

**The Consolidated Report of Activities  
for the quarter ended September 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

October 29, 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   | Commissioning underway.                                        |
| 4   | Emergency Water Supply                                                                                         | 9/2027   | COMPLETE - Available throughout ISO term                       |
| 5   | System Planning and Stabilization<br>a. Distribution System<br>b. System Stabilization and Sustainability Plan | 8/2026   | COMPLETE – Master Plan submitted 7/16/2026                     |
| 6   | System Stabilization and Sustainability Plan                                                                   |          | COMPLETE - Combined with PP 5                                  |
| 7   | SCADA                                                                                                          | 5/2027** | 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.              |

\*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.



**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 |
|-----------------------------------------|---------------------------------------------------|-----------------|------|------|------|------|------|------|------|------|------|------|------|------|
| <b>OB Curtis WTP</b>                    |                                                   |                 |      |      |      |      |      |      |      |      |      |      |      |      |
| a. Membrane System                      | Train #1-4 and 6 Fibers Replaced                  | Complete        |      |      |      |      |      |      |      |      |      |      |      |      |
|                                         | Train #5 Fibers Replacement                       | Complete        |      | ◆    |      |      |      |      |      |      |      |      |      |      |
| b. Raw Water Pumping and Screening      | Raw Water Pump Station Upgrades                   | Jul-28          | ◆    |      | ◆    |      |      |      |      |      |      |      | ◆    |      |
|                                         | Raw Water Screen Replacement                      | Dec-26          |      |      |      | ◆    |      |      |      |      |      |      |      |      |
| c. Oxidation Basin                      | Chemical System Improvements                      | Jul-28          |      |      |      |      |      |      |      |      |      |      | ◆    |      |
| d. Rapid Mix                            | Sedimentation Basin Improvements                  | May-27          |      |      |      |      |      | ◆    |      |      |      |      |      |      |
| e. Flocculation and Sedimentation       | Sedimentation Basin Improvements                  | May-27          |      |      |      |      |      | ◆    |      |      |      |      |      |      |
| f. Sludge Removal                       | Residual Handling Improvements                    | Apr-28          |      |      |      |      |      | ◆    | ◆    |      |      | ◆    |      |      |
| g. Filters                              | Filter #1-6 Rehabilitation                        | Nov-26          |      |      |      | ◆    |      |      |      |      |      |      |      |      |
| 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 |      |      |      |      |
| <b>JH Fewell WTP *</b>                  |                                                   |                 |      |      |      |      |      |      |      |      |      |      |      |      |
| 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 | ◆ |

## **Federal Funding Status Summary**

JXN Water received, in total, \$636.8 million from the federal USEPA to help restore the water and sewer system. The vast majority of that money (\$420 million) has already been spent. Of the remaining \$216 million, more than \$212 million is already earmarked for projects (many of which are ongoing). Only approximately \$3.4 million of the \$636.8 million is unallocated at this time.

JXN Water also was included in the Water Resources Development Act with an authorization for \$139 million from the US Army Corps of Engineers' (USACE) Budget. However, this was merely an authorization for funds. It was not an actual appropriation of those funds. Until there is an appropriation, these funds are just wishful thinking. To help JXN Water because there has been no appropriation, the USACE did provide approximately \$7M from its own budget toward one wastewater and one drinking water project.



FEDERAL FUNDING, EXPLAINED

## Where the Water Money Went

You may have heard JXN Water received a billion dollars in federal funding. Here's the real number, broken down source by source, so you can see exactly what each dollar was allowed to pay for and how far it's gotten.

• Figures current through September 30, 2026

LET'S START WITH THE NUMBER

### JXN Water received \$636.8 million — not \$1 billion.

That gap is worth sitting with, because it's the root of a lot of confusion in Jackson right now. The money came from six separate federal sources, each with its own rules about what it can be used for. Below, we walk through [every one](#).

|                                                                |                                                  |                                                                                   |                                                                       |
|----------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| <b>\$636.8M</b><br>Total awarded<br>Across six federal sources | <b>\$420.4M</b><br>Spent to <a href="#">date</a> | <b>\$216.4M</b><br>Balance — nearly all is already committed to projects underway | <b>\$3.4M</b><br>Remaining balance not committed to projects underway |
|----------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------|

THE SIX SOURCES, ONE BY ONE

### What each grant can pay for, and how far it's gone

The solid blue portion of each bar is money we can confirm has been spent. The pale portion is the remaining room in the [award](#) — the most that could still be left, not a guess at what will be spent.

