGD is over \$5.4 million per year based on our current costs for chemical and power (\$873 per MG).



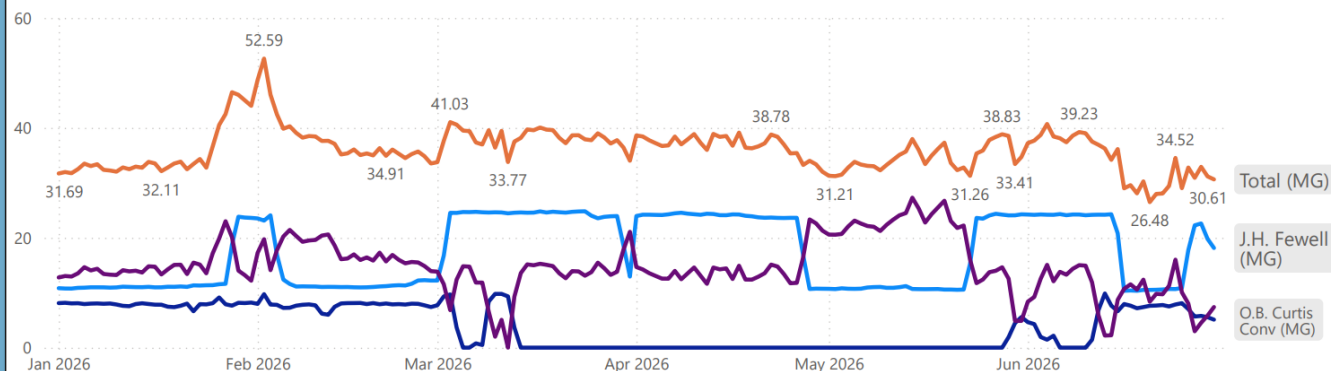
Executive Dashboard



Data as of 06/30/2026

Daily Water Production

● J.H. Fewell (MG) ● O.B. Curtis Conv (MG) ● Total (MG) ● O.B. Curtis Mem (MG)



Water Production MG/Day (YTD)

Total Production (Min)

30.08

Total Production (Avg)

36.05

O.B. Curtis Membrane (Avg)

14.76

O.B. Curtis Conventional (Avg)

3.86

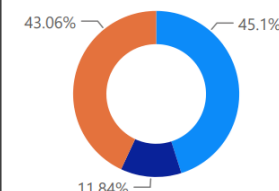
J.H. Fewell (Avg)

17.43

Year	Month	Title	J.H. Fewell	O.B. Curtis - Conventional	O.B. Curtis - Membrane
2026	6	June	18.85	5.08	9.95
2026	5	May	14.33	0.39	19.77
2026	4	April	22.48	0.00	14.40
2026	3	March	23.28	2.34	12.46
2026	2	February	12.85	7.77	17.40
2026	1	January	12.54	7.90	14.68

Plant	Average Production Trend (MG/Day)						
	June 2026	June 2025	25'-26' YOY Change	Rolling 6-mos	Rolling 3-mos	YTD	Target
J.H. Fewell	18.85	12.40	52.02%	17.46	18.50	17.43	10-20
O.B. Curtis Conventional	5.08	7.50	-32.27%	3.84	1.81	3.86	10-20
O.B. Curtis Membrane	9.95	15.02	-33.75%	14.77	14.76	14.76	23
Total	33.89	34.91	-2.92%	36.08	35.07	36.05	43-53

Avg Production Share by WTP (Rolling 6 months)



● JHF ● OBC CONV ● OBC MEM

Purpose of Quarterly Report

The Interim Stipulated Order, Section 16.a., requires quarterly reporting to include the following components:

- i. A description of the projects and activities conducted during the reporting period to comply with the requirements of this Stipulated Order.
- ii. A summary of any delays encountered or anticipated that may affect the ITPM's performance or implementation of this Stipulated Order, including the Priority Project List, and any actions taken to address such delays.
- iii. Any modification to the Priority Project List or Implementation Schedule consistent with Paragraphs 15 (Priority Project List) and 18 (EPA Review).
- iv. An accounting of the expenditures from, additions to, and remaining balance of the ITPM Professional Budget.
- v. A projection of work to be performed pursuant to this Stipulated Order during the next or succeeding Quarter; and
- vi. In each Status Report filed in the month of January, except in the Status Report due January 31, 2023, an audited financial statement of the ITPM Professional Account, O&M Account, and Capital Improvements Account for the City's previous fiscal year. Any information revealing bank account numbers or constituting personally identifiable information shall be redacted.

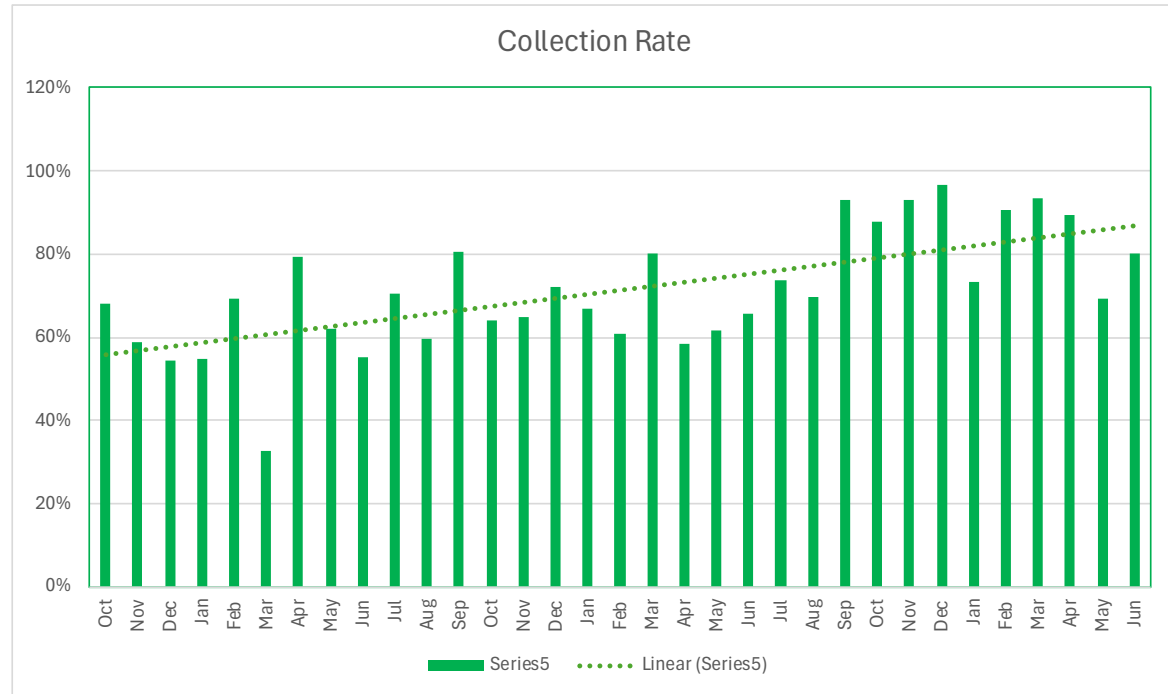
Audited Financial Statement for Fiscal Year 2025

The audit is projected to be completed in Q3 and will be submitted to the parties upon completion. Banks, Finley, White and Company have been engaged to perform the audit and have begun their work.

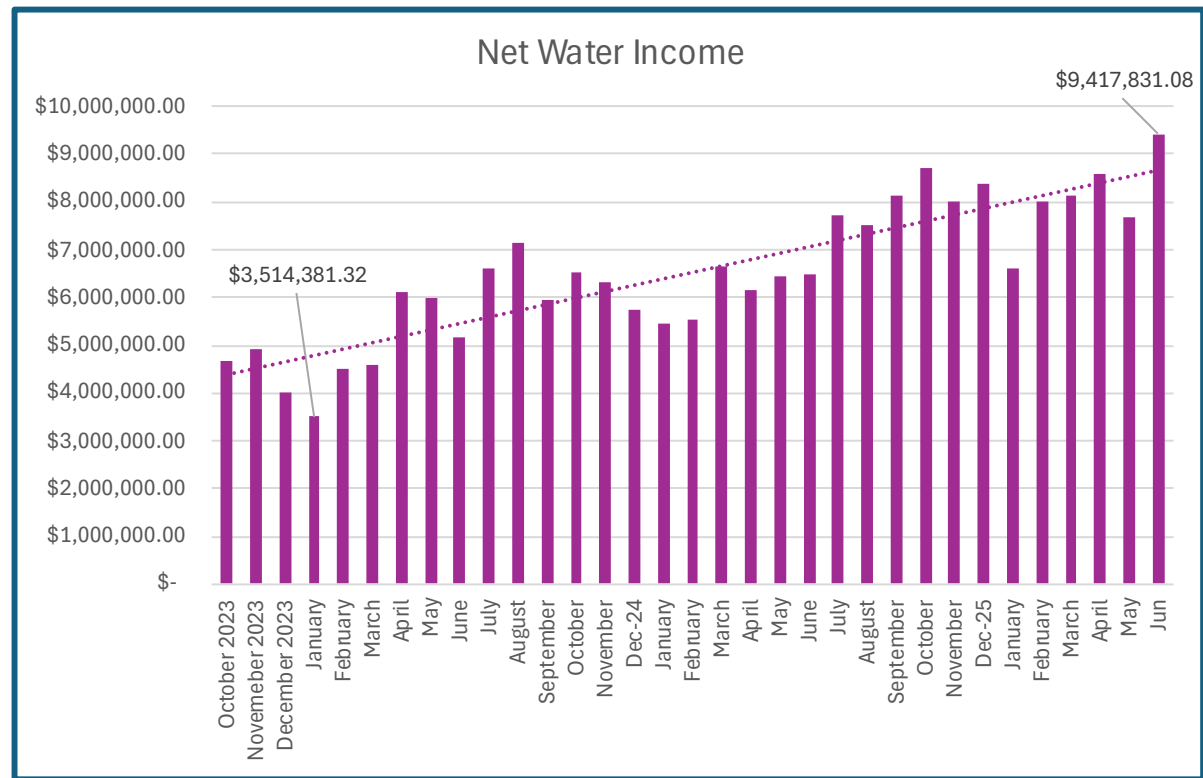
PROJECTS AND ACTIVITIES CONDUCTED DURING THE REPORTING PERIOD

The ISO includes thirteen priority projects for the ITPM to accomplish. The activities conducted related to the priority projects (PP) are included in this report. Beyond the priority project work, many activities have been conducted to comply with the requirements of the ISO during this reporting period. These include:

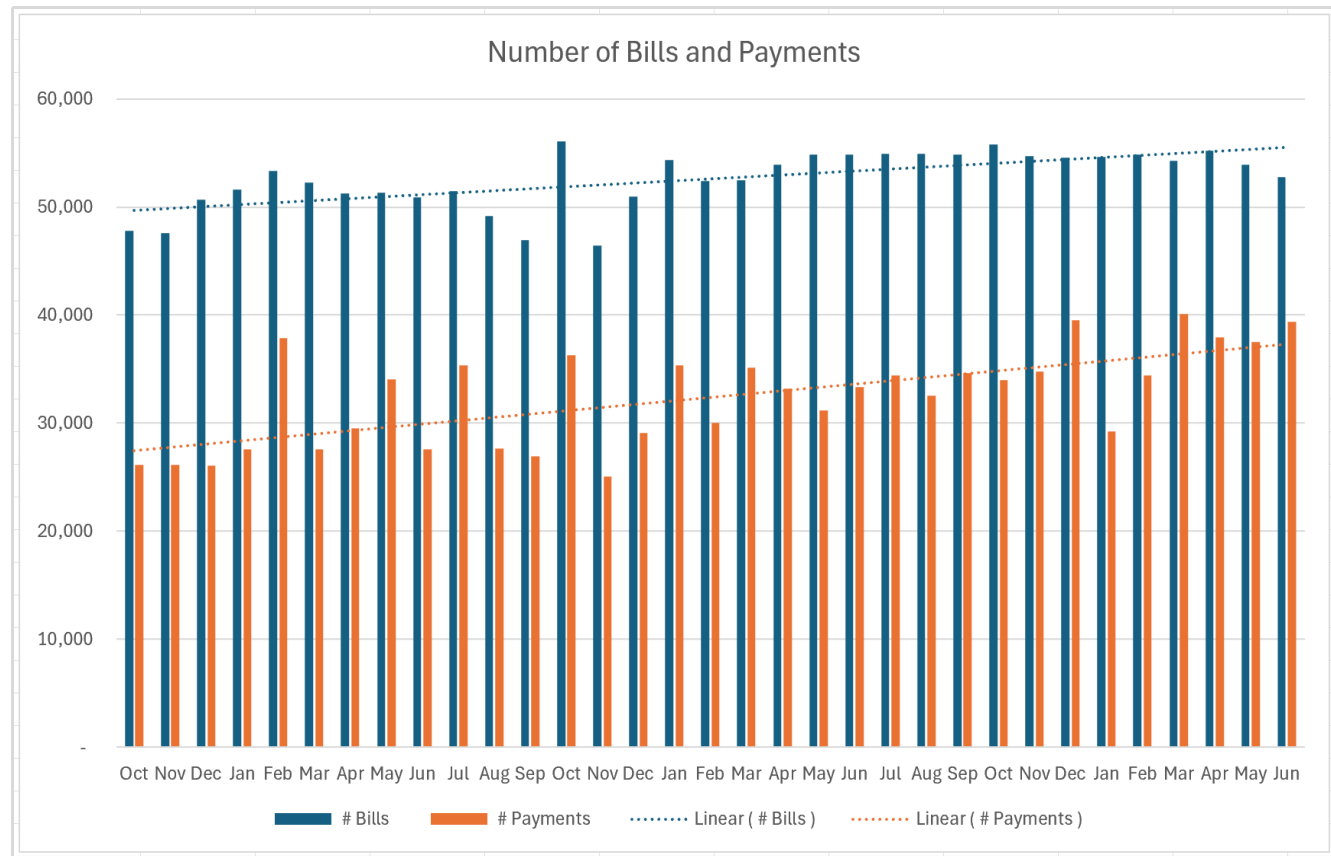
Billing and Collections: JXN Water continues to work to resolve legacy metering and billing issues that have hampered collection of water-related revenues. Revenues continue to increase through the significant efforts of the JXN Water billing staff. Severance (the process to disconnect customers for non-payment) went into full gear in September 2025. The collection rate metric is directly related to the amount billed and saw the expected turn down with the implementation of the rate increase in April 2026. The collection rate is expected to recover to pre-rate increase levels by the end of Q4 2026.



Total water revenue collected monthly continues to increase with the increased collection efforts. The trendline in the chart to the left is very promising as JXN Water works to close the gap between local revenues collected and budgeted expenses.



Beyond the increase in net water revenue, getting the number of payments aligned with the number of bills is important. Legacy data from the City of Jackson was moved into the billing system prior to JXN Water and was never cleaned up to eliminate accounts that may no longer be viable. For that reason, JXN Water believes the number of accounts and associated bills generated each month may be overstated. These data will be corrected over time as collection efforts identify the non-viable accounts. This will take time. Additionally, many accounts have credits due to leak adjustments, etc., and as a result would bill to show credit but not have a corresponding payment until the credit is fully exhausted.



Fire Hydrant Status

JXN Water contracted with Wachs Water (now part of Xylem) to perform valve and hydrant inventory and maintenance. Wachs has been actively working in Jackson since early 2023. Initial focus was on valves to get system pressure and operations restored. Hydrant inspections, testing and maintenance picked up in late 2024 and continues. The current schedule with Wachs Water has all fire hydrant locations visited and inspected by the end of 2027.

Current status of hydrant inspections:

- 10,216 fire hydrants were digitized into the GIS from the paper files
- 9,839 fire hydrant locations (from the digitized maps) have been visited for inspection

Of the 9,839 fire hydrant locations visited:

- 6,769 were in service
- 1,764 were not found at the location digitized from paper maps
- 781 were located but out of service
- 235 were found but inaccessible for testing (behind locked fences, etc.,)
- 290 were found to be privately owned and not included in JXN Water's scope

At the completion of this contract, annual fire hydrant testing will once again be the responsibility of the Jackson Fire Department. JXN Water will have an ongoing hydrant and valve maintenance program to be developed in 2027.

1442 (b) Grant 84118501

This grant was awarded April 28, 2026, in the amount of \$54 million. The grant was awarded in two phases. The second phase requires JXN Water

- To achieve at least 97% metered service connections, with instructions provided to customers through mailing or door hangers on how to establish an account for service. **ACHIEVED – SEE TABLE BELOW**
- Submit plan for addressing the remaining (no more than 3%) of unmetered connections. **PLAN TO BE SUBMITTED JULY 2026**
- Increase revenue collection rate to a quarterly average above 80% for the two most recent consecutive quarters prior to Phase 2. **ACHIEVED AS TWO QUARTER AVERAGE (JAN-JUN 2026) – SEE TABLE BELOW**
- Submit an updated Financial Management Plan for achieving sustainable operations. The plan should describe information such as O&M improvements, impact of this grant award, anticipated continued improvements in metering and collections, current rates, funding streams provided by the City of Jackson Mississippi or the State of Mississippi, and other factors pertinent to this objective. **UPDATE TO FINANCIAL MANAGEMENT PLAN IS UNDERWAY WITH ESTIMATED COMPLETION AUGUST 2026**

Metered and Unmetered Accounts									
	Q2 2026								
Service Agreement Status	Metered	Non Metered	Total Accounts	Percent					
Active	52286	31	52317	99.94%					
Pending Start*	308	122	430	71.63%					
Reactivated	48	0	48	100.00%					
Total Accounts	52642	153	52795	99.71%					
*Pending starts include new tap accounts that are actively under construction and will be metered upon completion.									
*Data includes all servicepoints types that are eligible to have a meter associated with a active, pending start, or reactivated service agreement.									
*Data excludes servicepoint types not requiring a meter (hydrant, fire sprinkler, etc).									

COLLECTION RATE RESULTS YTD

				Revenue Based			% of Bills Based	
		Billed	Collected	Collection Rate	# of Bills	# of Payments	Collection Rate	
2026 Jan		\$ 8,417,985.65	\$ 6,157,085.66	73%	54,680	29,215	53%	
2026 Feb		\$ 7,773,668.50	\$ 7,034,492.17	90%	54,866	34,446	63%	
2026 Mar		\$ 8,521,410.57	\$ 7,944,252.16	93%	54,278	40,116	74%	
1st Q Average		\$ 8,237,688.24	\$ 7,045,276.66	86%	54,608	34,592	63%	
2026 Apr		\$ 9,429,238.35	\$ 8,426,892.02	89%	55,200	37,952	69%	
2026 May		\$ 11,156,775.76	\$ 7,740,630.20	69%	53,896	37,496	70%	
2026 Jun		\$ 11,097,858.19	\$ 8,879,918.79	80%	52,760	39,356	75%	
2nd Q Average		\$ 10,561,290.77	\$ 8,349,147.00	79%	53,952	38,268	71%	
Average YTD				83%			67%	

SRF Funding: The balance of the funding from the Consolidated Appropriation Act 2023 was provided through the existing State Revolving Loan Fund (SRF) program. Working closely with the Mississippi Department of Health, and Region 4 of the US EPA, a revised Intended Use Plan was submitted by the ITPM during this reporting period. The Mississippi Local Governments and Rural Water Systems Improvements Board approved the amended Intended Use Plan (IUP) for the DISASTER RELIEF SUPPLEMENTAL APPROPRIATION in May 2025. The approved IUP committed over \$432 million (nearly 96 percent of the \$450 million appropriated) with projects investing in treatment plant processes, distribution system improvements, and replacement of small diameter piping. The IUP will be revised in late 2026 with the approval of the amended facilities plan.

Supplemental Appropriation Priority List					
Project	Project Description	Priority Points	Service Area Population	Loan Amount Requested	Cumulative
III: Primary Drinking Water Standards Projects					
Jackson, City of	Intake Structure Repair	11099	155000	\$5,500,000	\$5,500,000
IX: Existing Facilities Upgrade (Meeting Primary Standards)					
Jackson, City of	Emergency Small Diameter Pipe Replacement	10708	155000	\$5,182,149	\$10,682,149
Jackson, City of	SCADA System	4934	155000	\$13,400,000	\$24,082,149
Jackson, City of	Emergency Distribution System Optimization	2804	155000	\$19,793,757	\$43,875,906
Jackson, City of	Chemical Feed Repair	2755	155000	\$24,000,000	\$67,875,906
Jackson, City of	Residuals System Upgrade OB Curtis	2328	155000	\$28,400,000	\$96,275,906
Jackson, City of	Small Diameter Pipe Replacement	1749	155000	\$47,602,400	\$143,878,306
Jackson, City of	Treatment Process Renewals	735	155000	\$90,000,000	\$233,878,306
Jackson, City of	Distribution System Optimization	578	155000	\$96,057,100	\$329,935,406
XIII: Other					
Jackson, City of	Emergency Lead Service Line Inventory	18696	155000	\$2,968,198	\$332,903,604
Jackson, City of	Debt Retirement- SRF Loan 2	3811	155000	\$14,562,349	\$347,465,953
Jackson, City of	Debt Retirement Loan 3	3014	155000	\$18,410,826	\$365,876,779
Jackson, City of	Resilient Power Facilities - OB Curtis	1745	155000	\$31,800,000	\$397,676,779
Jackson, City of	COJ Special Obligation Bonds Series 2013	1588	155000	\$34,940,271	\$432,617,050

DWSRF Current Status

SRF Loan Reimbursement Summary						
Thru 07/04/2026						
Project Description	SRF Loan Number	SRF Loan Amount	# of Pay Requests Submitted	\$ Amount Submitted to MSDH	\$ Amount Reimbursed to JXN Water	% of Loan Reimbursed
OBC Chemical Feed Repair	DWJXN-L250008-01-0	\$ 67,649,245	19	\$ 25,053,462	\$ 23,802,733	35%
Emergency Distribution System Optimization	DWJXN-L250008-02-0	\$ 19,793,757	N/A	\$ 19,793,757	\$ 19,793,757	100%
Emergency Small Diameter Pipe Replacement	DWJXN-L250008-03-0	\$ 5,182,149	N/A	\$ 5,182,149	\$ 5,182,149	100%
Emergency Lead Service Line Inventory	DWJXN-L250008-04-0	\$ 2,968,198	N/A	\$ 2,968,198	\$ 2,968,198	100%
Emergency Reimbursement for Eligible Infrastructure	DWJXN-L250008-05-0	\$ 34,940,271	N/A	\$ 34,940,271	\$ 34,940,271	100%
OBC Treatment Process Renewals	DWJXN-L250008-06-0	\$ 53,424,000	27	\$ 35,408,722	\$ 30,931,445	58%
SCADA System Improvements	DWJXN-L250008-07-0	\$ 25,153,954	12	\$ 8,188,072	\$ 6,784,144	27%
Choctaw Village 2310	DWJXN-L250008-08-0	\$ 7,210,350	7	\$ 2,866,344	\$ 2,476,632	34%
Resilient Power Facilities	DWJXN-L250008-09-0	\$ 31,800,000	6	\$ 865,316	\$ 865,316	3%
Raw Water Pumps/Motors Rehab	DWJXN-L250008-10-0	\$ 15,000,000	1	\$ 129,533	\$ 129,533	1%
OBC Residuals System Upgrades	DWJXN-L250008-11-0	\$ 5,500,000 ¹	2	\$ 374,203	\$ 374,203	7%
Fortification St	DWJXN-L250008-12-0	\$ 16,733,354	1	\$ 460,996	\$ 460,996	3%
Broadmoor/Brown (Small Dia 2311 and 2312)	DWJXN-L250008-13-0	\$ 6,024,714	1	\$ 144,213	\$ -	0%
Merit Health 2309	DWJXN-L250008-14-0	\$ - *	0	\$ -	\$ -	
Surface Restoration 2328 (Coordinating w/paving)	DWJXN-L250008-15-0	\$ 6,824,635 *	0	\$ -	\$ -	
MMC- 2401	DWJXN-L250008-16-0	\$ 1,307,934 *	0	\$ -	\$ -	
DWSRF Retirement	DWJXN-L250008-17-0	\$ 28,416,978	1	\$ 28,416,978	\$ 28,416,978	100%
Well System Rehabilitation	DWJXN-L250012-18-0	\$ 11,500,000 *	0	\$ -	\$ -	
Gallatin 2308	DWJXN-L250008-19-0	\$ 13,443,075 *	0	\$ -	\$ -	
West/Rankin St 2324	DWJXN-L250008-20-0	\$ 10,151,625 *	0	\$ -	\$ -	
East Oak Forest (Small Dia) 2322	DWJXN-L250008-XX-X	\$ 8,891,250 **				
Maddox/TV Road 2326	DWJXN-L250008-XX-X	\$ 10,254,000 **				
Hydrants	DWJXN-L250008-XX-X	\$ 3,175,000 **				
LCRI (Potholing Validation)	DWJXN-L250008-XX-X	\$ 1,000,000 **				
Valves	DWJXN-L250008-XX-X	\$ 3,175,000 **				
Oakdale Subdivision/Westside Park 2323/2327	DWJXN-L250008-XX-X	\$ 6,000,000 **				
Briarwood/Canton Heights Rd/North Colony 2329/2330	DWJXN-L250008-XX-X	\$ 5,100,000 **				
JHF Short Term Conversion	DWJXN-L250008-XX-X	\$ 2,500,000 **				
Reallocation from SRF to 1442(b)	DWJXN-L250008-XX-X	\$ 54,000,000	N/A	\$ 54,000,000	\$ 54,000,000	100%
Totals		\$ 457,119,489	77	\$ 218,792,214	\$ 211,126,356	47%

* Loan Submitted

** Current Estimate

¹ Loan 11 originally approved for \$28,400,000. The amount of \$5,500,000 is estimate of the loan after upcoming amendment is completed.