#### EPA — Safe Drinking Water Act §1442(b) CLOSED OUT BY EPA

A wide variety of drinking water expenses, including day-to-day operation and maintenance.



#### EPA — Safe Drinking Water Act §1452 PROJECT-SPECIFIC

Drinking water infrastructure projects only — every dollar is already allocated to a named project.



#### Federal ARPA, via the State of Mississippi 50% STATE MATCH CLOSED OUT BY STATE

Eligible water infrastructure projects. The State reimburses 50% of eligible project costs.



#### EPA Community Grant ADMIN FACILITY

A wide variety of drinking-water-related expenses. Purchased the building housing JXN Water's offices; the balance is going toward making it fully ADA compliant.



#### Congressionally Directed Spending / STAG EMERGENCY REPAIR

Only what the appropriation language allows. Paid for emergency repairs to the West Bank Interceptor after it failed in May 2025.



#### FEMA — Building Resilient Infrastructure and Communities (BRIC) PLANNING

Developing a water master plan for Jackson.



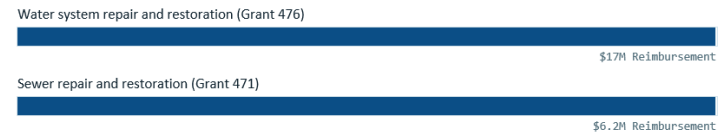
### Total — six sources

\$636.6M awarded · \$420.4M spent · \$216M balance \$3.4 Remaining balance not committed

A CLOSER LOOK AT ONE SOURCE

### What the ARPA money actually bought

The state reimburses JXN Water 50 percent of eligible project costs under this program. Here's what that \$46.4 million in eligible work was [actually for](#).



## Why some people hear "\$1 billion"

Most of that gap comes down to two words that get used interchangeably in the [news](#), [but](#) mean very different things. Understanding them clears up almost [all](#) of the confusion.

### Authorization

A legal ceiling on what may be spent, someday. It is permission — not a dollar in anyone's account.

### Appropriation

The money itself, set aside and ready to spend. Without [an appropriation](#), [an authorization](#) buys nothing.

Jackson's authorization under a separate U.S. Army Corps of Engineers program, Section 219, is \$139 million — a ceiling Congress has approved but never funded with a specific appropriation for Jackson's projects.



Corps' own funds applied to two JXN Water projects: nearly \$7M of the \$139M authorized

Separately, the Corps did apply money from its own budget — not a new appropriation for Jackson — toward two projects under that authorization: a 100 MGD influent pump at the Savanna Street wastewater plant, and four new membrane filter cassettes at the O.B. Curtis water plant. That federal share is shown in the bar above, but not in the \$636.6 million total, because it isn't one of the six sources we're tracking here.

### THE SHORT VERSION

## Remember four things

- 1 Six federal sources. \$636.8 million awarded — not \$1 billion.
- 2 \$3.4M remains uncommitted to projects already underway as of September 30, 2026.
- 3 Most of it — \$450 million — can only legally go toward drinking water infrastructure.
- 4 The \$139 million Section 219 figure is an authorization, not appropriated money, and it isn't part of the \$636.6 million.