The ITPM responded to a solicitation by the Mississippi Local Governments and Rural Water Systems Improvements Board for two new programs funded as part of the Bi-partisan Infrastructure Law (BIL) on June 19, 2023, requesting funding for Lead Service Line Replacements (LSLR) and for addressing Emerging Contaminants. Both were included in the approved IUPs, but at a fraction of the total project cost. The LSLR project is estimated at \$64 million (13,000 * \$4,888/EA) across a 10-year construction period. Based on preliminary inventory data, Jackson has approximately 13,000 galvanized service lines. While there are no records demonstrating that these lines were ever downstream of any lead piping, these may require replacement under the Lead and Copper Rule Improvements (LCRI). Replacement of these lines, as required, will be deferred until funding is available.

The Emerging Contaminant project, scoped to add Granular Activated Carbon (GAC) filtration to the OB Curtis Water Treatment Plant, is estimated at \$119 million. Sampling and testing for PFAS in source and finished water revealed no issues with PFAS, all samples were either non-detected or well below EPA's PFAS MCL levels. The GAC project will be executed for future emerging contaminants and seasonal taste and odor issues. This project will not be initiated until existing treatment and distribution needs are addressed.

SRF FFY-2024 BIL EC PRIORITY LIST

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF Amount	Loan Amount Request	Statewide Cum. \$
Category IX: Existing Facilities Upgrade (Meeting Primary Standards)							
Jackson, City of	Study, Design & Construction, Emerging Contaminants	39216	11099	155000	\$5,000,000	\$5,000,000	\$5,000,000

SRF FFY-2024 BIL LSLR PRIORITY LIST

Project	Project Description	Zip Code	Priority Points	Service Area Population	Eligible PF Amount	Loan Amount Request	Statewide Cum. \$
Category XIII: Other							
Jackson, City of	Replacement of Lead Service Lines	39216	110	150000	\$500,000	\$5,000,000	\$26,427,135
Mount Olive, Town of	Surveying and Inventorying Lead Service Lines	39119	102	982	\$450,000	\$1,000,000	\$27,427,135
Fayette, City of	Surveying & Inventory of Lead Service Lines	39069	0	0	\$56,250	\$125,000	\$27,552,135
Collins, City of	Surveying and Inventorying Lead Service Lines	39428	0	4000	\$175,000	\$500,000	\$28,052,135

Building Resilient Infrastructure and Communities (BRIC): The Mississippi Emergency Management Agency (MEMA) received a \$2 million BRIC grant to develop long-term strategies for water supply and treatment for Jackson. The ITPM is partnering with MEMA to incorporate the scope of the BRIC grant with the master planning work underway with PPL 5.

BRIC Reimbursements

Number	Amount of Eligible Expenses	Reimbursement (75%)	Status
1	\$345,934.12	\$259,450.59	Received by JXN Water
2	\$737,341.17	\$568,005.88	Received by JXN Water

Disputed Customer Debt: The ITPM inherited nearly \$56 million in billing arrearages. Many accounts had arrearages dating back years due to the many metering and billing challenges over the past decade in Jackson. Almost all account arrearages could be attributed, in whole or in part, to those challenges or to billing for inadequate or non-existent services. Hundreds of these bills had been disputed prior to the appointment of the ITPM, and the disputes remained unresolved. Lacking adequate information to defend prior billing or resolve disputed bills, and charged with other priorities, the ITPM instituted a program to compromise debt that pre-dated the ITPM appointment for all disputed accounts. To accomplish this, the ITPM retained Promise Pay to gather attestations from customers that had aging arrearages (prior to December 1, 2022) and that had disputed these charges.

The program was shut down on August 31, 2023. The number of people accessing the program had dropped to less than one per week and the cost to keep the program open was significant resulting in JXN Water's decision to close that program. A total of 8,251 accounts attested their dispute through Promise Pay and \$19,513,774 in disputed charges were compromised (removed from individual accounts).

The disputed debt program demonstrated the overwhelming majority of the aging arrearages were the result of disputed bills. As a result, all arrearages prior to November 29, 2022, have been moved in the billing system to a separate Service Agreement (SA) account and are no longer visible on customer bills. At some future point JXN Water may choose to pursue these arrearages but at the current time, staff is focused on getting all customers using water into the billing system and current on their bills. It is estimated JXN Water would spend more on collection efforts for the aged arrearages (prior to November 29, 2022) than would be recovered.

Low Income Household Water Assistance Program (LIHWAP): For debt that accrued post the appointment of the ITPM, the ITPM retained Promise Pay to identify qualified applicants and apply for the LIHWAP grant funding on behalf of JXN Water. The program expired on September 30, 2023, with no extension or replacement program currently moving in Congress. As of the end of the program, 413 accounts received Federal LIHWAP grant assistance through the state for a total amount of \$756,263.76.

Local Business Development Initiative

Six months into 2026, JXN Water continues to advance its Local Business Development Initiative by strengthening engagement with local contractors and expanding participation in infrastructure projects. The initiative remains focused on technical assistance, access to capital, and other strategies designed to build long-term local capacity and support effective project delivery.

Workforce development remained an important component of the initiative's broader strategy during the second quarter. The Jones Group continued collaborating with partners to develop a pipeline of skilled individuals prepared to fill roles in the water and sewer industry as opportunities arise, reinforcing the connection between infrastructure investment and sustained economic opportunity for the Jackson community.

The second quarter also produced several positive outcomes for local firms. A small business providing construction inspection services at the O.B. Curtis plant secured additional work on a separate water project with the O&M contractor. A local paving company successfully executed a new contract for paving and concrete work. In addition, The Jones Group supported a local general contractor in navigating JXN Water's New TAP process, enabling timely project permitting and helping the firm avoid delays and potential liquidated damages.

These efforts reflect JXN Water's ongoing commitment to ensuring that infrastructure investment delivers value beyond system improvements. Through coordinated contract development, technical assistance, workforce pipeline support, and direct engagement with local firms, the initiative continues to strengthen contractor capacity, promote economic growth, and expand access to business opportunities throughout Jackson.

Call Center: ProTel has been in business supporting clients throughout Mississippi for more than 30 years. A contract for 24/7 call center operations was developed and the JXN Water customer service number (601-500-5200) went live on June 5, 2023.

The increase in collection efforts is reflected in the call center KPIs for Q2. A significant increase in total calls handled was driven by the calls to make payments, restore service, or establish an account. This increase in workload is anticipated to continue through 2026 and as a result a contract modification was negotiated to add two additional dedicated staff.

Call Center KPIs for Q2 2026

Total Calls	Average Talk Time	Average Wait Time
55,503 (+28.6%)	3.52 minutes (-1.7%)	2.7 minutes (-0.7%)

Call Center KPIs for Q1 2026

Total Calls	Average Talk Time	Average Wait Time
43,169 (+4.4%)	3.37 minutes (+4.4%)	2.72 minutes (+3%)

Call Center KPIs for Q4 2025

Total Calls	Average Talk Time	Average Wait Time
41,348 (+15%)	3.43 minutes (-4%)	2.64 minutes (+4%)

Call Center KPIs for Q3 2025

Total Calls	Average Talk Time	Average Wait Time
35,828 (+37%)	3.58 minutes (+5%)	2.53 minutes (+34%)

Call Center KPIs for Q2 2025

Total Calls	Average Talk Time	Average Wait Time
26,117	3.42 minutes	1.89 minutes

In-Person Customer Service Center

In March 2026, JXN Water opened a walk-in customer service center in the Jackson Medical Mall, Suite 499. During the first month of operations JXN Water served 296 customers. The majority of customers were either there to make a payment or set up a payment plan. The second largest needed assistance was to start new service. Payments are received at the Medical Mall via a JXN Water kiosk, located a short walk from the service center, near the main entrance to the Medical Mall (Bailey Avenue side).

JXN Water anticipates the demand for in-person service will diminish over time as the billing and collection work begins to stabilize in 2026. The Medical Mall location will ultimately close, once the volume of customers seeking service approaches 20 to 25 per week. At that time the in-person service will transition to 1054 Graymont Avenue within the existing JXN Water offices. Staff efficiency can be gained with the in-person service center co-located with the other JXN Water billing, payment, and collection staff.

Mississippi Municipality & County Water Infrastructure Grant Program Act (MCWI)

The ITPM worked with the MCWI staff to consolidate previously awarded grants into two grants; one for drinking water projects and one for sewer projects. This will provide the most flexibility for leveraging this funding. At the end of the reporting period the ITPM was working with the administrators of the MCWI program to draw down the complete amount of available funding by August 2026. A reimbursement request for the balance in MCWI funds will be submitted in July 2026 with funds fully drawn down by the end of August.

[illegible]

Water Resources Development Act Section 219 Funding (USACE)

There has been \$125 million in Section 219 funding authorized by WRDA. The USACE has been working with JXN Water on the first phase of projects. Two projects are fully funded and will be completed by first quarter 2026. The third project remains unfunded as JXN Water does not have adequate funds for the local match. The plan is to use CWSRF to fund a stand-alone contract to dredge one of the ponds at Savanna St WWTP as the match for the Section 219 work to be accomplished by the USACE.

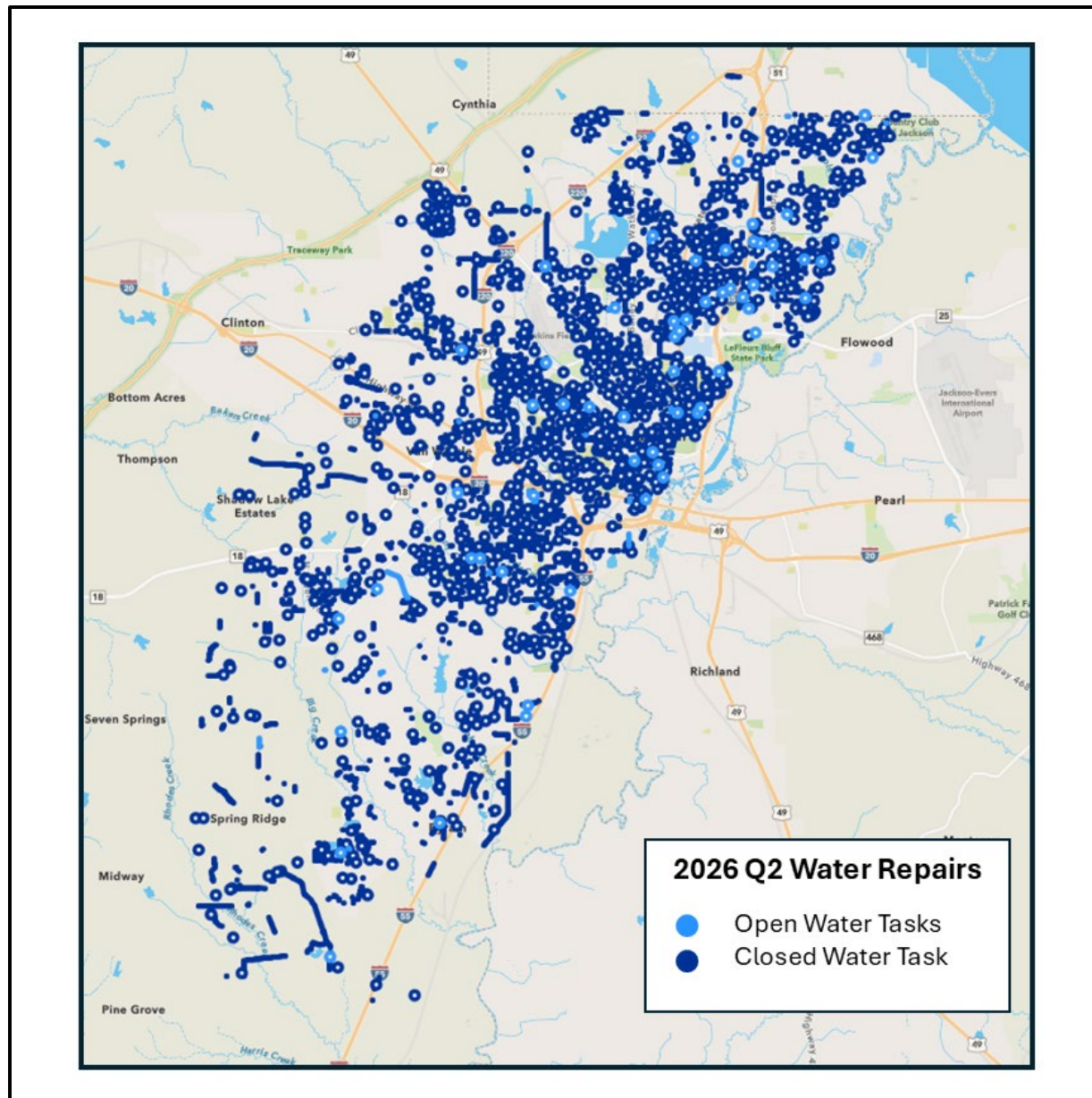
Increment	Project	Project Cost	Local Share	Status
1	100 MGD Pump @ Savanna St WWTP	\$ 5,000,000	\$ 1,666,666	Funded, Est Completion 11/26
2	Membrane Filter Cassettes – OB Curtis WTP	\$ 5,456,250	\$ 1,818,750	COMPLETE
3	Dredging Storm Ponds @ Savanna St WWTP	\$28,329,450	\$ 8,697,450	Unfunded – no local match available

Pressure throughout the system has dramatically improved under federal judicial oversight and is now stable. The adjacent map shows pressures in South Jackson when JXN Water began operating and maintaining the system (January 2023). Pressures in South Jackson have been restored to normal system pressure.

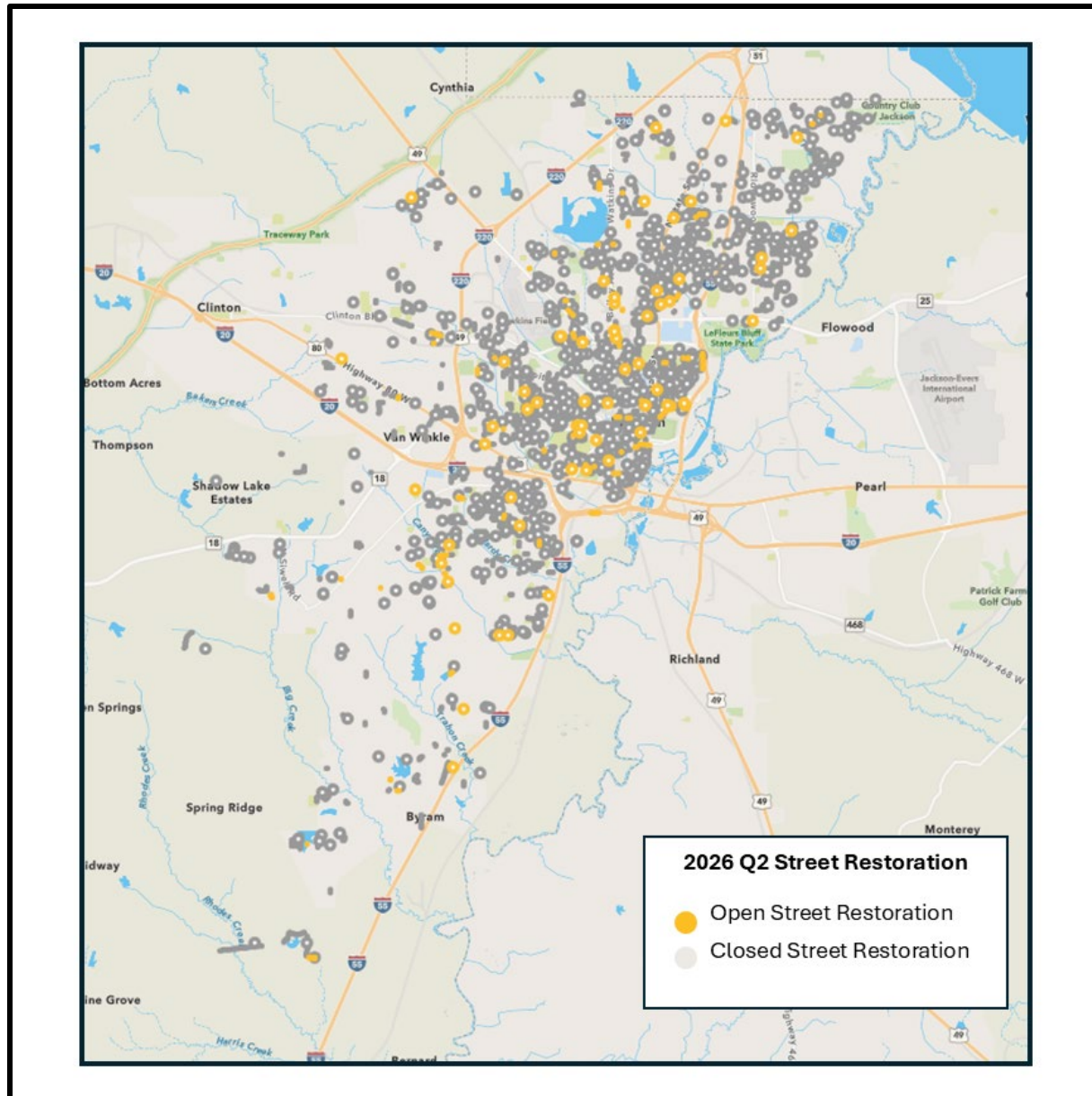


Distribution system maintenance, repair, and renewal (formerly Find and Fix)

Water Distribution Tasks Completed								
	2025	2026						
Status	2025	Jan	Feb	Mar	Apr	May	Jun	2026
In Progress	34	5	13	7	6	4	5	40
Completed	1830	173	178	118	130	126	110	835
Total Tickets	1864	178	191	125	136	130	115	875
Percent Complete	98%	97%	93%	94%	96%	97%	96%	95%
*Data from 2025 forward								
Tickets by Type								
	2025	2026						
Ticket Type	2025	Jan	Feb	Mar	Apr	May	Jun	2026
Non-Construction Tasks	91	14	5	8	14	12	14	67
Install	39	0	4	0	2	0	2	8
Install New Tap	2	2	0	4	1	5	0	12
Move	1	0	0	0	0	0	0	0
Repair	1546	134	157	97	109	91	76	664
Replace	177	28	25	16	10	22	23	124
Retire	8	0	0	0	0	0	0	0
Grand Total	1864	178	191	125	136	130	115	875
*Data from 2025 forward								
Average # of Days to Close								
Completed Tickets	2025	2026 Q1	2026 Q2	2026 Q3	2026 Q4			
Non-Construction Tasks	11	12	6					
Install	16	10	0					
Install New Tap	16	35	1					
Move	95							
Repair	12	8	3					
Replace	36	11	9					
Retire	3							
*Data from 2025 forward								



Street Restorations									
		2025	2026						
Status	Month	2025	Jan	Feb	Mar	Apr	May	Jun	2026
In Progress		4	3	3	3	9	32	47	97
Completed		849	68	65	62	33	14	8	250
Total Tickets		853	71	68	65	42	46	55	347
Percent Complete		100%	96%	96%	95%	79%	30%	15%	72%
Completed Tickets		2025	2026 Q1	2026 Q2					
Average # of Days to Close		75	23	38					
Curb Restorations									
		2025	2026						
Status	Month	2025	Jan	Feb	Mar	Apr	May	Jun	2026
In Progress		9	4	0	3	6	5	9	27
Completed		24	7	2	6	4	3	2	24
Total Tickets		33	11	2	9	10	8	11	51
Percent Complete		73%	64%	100%	67%	40%	38%	18%	47%
Completed Tickets		2025	2026 Q1	2026 Q2					
Average # of Days to Close		88	-	31					



Metering

Meter Tasks Completed								
	2025	2026						
Status	2025	Jan	Feb	Mar	Apr	May	Jun	2026
Planned	275	22	30	59	71	50	83	589
In Progress	114	7	13	85	133	51	232	573
Completed	19774	2037	1885	4097	4762	3171	3810	20790
Total Tickets	20163	2066	1928	4241	4966	3272	4125	21952
Percent Complete	98%	99%	98%	97%	96%	97%	92%	95%

* Data from March 30, 2025 forward

Meter Tasks Created by Type								
	2025	2026						
Ticket Type	2025	Jan	Feb	Mar	Apr	May	Jun	2026
Meter Exchange Turn Off	518	23	19	83	26	113	171	435
Meter Exchange Turn On	4374	43	84	112	127	390	212	968
Meter Install	4256	22	19	46	30	44	66	227
Meter Remove	180	24	7	8	26	9	8	82
Meter Turn Off	4452	172	218	269	245	286	345	1535
Meter Turn Off No Account	1219	102	305	425	124	318	429	1703
Meter Turn Off Non Payment	8822	656	347	2103	798	397	2246	6547
Meter Turn Off Temp Disconnect	202	25	34	14	27	37	16	153
Meter Turn On	3157	364	517	608	375	530	627	3021
Meter Turn On Non Payment	3264	571	321	574	575	324	576	2941
Meter Turn On Sync	180	41	24	25	44	27	25	186
Grand Total	30624	2043	1895	4267	2397	2475	4721	17798

* Data from March 30, 2025 forward

Average # of Days to Close								
Completed Tickets	2025 Average	2026 Q1	2026 Q2	2026 Q3				
Meter Exchange Turn Off	15	3	7					
Meter Exchange Turn On	13	4	7					
Meter Install	14	9	11					
Meter Remove	6	5	0					
Meter Turn Off	16	10	16					
Meter Turn Off No Account	2	0	1					
Meter Turn Off Non Payment	6	3	5					
Meter Turn Off Temp Disconnect	2	0	2					
Meter Turn On	2	1	1					
Meter Turn On Non Payment	0	0	0					
Meter Turn On Sync	0	0	0					
Service Requests Completed								
	2025	2026						
Status	2025	Jan	Feb	Mar	Apr	May	Jun	2026
Open	0	0	0	0	0	3	4	7
Closed	2991	315	397	370	393	334	342	2151
Total Tickets	2991	315	397	370	393	337	346	2158
Percent Complete	100%	100%	100%	100%	100%	99%	99%	100%
Service Requests Created by Type								
	2025	2026						
Request Type	2025	Jan	Feb	Mar	Apr	May	Jun	2026
Meter Issue	960	80	103	95	94	84	58	514
Meter Leak	1194	131	138	149	178	134	149	879
Meter Low Pressure	144	11	30	17	15	24	24	121
Meter No Water	596	85	109	92	93	80	107	566
Grand Total	2894	307	380	353	380	322	338	2080

1. Communications

2. Executive Summary

Q2 2026 marked the full activation of a strategy set in motion at the close of Q1: a deliberate shift away from broadcast-television-heavy advertising toward an integrated marketing approach built on grassroots tactics and targeted outreach. The redirected investment prioritizes JXN Water customers who struggle to engage with the utility through digital channels, a population that broadcast and digital-first campaigns consistently under-reach. The approach rests on three coordinated tactics: radio, print, and experiential outreach, each chosen for its ability to meet customers where they already are.

This is not a media-mix adjustment for its own sake. It is a direct extension of JXN Water's core communications premise, carried forward from Q1: the customers hardest to reach digitally are often the same customers most at risk of falling into non-payment status, service disconnection, or disengagement from utility communications altogether. Meeting them through radio, neighborhood print, and in-person, fee-free service channels removes the barriers that digital-first strategies leave standing.

The shift also paid off on cost. Communications reached more of its target audience, more effectively, while spending less: through May 2026, the Communications/PR budget line was running 19 percent under budget, and the reach and revenue gains detailed below were achieved without exceeding, in fact while undershooting, planned spend.

682 Radio spots · \$25,980 invested	44% -> 54% Weekly radio reach growth, Apr-Jun	+75% In-person Customer Care Center visits, QoQ	100% Of customers reached by quarterly direct mail
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3. Strategic Shift: Integrated Grassroots Marketing

Advertising dollars previously concentrated in broadcast television were redirected to radio and local print, specifically weekly placements in the Jackson Advocate. This reallocation was designed to reach customers through trusted, community-rooted media formats rather than mass-market impressions. Radio, in particular, extends reach to non-digital, older, and transit-dependent customers who are underrepresented in streaming and connected-TV audiences.