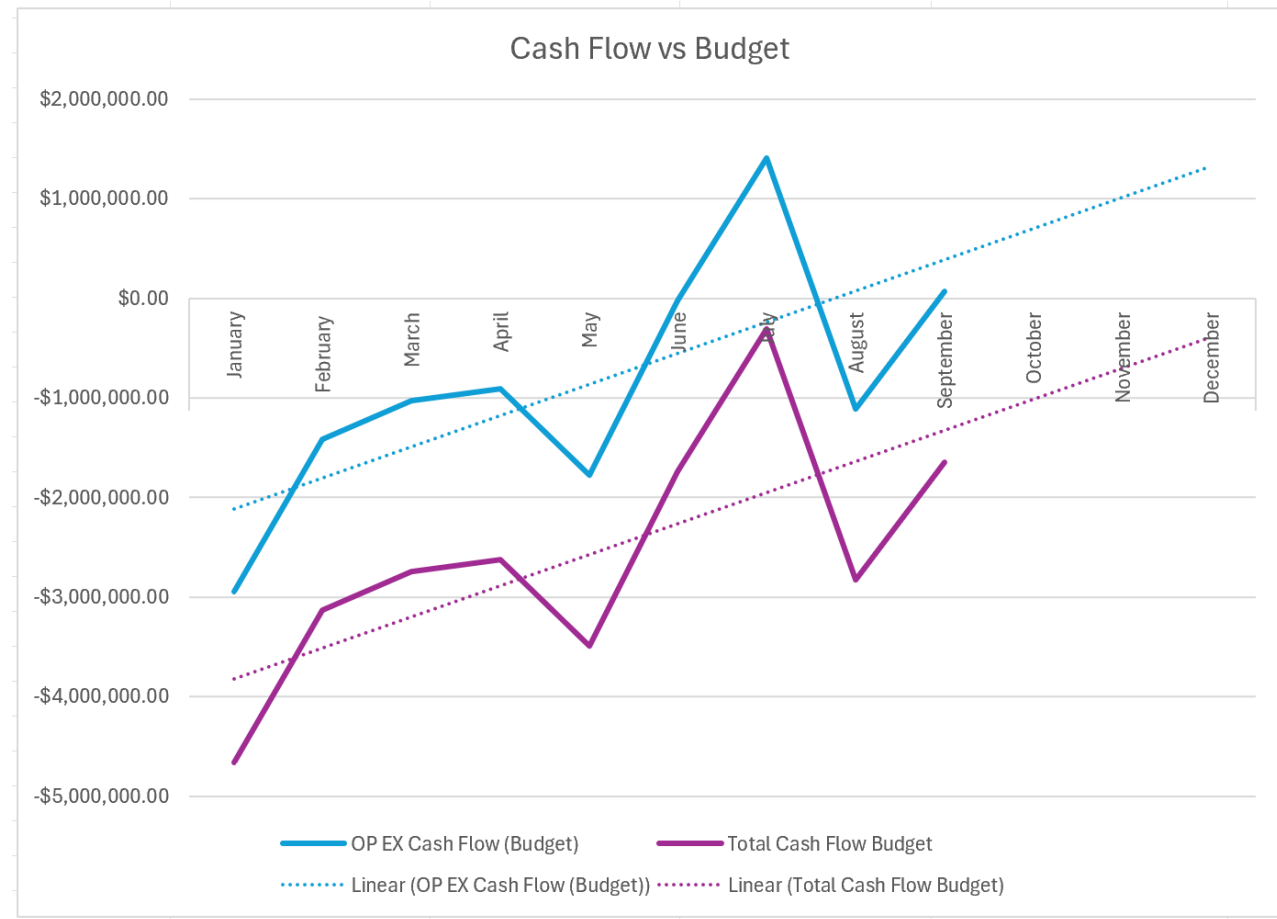
## **Financial Challenges**

On April 28, 2026, JXN Water was awarded a new federal grant (84118501) for \$54 million as a 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. Section 1442(b) funding is more flexible than the Section 1452 funding, allowing JXN Water to continue to accelerate the system recovery. As a result JXN Water was able to pay aging outstanding invoices for eligible expenses. The remaining 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 JXN Water (or subsequent entity) can borrow money. 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. While still unable to cover budgeted operating expenses and debt service with local revenue alone, the gap between local revenue and total costs is closing. The trendlines (chart to right) are very encouraging.