Alongside the paid media shift, Communications launched a new experiential tactic: a partnership with the Jackson-Hinds Library System to host Quick Pay Kiosks, giving customers a fee-free way to pay their water bill in a familiar, trusted community space. Combined with continued investment in the in-person Customer Care Center and call center experience, this experiential layer is where the strategy's grassroots premise becomes tangible: customers are not just being messaged to differently, they are being given easier, more direct ways to act.

Early results affirm the approach. Visitation to the in-person Customer Care Center increased 40 percent over the prior quarter, and kiosk usage has grown alongside it, both trends reflected in increased monthly revenue. By meeting customers where they are, JXN Water is eliminating practical barriers to payment, improving the customer experience for its most underserved segment, and building durable community partnerships that support trusted local institutions like the library system.

4. Paid Media Performance: Radio

The Q2 radio flight ran across three stations, WJMI-FM (primary), WKXI-FM, and WOAD-AM, targeting adults 21-54 in the Jackson metro. Weekly reach climbed steadily across the quarter as flight frequency built, from 43.8 percent in April to 54.2 percent by June, with WJMI-FM carrying the largest share of both spend and reach throughout.

Month	Station	Spots	Spend	Net Reach	% Reach	Frequency	Impressions
April	WJMI-FM	84	\$4,200	65,400	31.2%	5.7x	369,600
April	WKXI-FM	21	\$1,260	27,900	13.3%	1.8x	50,400
April	WOAD-AM	54	\$540	1,900	0.9%	2.8x	5,400
April Total		159	\$6,000	91,700	43.8%	4.6x	425,400
May	WJMI-FM	140	\$7,000	77,700	37.1%	7.9x	616,000
May	WKXI-FM	35	\$2,100	37,900	18.1%	2.2x	84,000
May	WOAD-AM	90	\$900	2,300	1.1%	3.9x	9,000
May Total		265	\$10,000	112,800	53.9%	6.3x	709,000
June	WJMI-FM	150	\$7,500	78,300	37.4%	8.4x	660,000
June	WKXI-FM	28	\$1,680	34,200	16.3%	2.0x	67,200

Month	Station	Spots	Spend	Net Reach	% Reach	Frequency	Impressions
June	WOAD-AM	80	\$800	2,300	1.1%	3.5x	8,000
June Total		258	\$9,980	113,500	54.2%	6.5x	735,200
Q2 TOTAL	All Stations	682	\$25,980	113,500 pk	44pct-54pct	6.5x pk	1,869,600

Across the full quarter, the radio buy delivered 682 spots and 1,869,600 gross impressions against \$25,980 in spend. WJMI-FM accounted for \$18,700 of that investment (72 percent), consistent with its role as the primary vehicle for reaching non-digital and transit-dependent customers.

5. Print & Direct Mail

Print placement expanded to weekly advertising in the Jackson Advocate, reinforcing the radio buy with a trusted print touchpoint in the same target community. Creative across radio and print rotated through three customer-action messages: kiosk payment locations, Customer Care Center appointment scheduling, and bill-pay reminders.

JXN Water's standing practice of mailing a quarterly newsletter to its full customer base continued in Q2, giving every customer, regardless of digital access, direct, easy access to information about their utility. This quarter's mailings specifically covered upcoming construction project activity and the annual Consumer Confidence Report (CCR) on water quality, and reached 100 percent of the system's customer base.

6. Cost Efficiency

Per JXN Water's Budget vs. Actuals report, the Communications/PR expense line ran \$526,016.86 against a \$650,000.00 budget for the January-May 2026 period, a savings of \$123,983.14, or 19.1 percent under budget. June actuals continued this same pattern, holding Q2 spend close to plan for the quarter. The bulk of the year-to-date savings accrued in Q1; Q2 held the line rather than adding a second wave of savings, which is itself the story: the integrated radio, print, and experiential campaign reached more of the target audience, more effectively, without exceeding planned spend.

7. Earned Media Landscape

Independent of paid campaign activity, JXN Water's media monitoring tracked 160 mentions and 591 engagements across the quarter. Sentiment ran predominantly neutral in every week measured, between 78.6 and 100 percent, with no material negative spikes.

Week	Mentions	Engagement	Unique Authors	Sentiment (Neutral / Negative)
May 13-19	35	29	19	88.6% / 11.4%
May 20-26	39	314	39	97.4% / 2.6%
Jun 3-9	54	146	31	100% / 0%
Jun 10-16	14	56	13	78.6% / 21.4%
Jun 17-23	13	23	11	100% / 0%
Jun 24-30	5	23	4	100% / 0%
SIX-WEEK TOTAL	160	591	-	Predominantly neutral

8. Customer Experience

This is a new section for Q2, introduced to give the in-person and experiential side of customer engagement its own visibility in the quarterly report. It reflects a deliberate investment: as JXN Water shifts communications toward grassroots channels, the physical and human touchpoints customers rely on have to scale alongside that message. The experience of customers is tied to their perception of their water utility. This investment is ground in experiential marketing framework, making customer experience a key proponent of the communications strategy.

9. Quick Pay Kiosk Program

JXN Water expanded its Quick Pay Kiosk network in Q2, giving customers a fee-free option to pay their water bill in a trusted, familiar setting close to home, including a partnership with the Jackson-Hinds Library System to host kiosks at library branches. The program directly targets customers who face barriers to digital payment, no bank account, no reliable internet access, or simple unfamiliarity with online bill pay, and removes the friction between service and payment. June and July delivered our highest kiosk usage to date, with \$352,886 collected across all four kiosk locations, a clear signal that customers are embracing this fee-free way to pay close to home.

10. In-Person Customer Care Center

Visitation to the Customer Care Center totaled over 1,900 for the reporting period, averaging 41 customer visits per day. This growth tracks directly with the radio and print campaign's emphasis on Customer Care Center appointment scheduling as a core call-to-action, and with continued investment in the call center experience alongside it.

The three most common reasons customers visit in person are new service starts, payment arrangements, and leak analysis. Giving customers a direct, in-person channel for these needs shortens time to resolution and ensures customers get clear messaging and guidance directly from JXN Water rather than navigating these issues remotely.

11. Customer Service Training & Onboarding

Q2 also brought a structural investment on the staffing side of the customer experience: a new onboarding program for customer service representatives, designed to bring consistency to how customers are greeted, walked through billing questions, and handed off between escalation tiers. This was paired with expanded training investment for existing reps, aimed at reducing variability in service quality across the Customer Care Center and call center.

This work is a direct complement to the access improvements above: expanding where and how customers can reach JXN Water only pays off if the experience is consistent once they get there. Standardized onboarding and ongoing rep training close that loop.

12. What's Next

Looking ahead to Q3, Communications will continue diversifying its integrated marketing strategy, expanding touchpoints for targeted audiences across the community through additional print publication placements and increased paid media presence in high-traffic community locations. Customer Experience will build on this quarter's momentum with continued investment in ongoing staff training. Community Outreach turns to execution, with several community events planned for Q3. Together, this work extends JXN Water's commitment to improving the customer experience and strengthening customer access to their water utility.

Precautionary Boil Water Notices

There were no city-wide precautionary boil-water notices issued during the reporting period.

The continued accelerated efforts to find and fix legacy leaks in the system along with the long-overdue replacement of valves and hydrants and the occasional pipe break continue to require issuing many precautionary BWN each month. There were 64 issued during the quarter with an average of 33.2 connections impacted for 3.6 days each.

Precautionary Boil Water Notices

No.	Boil Water Notice Date	Boil Water Notice Lift	Duration (Days)	Surface Water System	Well Water System	Area Impacted	Number of Connections	Updated	Moved to Resolved Notices
1	4/1/2026	4/9/2026	8	x		(438-1041) Winter St	78		Y
2	4/2/2026	4/7/2026	5	x		(102-355) Swan Lake Dr (110-190) Swan Lake Cv	73		Y
3	4/6/2026	4/9/2026	5	x		(1709-1957) Hamilton Blvd	38		Y
4	4/7/2026	4/9/2026	2	x		(309-346) Audubon Pl	11		Y
5	4/8/2026	4/10/2026	2	x		(20-125) Gymnasium Dr	2		Y
6	4/8/2026	4/13/2026	5	x		(604-742) Brandon Ave	28		Y
7	4/9/2026	4/13/2026	4	x		(134-316) W McDowell Rd	10		Y
8	4/10/2026	4/14/2026	4	x		(1204-1529) First Ave	20		Y
9	4/13/2026	4/15/2026	2	x		(165-390) Cottonwood Dr (125-296) Pin Oak Dr	37	(135-390) Cottonwood Dr	Y
10	4/14/2026	4/17/2026	3	x		(3708-4156) Hawthorn Dr (4013-4155) Robin Dr	63		Y
11	4/14/2026	4/17/2026	3	x		(522-609) Burns St	10		Y

12	4/15/2026	4/20/2026	5	x		(110-402) Wesley Ave	26		Y
13	4/15/2026	4/20/2026	5	x		(601-792) S Commerce St (711-740) E South St	12		Y
14	4/15/2026	4/20/2026	5	x		(1305-1351) Fairmont Ave	15		Y
15	4/20/2026	4/24/2026	4	x		(105-202) Superior St	12		Y
16	4/20/2026	4/22/2026	2	x		(615) Barksdale St	2	(800) N President St 04/22/2026	Y
17	4/21/2026	4/24/2026	3	x		(111-505) Galvez St	28		Y
18	4/21/2026	4/24/2026	3	x		(305-365) Swan Ridge Dr	11		Y
19	4/22/2026	4/24/2026	2		x	(104-366) Old Spanish Trail	44		Y
20	4/23/2026	4/28/2026	5		x	(1980-1983) N Siwell Rd	2		Y
21	4/24/2026	4/29/2026	5	x		(2700-2800) Greenway Dr	15		Y
22	4/27/2026	4/29/2026	2	x		(6501-6586) Van Buren Rd	35		Y
23	5/4/2026	5/8/2026	4	x		(504-658) Fredrica Ave	28		Y
24	5/4/2026	5/11/2026	7	x		(1701-1823) Poplar Blvd (1201-1240) Rosehill Cir	15		Y
25	5/6/2026	5/11/2026	5		x	(5102-5543) Williams Dr	63		Y
26	5/7/2026	5/11/2026	4	x		(109-171) Holly Hill Dr	30		Y
27	5/7/2026	5/11/2026	4		x	(2120-2159) Crossbridge Blvd, (114-2112) Bridgeton Plaza, (1-27) Old Bridge Cove, (4201-4309) Summerton Dr, (501-510) Westbridge Cove, (5301- 5360) Gardens Way, (401- 417) Justin Cove, (601-633) Oakview Way, (701-733)	166	(301-321) Jared Cove 05/11/26	Y

					Meadows Way, (301-314) Jared Cove			
28	5/8/2026	5/14/2026	6	x	(724-1953) Willaneel Dr	41		Y
29	5/9/2026	5/14/2026	5	x	(1410-1596) Wingfield Dr. (120-140) Wingfield Ct	44		Y
30	5/11/2026	5/14/2026	4	x	(2384-2439) Gunda Dr (701-845) Combs St	28		Y
31	5/11/2026	5/14/2026	4	x	(2807-2984) Lakewood Dr	30		Y
32	5/11/2026	5/14/2026	4	x	(1803-1842) Linden Place (1509-1510) Belmont St	14		Y
33	5/11/2026	5/14/2026	4	x	(4-49) Meadowoods Pl (34-48) Meadowoods Ter	23		Y
34	5/13/2026	5/15/2026	2		x (1207-1268) Zepher Rd	17		Y
35	5/14/2026	5/18/2026	4	x	(1005-1135) Laura Ave (2615-2928) Hemingway Cir (1001-1160) Meloan Dr 2614-2615 Harriotte Ave	83		Y
36	5/15/2026	5/19/2026	4	x	(5910-6156) Ferncreek Dr (105-175) Kristen Ct	52		Y
37	5/18/2026	5/20/2026	2		x (5010-5115) Sharp St	18		Y
38	5/19/2026	5/21/2026	2	x	(1703-1781) Plantation Blvd (100-125) Foxgate Pl (50-59) Woodridge Pl	46		Y
	5/20/2026	5/22/2026	2	x	(2624-3090) Coleman Ave (3330-3590) Elraine Blvd	48		Y
39	5/21/2026	5/27/2026	6	x	(520) Line St (1102-1148) Lewis St (1020-1089) Deer Park St (735-777) Ewing St	21		Y

41	5/21/2026	5/29/2026	2	x		(3120-3180) Utica Ave	6		Y
42	5/21/2026	5/27/2026	6		x	(4006-4055) Glenn Oak Dr	20		Y
43	5/26/2026	5/27/2026	1	x		(108-495) Woody Dr	70		Y
44	5/26/2026	5/29/2026	3	x		(3309-3552) Edwards Ave	36		Y
45	5/27/2026	5/29/2026	2	x		(503-594) Heatherwood Dr	30		Y
46	5/27/2026	5/29/2026	2	x		(1207-1540) Hair St	47		Y
47	5/28/2026	6/1/2026	3	x		(114-236) Winged Foot Circle	29		Y
48	5/28/2026	6/1/2026		x		(1545) Morehouse Ave	1	**Cancelled-Vacant Property**	Y
49	6/1/2026	6/4/2026	3	x		(1402-1475) Brinoy Dr (2717-2781) W Benwood (2709-2783) E Benwood Dr (2685-2780) Woodside Dr (2687-2793) Pinedale St	71		Y
50	6/1/2026	6/4/2026	3	x		(1701-1835) Hillview Dr (1604-1851) Brecon Dr	51		Y
51	6/1/2026	6/4/2026	3		x	(1202-1269) Springridge Rd (6123-6201) N McRaven Rd	35	**Update, removed Springridge Rd, it is located in Clinton, MS**	Y
52	6/2/2026	6/5/2026	3	x		(1819-2050) Martin Luther King Jr Dr	8		Y
53	6/8/2026	6/8/2026	1	x		(181-231) Thompson St	4	CANCELED	y
54	6/8/2026	6/10/2026	2	x		(811-945) Foley St	7		Y

55	6/8/2026	6/11/2026	3		x	(1412-1437) Regina St	7		Y
56	6/10/2026	6/12/2026	2	x		(2402-2443) Eleanor Ave	20		Y
57	6/11/2026	6/17/2026	6	x		(2913-4610) Sunray Dr	15		Y
58	6/11/2026	6/12/2026	1	x		(1369-4928) College Hill Dr	9	**Cancelled - No Meters**	Y
59	6/17/2026			x		(405-787) Benning Rd	59		
60	6/22/2026	6/24/2026	2	x		(2502-2666) Williamson Ave	31		Y
61	6/24/2026	6/29/2026	5	x		(3415-3555) Wheatley St (3504-3665) Sykes Park Dr (419-598) Sykes Rd (103-139) Sykes Park Circle (503-594) Heatherwood Dr	105		Y
62	6/24/2026	6/29/2026	5	x		(410-708) Ash St	35		Y
63	6/26/2026	7/1/2026	5	x		(4220-4544) Forest Park Dr	35		Y
64	6/29/2026	7/1/2026	2	x		(405-787) Benning Rd	57		Y

SUMMARY OF DELAYS ENCOUNTERED OR ANTICIPATED

- Delays due to MSDH on project reviews and loan approvals threatens to delay completion of several major water distribution projects.

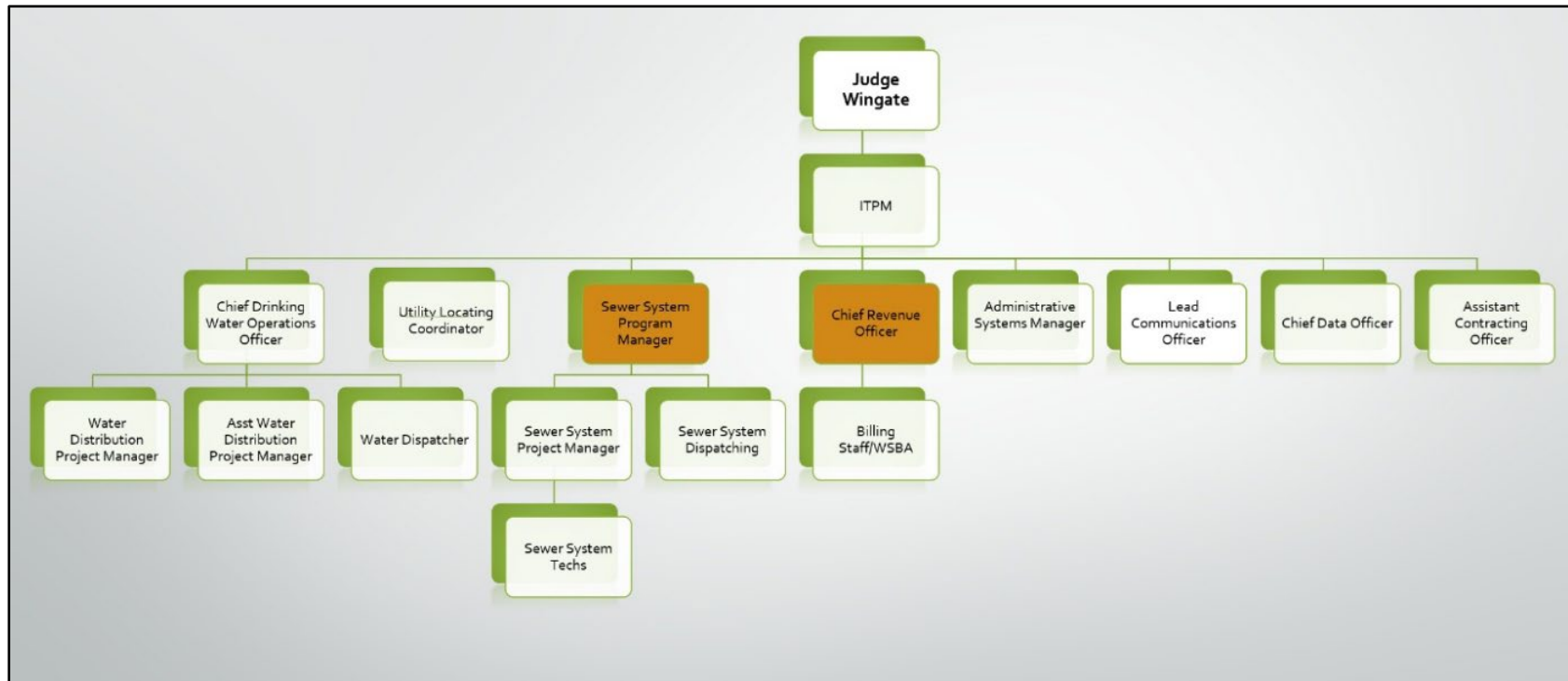
Modifications to Priority Project List or Schedule

- Priority Project 12, Sediment Assessment and Removal was completed on May 15, 2026. A technical memo closing out the project was submitted to the parties on July 14, 2026.
- Design and construction complications have slowed work on Priority Project 7 – SCADA. A technical memo explaining the issues was emailed to the parties on July 17, 2026 requesting the estimated completion date be changed from December 2026 to May 2027.

JXN Water Staff and Contract Support

The organizational chart for the ITPM and JXN Water is shown on the chart below. The two orange blocks represent contract employees performing staff functions.

ITPM and JXN Water Organization Chart



Contractual Support for ITPM

With additional experience, the roles of various contractors have been evaluated and modified from the original grant workplan. At this time these are the contractors supporting the ITPM:

Legal Services – Regulatory and General Counsel – AquaLaw (Paul Calamita) has been engaged with the local support of Forman Watkins (Malissa Wilson). Mr. Calamita has over 30 years of experience representing public drinking water and sewer utilities nationwide. Ms. Wilson is a Partner at Forman Watkins and her team is able to provide a wide range of necessary support with extensive experience with Mississippi clients.

Accounting – Kim Hardy, CPA with Matthews, Cutrer, and Lindsay has been retained. Horne has been retained to assist with compliance monitoring.

Financial Advisor – PFM (Ricardo Callender) has been retained to provide financial advisory services. There may be additional support necessary under this item related to the debt retirement.

Billing Support – BDO (formerly Horne) has been retained to assist with updating the customer account data in addition to the compliance support they are providing. BOSS has been managing the Oracle billing system and implementing the meter-to-cash solution.

Communications Support – HDR has been retained to support the JXN Water communications effort. This broad tasking includes, copywriting, copy editing, graphic design, social media management, website design and development, and public relations services.

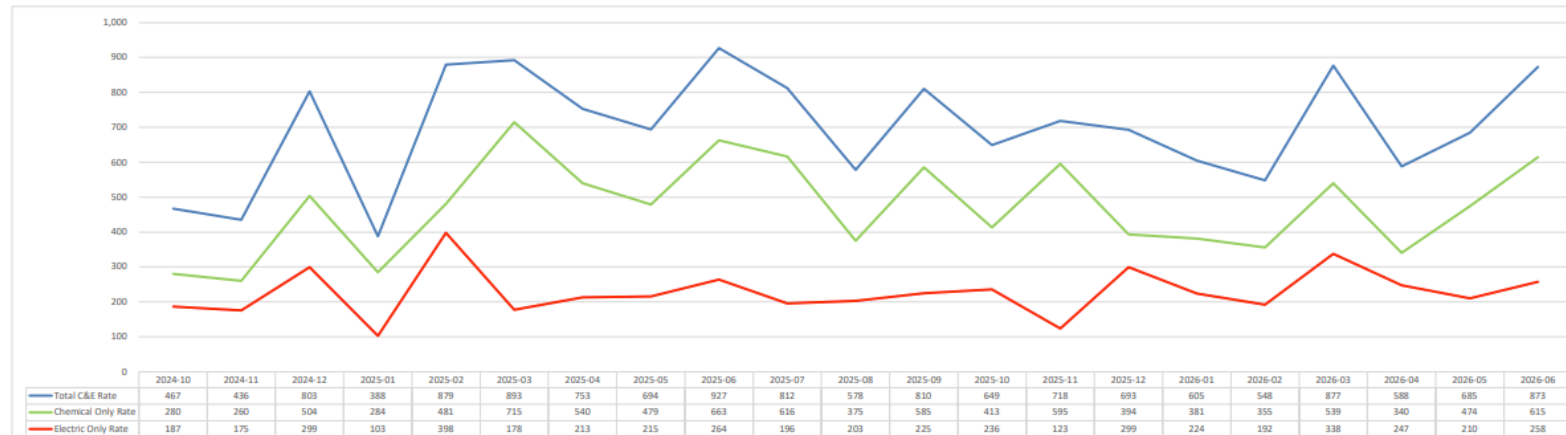
Water Production (into Distribution System) in million gallons per day

Plant	Q2 Avg	Q1 Avg 2026	Q4 Avg	Q3 Avg	Q2 Avg	Q1 Avg 2025	Q4 Avg	Q3 Avg	Q2 Avg	Q1 Avg 2024	Q4 Avg	Q3 Avg	Q2 Avg	Q1 Avg 2023
OBC Conventional	1.8	5.9	5.4	5.1	7.6	8.8	10.9	11.4	9.5	13.6	17.6	16.1	13.3	15.1
OBC Membrane	14.8	14.8	14.5	13	14.6	17.1	16	17.1	16.8	18.2	19.1	21.7	22.4	21.8
JH Fewell	18.5	16.3	16	22.3	12.2	14	12.7	12.2	12.1	16.6	19.3	15.9	11.5	13.4
Total	35.1	37.0	35.9	40.4	34.4	39.9	39.6	40.7	38.4	48.5	55.9	53.7	47.2	50.2