## Sanitation Fee Collections

Through the first nine months of 2026, the collection rate for sanitation fees due the City have been nearly 90 percent, adding nearly \$400,000 each month compared to the 70 percent collection rate in 2025. JXN Water continues to hold sanitation fees collected April through December 2025 as the outstanding balance from the City's zoo account remains paid and continues to grow with the large leaks unaddressed. All fees collected in 2026 have been paid to the City within 45 days of collection.

| SANITATION |                 |                 |                 |         |        |
|------------|-----------------|-----------------|-----------------|---------|--------|
| 2026       | Billed Amount   | Collected       | Paid to City    | Date    |        |
| January    | \$ 1,606,573.74 | \$ 1,120,784.10 | \$ 1,120,784.10 | 2/13/26 | 69.8%  |
| February   | \$ 1,522,258.90 | \$ 1,263,103.13 | \$ 1,263,103.13 | 4/2/26  | 83.0%  |
| March      | \$ 1,594,022.38 | \$ 1,545,659.69 | \$ 1,545,659.69 | 5/13/26 | 97.0%  |
| April      | \$ 1,484,668.88 | \$ 1,494,507.72 | \$ 1,494,507.72 | 6/4/26  | 100.7% |
| May        | \$ 1,609,408.79 | \$ 1,371,207.74 | \$ 1,371,207.74 | 6/30/26 | 85.2%  |
| June       | \$ 1,556,114.44 | \$ 1,462,846.05 | \$ 1,462,846.05 | 7/27/26 | 94.0%  |
| July       | \$ 1,581,662.85 | \$ 1,411,327.28 | \$ 1,411,327.28 | 8/24/26 | 89.2%  |
| August     | \$ 1,548,887.20 | \$ 1,316,554.88 | \$ 1,316,554.88 | 9/30/26 | 85.0%  |
| September  | \$ 1,574,432.94 | \$ 1,438,705.26 |                 |         | 91.4%  |
| October    |                 |                 |                 |         |        |
| November   |                 |                 |                 |         |        |
| December   |                 |                 |                 |         |        |
|            | \$ 1,564,225.57 | \$ 1,380,521.76 |                 |         | 88.3%  |

## Cost Control Efforts

JXN Water continues to focus aggressively on operational cost control and working within the very tight un-escalated budget. Through the first nine months of 2026, JXN Water operating expenses were nearly 3.2 percent (\$2,732,535.27) below budget for the period.

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

As reported in the Q2 report, several SRF funded projects continue to be significantly delayed waiting for 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 4286 (assumes all no account shut offs convert to new accounts)
- Number of customer reports (self-reports) 15 (count from website forms submitted)
- Revenue Impact of Corrective Measures \$1,075,786 per month (estimated – based on average payment Q3)

| Meter Tasks Created by Type |      |      |     |      |      |      |      |     |      |      |       |
|-----------------------------|------|------|-----|------|------|------|------|-----|------|------|-------|
|                             | 2025 | 2026 |     |      |      |      |      |     |      |      |       |
| Ticket Type                 | 2025 | Jan  | Feb | Mar  | Apr  | May  | Jun  | Jul | Aug  | Sep  | 2026  |
| Meter Turn Off No Account   | 1219 | 124  | 318 | 429  | 401  | 358  | 324  | 556 | 1024 | 752  | 4286  |
| Meter Turn Off Non Payment  | 8821 | 798  | 397 | 2246 | 2842 | 1243 | 1976 | 965 | 1101 | 1042 | 12610 |

In person Customer Care Center is in full operation in the Jackson Medical Mall. The center averaged 40 customers per day during the reporting period, totaling over 2,500 customers assisted (approximately 4% 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.