Chemical and Electrical Costs

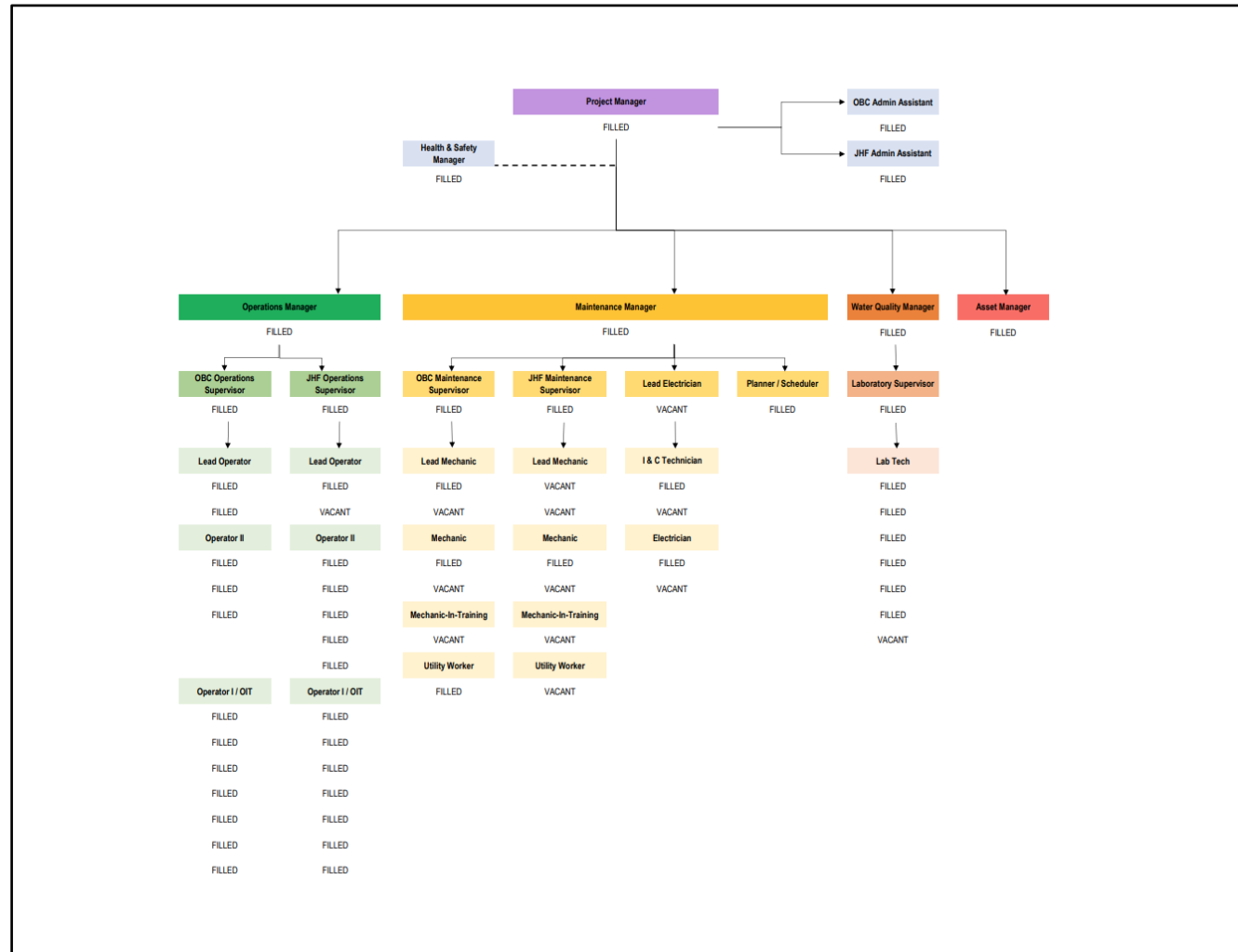
JXN Water Chemical and Electrical Costs per Million Gallons

	2024-10	2024-11	2024-12	2025-01	2025-02	2025-03	2025-04	2025-05	2025-06	2025-07	2025-08	2025-09	2025-10	2025-11	2025-12	2026-01	2026-02	2026-03	2026-04	2026-05	2026-06
Chemical and Electrical Consumption																					
Chemical Cost	359,123	294,732	619,460	387,691	537,633	789,592	547,304	513,179	694,306	768,616	453,346	736,094	516,998	599,789	410,046	414,887	378,436	636,779	376,538	506,699	624,986
Electrical Cost	239,708	198,862	368,042	140,639	444,950	196,448	216,110	230,885	276,475	243,856	244,856	283,195	294,658	124,488	311,546	243,613	204,690	398,399	273,753	224,906	262,264
Total C&E	598,832	493,594	987,502	528,329	982,583	986,041	763,414	744,064	970,780	1,012,472	698,202	1,019,288	811,656	724,277	721,592	658,500	583,126	1,035,178	650,291	731,605	887,250
Quarterly			2,079,928			2,496,953			2,478,258			2,729,962			2,257,525			2,276,804			2,269,146
Plant Flows																					
All Plants MG Quarterly	1,282.10	1,133.30	1,230.30	1,362.80	1,117.89	1,104.80	1,014.00	1,072.20	1,047.30	1,247.30	1,208.30	1,258.50	1,250.85	1,008.27	1,041.72	1,088.90	1,064.60	1,180.40	1,106.40	1,068.80	1,016.60
			3,646			3,585			3,134			3,714			3,300.84			3,333.90			3,191.80
Total C&E Rate																					
Cost per MG Quarterly	467	436	803	388	879	893	753	694	927	812	578	810	649	718	693	605	548	877	588	685	873
			571			696			791			735			684			683			
Chemical Only Rate																					
Cost per MG Quarterly	280	260	504	284	481	715	540	479	663	616	375	585	413	595	394	381	355	539	340	474	615
			349			478			560			527			463			429			
Electric Only Rate																					
Cost per MG Quarterly	187	175	299	103	398	178	213	215	264	196	203	225	236	123	299	224	192	338	247	210	258
			221			218			231			208			221			254			



O&M Contract Staffing Plan and Progress

Jacobs has continued to recruit to fill all positions in their staffing plan. The plan calls for a long-term total of approximately 65 people. Eighteen full-time and one part-time position have been filled with former City of Jackson employees. As of June 30, 2026, 51.5 positions are filled.



Priority Project Status

PPL	Description	Status Change QE June 30, 2026	Summary of Work Quarter Ending June 30, 2026	Delays	Projection of Work Quarter Ending Sept 30, 2026
1	O&M Contract	In Progress			Continue to coordinate operations with ongoing construction project sequencing.
2	Winterization	Complete			1.
3	Corrosion Control - JHF CO ₂ Chemical Feed Equipment Project Construction	Complete			
3	Corrosion Control – OBC Liquid Lime	In Progress	Jacobs/Hemphill - Clearwell #2 back in operation - Piping layout in chemical trenches complete - CO₂ piping installation complete and tested		Liquid Lime and CO ₂ System for Start-up and Training Design Team to complete punch walk Issue Substantial Completion certificate
5a	Distribution Plan for EPA Review and Approval	Complete			Continue to advance efforts outlined in the submitted plan.
5ai.1	Hydraulic Model System Analysis	In Progress	Stantec - Continued performing model analyses as requested by JXN Water, Jacobs, or the Stantec design team. - Continued model updates and validations.		Continue performing model analyses as requested by JXN Water, Jacobs, or the Stantec design team. Continue model updates and validations as needed.
5ai.2	Master Plan	In Progress	Stantec/Jacobs - Submitted pre-final Master Plan to JXN Water. Incorporated JXN Water comments. Started addressing comments from AquaLaw (legal review). - Finalized Facilities Plan Addendum #2 document.		Finalize and submit Water Master Plan. Submit Facilities Plan addendum to State.
5ai.3	Water Loss Investigations Pilot Studies	In Progress	Stantec Oldcastle's pilot project is currently underway and will complete during the period. Internal leak detection is ongoing, with the following statistics to date in 2026: 219 addresses visited 129 meters with high values had no leak detected		Complete the full-scale pilot with Oldcastle. Continue to further develop additional data sources and incorporate with the Kamstrup meter data for field verifications. Conduct field verifications.

			51 meters with high values resulted from a private side leak or proximity to a private side leak 39 meters with high values resulted from a public side leak or proximity to a public side leak 26 Cartegraph requests/tasks have been created for field repairs.		
5.a.ii	Valve and Hydrant Assessment	In Progress	Xylem/Wachs Completed the following repairs and field activities: - Valves fully exercised: 196 (8,873 Cumulative) - Op nut repairs: 13 (112 cumulative) - Uncovered: 105 (2,195 cumulative) - Frozen repaired: 0 (17 cumulative) - Position changed: 25 (1,027 cumulative) - Hydrants: 1,840 (9,517 cumulative) - Hydrants painted: 53 (1,404 cumulative) - Leak Loggers Installed: 0 (23 cumulative)	14 Days Equipment Issues 1.5 Days unplanned PTO 7 Days inclement weather 14.5 Days Truck issues 1 day mandatory training	Reviewing incomplete Hydrant data with Stantec, data analyst and field operations, to clarify / solve field notes on OOS hydrants or hydrants not able to assess. Continue Hydrant Painting; focusing on South Jackson area first. Will assess remaining critical valves in Downtown area to support hydrant assessments. Remaining crews are focusing on valve road-box structure repair work orders.
5.a.ii.1	Altitude Valve Assessment	In Progress	Stantec Field assessment of existing altitude valves was completed in 2023. On-going discussions have occurred recently between Jacobs and Stantec to determine which storage tanks should be prioritized for altitude valve repairs or replacements needed to scope a design project.		Meet with JXN Water to review recommendations for prioritized altitude valve replacements. Conduct site visit at replacement locations and prepare scope to design altitude valve replacements
5.a.ii.2	Management of Leak Detection and Mapping Services	In Progress	Stantec/Wachs Provided initial triage (investigation) of new water leaks and provided inspection services associated with the repair of water system leaks.		Continue providing triage and inspection services as requested.
5.a.ii.3	Valve Repair and Replacement	In Progress	Stantec/Wachs - Stantec worked with the condition assessment team (Wachs) to identify replacements. - Non-operational valves continue to be replaced as emergency projects as needed.		Continue replacing non-operational valves as emergency projects where required. Meet with JXN Water to finalize large diameter valve replacement bid package.

			Stantec prepared list of recommended large dia. valves based on Wachs assessment and hydraulic modelling. Valves recommended to be bid for replacement were provided to JXN Water for review and feedback		Prepare bid package for large dia. valve replacements and submit to SRF for review and approval.
5a.ii.4	Hydrant Replacements	In Progress	Stantec/Wachs - Stantec worked with the condition assessment team (Wachs) to identify replacements. - Non-operational hydrants have been replaced as emergency projects as needed.		Continue replacing non-operational hydrants as emergency projects where required.
5a.ii.5	Water Taps	In Progress	Stantec Details of the completed / ongoing activities: - New water tap requests – 21 - New sewer tap requests – 0. - New water meter downsize requests – 8 - Water tap installations in progress - 68 - Total meter downsize in progress - 76		The administration services and construction management are ongoing as new applications for water taps are received.
5a.ii.6	Sample Tap / Station Replacements	Complete			
5a.iii.1	Development of Comprehensive GIS Map to support Hydraulic Modelling / Other Activities	Complete			
5a.iii.2	GIS Field Data collection and mapping services	Complete			
5a.iii.3	GIS Data Integration	In Progress	Stantec - Moved Wachs data integration to this task. Ongoing work as their data is received. - Support data migration to JXN Water Enterprise database migration. - AGO/AGE data alignment.		Support water data migration to an enterprise geodatabase and utility network model. Ongoing improvements to the utility network to improve traceability. Work with JXN Water to optimize ongoing enterprise data transition.
5a.iii.4	Water Distribution – Asset Information	Complete			

5a.iii.5	Water Distribution - Cartegraph	In Progress	Stantec Completed migration from ArcGIS Online (AGO) to JXN Water environment on ArcGIS Enterprise (AGE).		Follow up enhancements as requested by JXN Water
5a.iii.6	Sewer Collection Asset Information	Complete			
5.a.iv	Distribution System Leaks – Find and Fix	In Progress	IMS - Performed PM Field Related Activities. - Provided Weekly Summary Update of program progress. - Provided Quarterly Update of Program progress.		Continue real-time leak detection identification. Continue PM Field Related Activities.
5a.iv.1	Water Distribution – Asset Information	Complete			
5a.iv.2	Water Distribution - Cartegraph	In Progress	Stantec Completed migration from ArcGIS Online (AGO) to JXN Water environment on ArcGIS Enterprise (AGE).		Follow up enhancements as requested by JXN Water
5a.iv.3	Sewer Collection Asset Information	Complete			
5a.v.1	Management of Leak Detection and Repair Program	In Progress	Stantec Provided initial triage (investigation) of new water leaks and provides inspection services associated with the repair of water system leaks.		Continue providing triage and inspection services as requested.
5.a.v.2	Management of Identification and Repair of Major Water System Leaks	In Progress	Stantec 48-inch main break on former Colonial Country Club – Complete		
			48-inch ARV leak on East Beasley Road - Complete		
			30-inch main break crossing Town Creek at Fortification and Prentiss Streets - Complete		
			20-inch break on railroad easement south of Fortification Street – Complete		
			Pipe and Valve Replacement @ Intersection of Prentiss and Fortification - Complete		
			Northside Dr 24-inch Valve Replacement and Chastain Dr. Valve Replacements - Complete		
			20-inch Pipe Replacement Emergency (Fortification – Palmyra to Prentiss) - Complete		
			30-inch Pipe Replacement Design (Fortification – Prentiss to I-220)	Railroad permitting review and approval for revised plans.	Project design completion is anticipated by Q3 2026.

			Stantec is nearly 100% complete with design to replace pipeline. Temporary and permanent construction easements are obtained.	MSDH review and approval, which was submitted for review on 3/20/2026	Updated plans, reports, and calculations have been submitted to railroad to obtain permits and are awaiting approval. Project procurement/bidding to be completed after permits have been obtained and MSDH approval.
			30-inch Pipe Design (Gallatin & McDowell) • Project was split into Project 1A and 1B to advance construction due to poor condition of existing 12" water main. • Project 1A will encompass the segment along McDowell Road and extend north along Gallatin up to the MDOT I-55/I-20 interchange. Railroad Crossing removed. • Project 1B will include the trenchless crossing within MDOT Right-of-Way, crossing Lynch Creek and continuing north until South West Street. • MDOT will not allow open cut in right-of-way (R/W), so it will require trenchless installation. • Terracon additional geotechnical borings for Phase 1B Completed. • All easements have been obtained.	Waiting for loan approval from MSDH, submitted 3/26. MSDH and SRF review and approval for Phase 1A. Plans sent to MSDH on 4/17/26. MDOT, MSDH, and SRF review and approval for Phase 1B.	Project 1A design completion is anticipated by Q3 2026. Project 1B anticipated to be completed in Q3 2026 (submitted to MDOT for review on 5/28/26). Project procurement/bidding to be completed after approval from MSDH and SRF have been obtained.
			20-inch Pipe Design (Siwell Rd - McClure St to Terry Rd) - Complete		
			30-inch Pipe Design (West St and Rankin Rd) • Draft Plans and Contract documents at 90%. • Cathodic protection (CP) studies are required to determine the risk of alternating current (AC) interference in cathodic protection design. Fieldwork is complete. CP design is completed. • Easements have been obtained. • Awaiting CN railroad permit review and approval.	Waiting for loan approval from MSDH. loan request sent 05/26. Railroad crossing permit approval. MSDH and SRF review and approval.	Complete design and specifications for public bidding and procure a contractor. Anticipate design completion by Q4 2026.
			Merit Hospital Fire Line Connection Pipeline Design (Project No. 2309) • Plans and Contract documents at 100%	Acquisition of easement through Hospital property.	Anticipate design completion once approved by MSDH, estimated Q3 2026.

			- Existing watermain at proposed connection was potholed and location confirmed. - Sent to MSDH for review and approval 2/23/26 with follow-up meetings and submittals on 4/10/26 and 4/13/26.	MSDH and SRF review and approval.	On hold. Design completed and shelved. Adequate and consistent pressure serving hospital at this time.
			MMC Yard Pipeline Connection Pipeline Design (Project No. 2401) - - Plans and contract documents at 100%. - Sent to MSDH for review and approval on 2/23/26 and 3/24/26. Met with MSDH on 4/10/26 and have had several calls with them to answer questions. - Easement has been obtained.	MDOT and SRF Review and Approvals	Anticipate design completion for public bid by Q3 2026
			Maddox/TV Road Pipeline and Valve Design (Project No. 2326) Design survey started.		Design to be ongoing over the next few quarters with an estimated completion of Q1 2027.
5av.3	Sample Tap / Station Replacements	Complete			
5avi.1	Develop Standard Details & Specifications for 2-Inch Water Main Replacement Pilot Project	Complete			
5avi.2	Small Diameter Replacements	In Progress	Stantec Choctaw Village Water & Sewer Replacement Design (Project No. 2310) Contractor progressing with pipe installation as designed Project continues construction with a 234-calendar day schedule.	Weather delays (34 days)	Anticipated project completion in Q3 of 2026.
			Broadmoor Area Water & Sewer Replacement Design (Project No. 2311) Plans approved by JXN Water, design 95% complete.	Waiting on permission to advertise from MSDH	Advertise for bid Q3 of 2026.
			Brown Street Water & Sewer Replacement Design (Project No. 2312) Plans approved by JXN Water, design 100% complete.	Waiting on permission to advertise from MSDH	Advertise for bid Q3 of 2026.
			East Oak Forest/Emerald Hills/Emerald Acres Water & Sewer Replacement Design (Project No. 2322) Design 95% complete with internal QA/QC review ongoing.		Anticipate design completion by Q3 2026. Meet with JXN Water to review and submit to MSDH for final review and approval.
			Oakdale Water & Sewer Replacement Design (Project No. 2323) Survey completed.		Anticipate design completion in Q4 of 2026.

			Design approximately 20% complete.		
			Westside Park Water & Sewer Replacement Design (Project No. 2327) - Survey completed. - Design approximately 20% complete.		Anticipate design completion in Q4 of 2026.
			Surface Restoration Projects Water & Sewer Replacement Design (Project No. 2328) Design completed	MSDH review and approval submitted for review 4/17/26.	Waiting for loan approval from MSDH. Loan sent to MSDH 11/25. Design completed and reviewed by JXN Water Q2 2026. Anticipate design approval by MSDH Q3 2026.
			Briarwood Water & Sewer Replacement Design (Project No. 2329) - Stantec is under contract for design work. - Survey complete, design has started		Anticipate design completion in Q4 of 2026.
			Canton Heights Road & North Colony Water & Sewer Replacement Design (Project No. 2330) - Stantec is under contract for design work. - Survey complete, design has started.		Anticipate design completion in Q4 of 2026.
5avii.1	Lead Service Line Inventory	In Progress	- Lead Program Compliance meetings were held between JXN Water and Jacobs. - Work to join the Service Point ID (SPID) information to lead service inventory is ongoing. This effort is expected to improve data quality in the inventory and reduce the number of mailers and unknown service points in the water system. - Clausell Elementary School full service line replacement was completed. - Update the service line inventory using Cartegraph (find and fix) data. - Updates to the public facing webmap based on the updated inventories. - Initial development of the ESRI Lead Service Sampling Manager completed.		Continue the lead service line replacements, if encountered. Update the service line inventory using Cartegraph (find and fix) data. Updates to the public facing webmap based on the updated inventories. Ongoing work to integrate address and service point ID data from the billing system to the lead service line inventory. Annual review and update as necessary Standard Operating Procedures. Continue development of the ESRI Lead Service Sampling Manager.

5aviii.1	Ongoing Construction Owners Representative	Complete			
5aviii.2	Rate Modelling Support	In Progress	Stantec Continued with tiered analytics and Efficiency Audit. Begin preparation of draft technical memo.		Continue with Efficiency Audit of Tiered Billing
5aviii.3	Bid Standards and PreQual Support	Complete			
5aviii.4	Water Meter Install Verification	Complete			
5aviii.5	SRF and Facilities Plan Support	In Progress	Stantec/Benchmark Submitted SRF Loan Packages to MSDH for project identified in the 2024 Facility Plan for approval. Submitted addendum for Facility Plan for Phase II projects October 2025.	Approval from MSDH to advertise for Public Meeting for Addendum 1. Loan applications #15, #16 #19, and #20 waiting to be approved by MSDH. Plan reviews by MSDH taking months.	Continue submitting SRF Loan packages to MSDH. Continue working on addendum #2 for Facility Plan for Phase II projects. Public Meeting for Addendum #1 of Facility Plan.
5.a.ix	Corrosion Control Renewal	Complete			
6	System Stabilization & Sustainability Plan – Water Treatment Plants, Wells, and Tanks Capital Improvement Plan	In Progress	Jacobs - Selected new well site and began to coordinate with IROW for easement acquisition and boundary/site survey. - Continued permit activities; development of constructability and testing plan for new well - Presented updated conceptual design and interim operational plan of JH Fewell pump station to operations team.		Continue to coordinate with IROW for easement and survey of new well site Further development of constructability and testing plan for new well Initial design of TV Road and Wiggins well pump replacement and deepening. Refinement of interim operations plan for JH Fewell as a booster station.
7	SCADA Improvements	In Progress	Jacobs - Interior work continues in OB Control Room (Walls, HVAC, Plumbing, and Electrical) - Remote site field investigation completed - Planning discussions for critical path activities (PLC-9 and Remote Sites)		Install raised flooring Continue interior work and rough-in Install flow meters for select locations

8	Chemical Feed Improvements at plants and wells	In Progress	Jacobs/HDR • Installed fluoride bulk tank and pump room • Raw Water Electric Building (RWEB) completed (walls, exterior, roofing) • Started installation of electrical equipment and HVAC systems in RWEB • Pulling feeds to systems being fed from RWEB (Sed Basins, RW Pump Station, etc) in preparation of start-up • Continued construction administration services (review shop drawings, field orders, requests for information) [HDR]		• Install 10 bulk tanks • Install SHC pump system • Install temporary systems for multiple chemicals • Continue coating activities inside and within containment pads • Finish grading and subgrade for new roadway and around RWEB • Terminate electrical and start-up/commission the RWEB • Decommission temporary power • Continue construction administration services (review shop drawings, field orders, requests for information) [HDR]
9.a, b	Chlorine System Improvements at OBC	Complete			Immediate interim repairs are complete and plan to eliminate gaseous chlorine is under construction as part of PPL 8
10	Intake Structure Repairs	Complete			
11	Performance Evaluation and Redundancy Plant Treatment Processes Restoration	Complete			
11	Source Water Quality/Treatability Characterization Study (OBC and Barnett Reservoir)	Complete			
11.a	OBC Membrane System	Complete			
11.g	OBC Filters	In Progress	Hemphill • Filter 3 completed • Filter 1 completed • Received Warranties for Filters 5, 3, and 1		Complete rehabilitation of Filters 6, 4 and 2 Install new Surface Wash Pumps Complete training of Auma Actuators with OMFS team

			Started rehabilitation of Filters 6 and 4		
11.g	JHF Filters	Complete			
11.j	OBC High Service Pump VFD	On hold.	Jacobs Project suspended due to alternative path of replacing existing pumps/motors beyond their useful life with smaller pumps/motors accomplishes objective more cost effectively.		Future assessment to be performed
12	Sludge Assessment at Finished Water Storage Facilities	Complete			
13	OBC Electrical Resiliency and Reliability Evaluation	In Progress	HDR - Submitted 100% Design Plans to the State for MSDH approval, which was received on May 7. - Completed Issued for Bid Plans and responded to Bidder questions.		- Provide continued bidding support, including a review of bids and preparation of a recommendation letter. - Prepare Issued for Construction plans.
Other	Plant Operations Program Management	Complete			
Other	Forrest Hill Surface to Well Conversion	Complete			
Other	Strategic Communications Implementation and Creative Support	In Progress	HDR - Provided program management coordination and budget oversight to support disciplined delivery across communications, creative, and engagement initiatives. - Ongoing budget monitoring, internal coordination, and invoice and progress reporting. - Led integrated social media strategy and execution. - Developed, scheduled, and managed content calendars for Apr-Jun. - Supported real-time communications for construction activity, emergency messaging, boil water notices, lifts, localized manganese alerts, and account administration. - Delivered expanded weekly media digest reports to track sentiment, media mentions, and community response. - Managed website content strategy and vendor coordination - Provided as-needed updates for boil water notices and lifts	None.	Continue supporting Water Academy cohorts. Continue LCRR program management outreach templates and custom creative support Support earned, owned, shared and paid media campaigns. Produce and submit community update and educational videos. Continue YouTube platform management. Complete Phase 1 of Customer Service Training Provide as-needed creative material support.

			• Created Google map for Quick Pay Kiosk locations • Updated Home, Stay Current, and Ways to Pay pages • Updated Priority Projects, Our Water, and Lead Education pages • Posted Quarterly Meeting Report and 2025 CCR • Designed new Lead SLR pages • Coordinated with vendor for redirect of self-service portal • Continued coordination with new website vendor • Maintained existing website content and structure • Produced and delivered multi-platform video and broadcast content • Videos • Manganese/Hydrant Flushing, Customer Care, 2-inch Pipe Repair (short and long), Plumbing Protection Program • Three social media shorts • Radio Spots • Rate Increase, Bill Payment Reminder, Customer Care Center, Online Account, Trust the Work/Water • Developed AR/VR Day in the Life Strategy • Supported newsletter development and production for Summer issue. • Creative, Copywriting, and Communications Advisory Services ○ Supported Social Media Strategist ○ Continued brand visuals check and update ○ Developed messaging and creative for various projects: Quarterly Public Meeting, Quick Pay Kiosks, Residential and Commercial Leak Program, Summer Relief Program, 2025 CCR, Customer Service Feedback Station, IPP notice ○ Continued boil water notice strategy for automation and transition to client		
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			Continued development and training of the Customer Service team through structured in-person and virtual sessions.		
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GMP = Guaranteed Maximum Price
 MSDH = Mississippi State Department of Health
 NTP = Notice to Proceed
 O&M = operations and maintenance
 P&ID = piping and instrumentation diagram
 QA/QC – quality assurance/quality control
 RR = Railroad

SCADA = supervisory control and data acquisition
 SOP = standard operating procedure
 SRF = State Revolving Fund
 TM = technical memorandum(s)
 VFD = Variable Frequency Drive
 WCD – Work Change Directive
 WTP = Water Treatment Plant