|                                            | <b>Monthly Avg<br/>Oct-Dec 23</b> | <b>Monthly Avg Q1<br/>2026</b> | <b>Monthly Avg Q2<br/>2026</b> | <b>Monthly Avg Q3<br/>2026</b> | <b><i>Percent<br/>Increase from<br/>2023</i></b> |
|--------------------------------------------|-----------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------------------------|
| <b>Number of Bills</b>                     | 48,682                            | <b>54,608</b>                  | <b>53,952</b>                  | <b>52,501</b>                  | <b>7.8</b>                                       |
| <b>Dollars Billed</b>                      | \$ 6,401,117                      | <b>\$8,237,688</b>             | <b>\$10,561,291</b>            | <b>\$11,549,244.59</b>         | <b>80.4</b>                                      |
| <b>Number of Payments</b>                  | 26,101                            | <b>34,592</b>                  | <b>38,268</b>                  | <b>38,141</b>                  | <b>46.1</b>                                      |
| <b>Dollars Received</b>                    | <b>\$ 3,862,821</b>               | <b>\$7,045,277</b>             | <b>\$8,349,147</b>             | <b>\$9,601,026.46</b>          | <b>148.5</b>                                     |
| <b>Collection Rate<br/>(Bills/Payment)</b> | 53.6%                             | <b>63%</b>                     | <b>71%</b>                     | <b>73%</b>                     | <b>19.4</b>                                      |
| <b>Collection Rate (Revenue)</b>           | 60.3%                             | <b>86%</b>                     | <b>79%</b>                     | <b>83%</b>                     | <b>22.7</b>                                      |

## Pursuit of Rate Changes for Customers Within Public Service Commission Jurisdiction

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

## Operating Results Through Q3 2026

| JXN Water                                     |                        |                        |                      |                |
|-----------------------------------------------|------------------------|------------------------|----------------------|----------------|
| Budget vs Actuals                             |                        |                        |                      |                |
| January -September 2026                       |                        |                        |                      |                |
|                                               | Total                  |                        |                      |                |
|                                               | Actual                 | Budget                 | Over Budget          | % of Budget    |
| Expenses                                      |                        |                        |                      |                |
| Customer Service                              |                        |                        |                      |                |
| 7100 Billing                                  | 3,895,400.85           | 4,698,000.00           | -802,599.15          | 82.92%         |
| 7110 BOSS (IT Integrater)                     | 1,948,642.42           | 1,980,000.00           | -31,357.58           | 98.42%         |
| 7115 Call Center                              | 582,907.67             | 540,000.00             | 42,907.67            | 107.95%        |
| 7120 Metering                                 | 4,197,190.60           | 4,302,000.00           | -104,809.40          | 97.56%         |
| <b>Total for Customer Service</b>             | <b>\$10,624,141.54</b> | <b>\$11,520,000.00</b> | <b>-\$895,858.46</b> | <b>92.22%</b>  |
| Depreciation Expense                          | 2,242.71               |                        | 2,242.71             |                |
| Drinking Water Expenses                       |                        |                        |                      |                |
| 7090 Valve Assessment                         | 1,719,383.67           | 1,800,000.00           | -80,616.33           | 95.52%         |
| 7125 Distribution System Management           | 911,993.58             | 1,125,000.00           | -213,006.42          | 81.07%         |
| 7130 Maintenance and Repairs - Drinking Water | 14,992,636.91          | 14,400,000.00          | 592,636.91           | 104.12%        |
| 7140 Plant O & M - Drinking Water             | 25,842,180.30          | 25,200,000.00          | 642,180.30           | 102.55%        |
| <b>Total for Drinking Water Expenses</b>      | <b>\$43,466,194.46</b> | <b>\$42,525,000.00</b> | <b>\$941,194.46</b>  | <b>102.21%</b> |
| JXN Water Operating                           |                        |                        |                      |                |
| 5010 Claim Settlements                        | 21,171.79              | 27,000.00              | -5,828.21            | 78.41%         |
| 5020 Conference/Training                      | 29,578.60              | 67,500.00              | -37,921.40           | 43.82%         |
| 5055 Occupancy                                | 106,895.14             | 135,000.00             | -28,104.86           | 79.18%         |
| 5090 Gasoline & Vehicle Maintenance           | 64,472.00              | 45,000.00              | 19,472.00            | 143.27%        |
| 5100 Insurance                                | 367,021.14             | 49,500.00              | 317,521.14           | 741.46%        |
| 5170 Uniforms                                 | 16,089.75              | 18,000.00              | -1,910.25            | 89.39%         |
| 7180 Materials and Suppiies                   | 2,016.93               | 45,000.00              | -42,983.07           | 4.48%          |
| 8005 Bank Charges                             | 80,984.34              | 126,000.00             | -45,015.66           | 64.27%         |

|                                      |                        |                        |                        |                |
|--------------------------------------|------------------------|------------------------|------------------------|----------------|
| Contractual Support                  |                        |                        |                        |                |
| 5045 Locating                        | 674,722.87             | 540,000.00             | 134,722.87             | 124.95%        |
| 5065 Phone/IT Systems                | 173,161.94             | 270,000.00             | -96,838.06             | 64.13%         |
| 5145 Rate Study                      | 88,928.00              | 18,000.00              | 70,928.00              | 494.04%        |
| 5160 SMBI                            | 79,390.00              | 135,000.00             | -55,610.00             | 58.81%         |
| 5165 Security                        | 377,408.40             | 315,000.00             | 62,408.40              | 119.81%        |
| 7005 Accounting                      | 124,015.15             | 144,000.00             | -19,984.85             | 86.12%         |
| 7010 Communications/PR               | 875,666.22             | 787,500.00             | 88,166.22              | 111.20%        |
| 7015 Compliance                      | 970.00                 | 90,000.00              | -89,030.00             | 1.08%          |
| 7020 Financial Advisor               | 62,995.39              | 180,000.00             | -117,004.61            | 35.00%         |
| 7025 Legal                           | 394,338.34             | 315,000.00             | 79,338.34              | 125.19%        |
| 5040 Engineering                     |                        | 135,000.00             | -135,000.00            | 0.00%          |
| <b>Total for Contractual Support</b> | <b>\$2,851,596.31</b>  | <b>\$2,929,500.00</b>  | <b>-\$77,903.69</b>    | <b>97.34%</b>  |
| <b>Total for JXN Water Operating</b> | <b>\$3,539,826.00</b>  | <b>\$3,442,500.00</b>  | <b>\$97,326.00</b>     | <b>102.83%</b> |
| Payroll Expenses                     |                        |                        |                        |                |
| 7200 Staffing/Temps                  | 191,062.38             | 198,000.00             | -6,937.62              | 96.50%         |
| ITPM Compensation                    | 299,999.97             | \$0.00                 | 299,999.97             |                |
| Taxes                                | 105,722.30             | 99,000.00              | 6,722.30               | 106.79%        |
| Wages                                | 1,240,659.38           | 1,125,000.00           | 115,659.38             | 110.28%        |
| 5130 COJ Reimbursement               |                        | 1,125,000.00           | -1,125,000.00          | 0.00%          |
| <b>Total for Payroll Expenses</b>    | <b>\$1,837,444.03</b>  | <b>\$2,547,000.00</b>  | <b>-\$709,555.97</b>   | <b>72.14%</b>  |
| Sewer Expenses                       | 2,541.81               |                        | 2,541.81               |                |
| 5140 Cleaning and Maintenance        | 5,228,688.87           | 5,850,000.00           | -621,311.13            | 89.38%         |
| 7230 Metering - Sewer Expenses       | 160,049.50             | 198,000.00             | -37,950.50             | 80.83%         |
| 7240 Plant O & M - Sewer             | 13,085,854.79          | 12,960,000.00          | 125,854.79             | 100.97%        |
| 7250 Program Management              | 1,024,628.34           | 1,755,000.00           | -730,371.66            | 58.38%         |
| 7270 Sewer Repairs                   | 3,606,852.68           | 4,513,500.00           | -906,647.32            | 79.91%         |
| <b>Total for Sewer Expenses</b>      | <b>\$23,108,615.99</b> | <b>\$25,276,500.00</b> | <b>-\$2,167,884.01</b> | <b>91.42%</b>  |
| <b>Total Expenses</b>                | <b>\$82,578,464.73</b> | <b>\$85,311,000.00</b> | <b>-\$2,732,535.27</b> | <b>96.80%</b>  |

## 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 61 issued during the quarter with an average of 35.5 connections impacted for 3.1 days each.

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

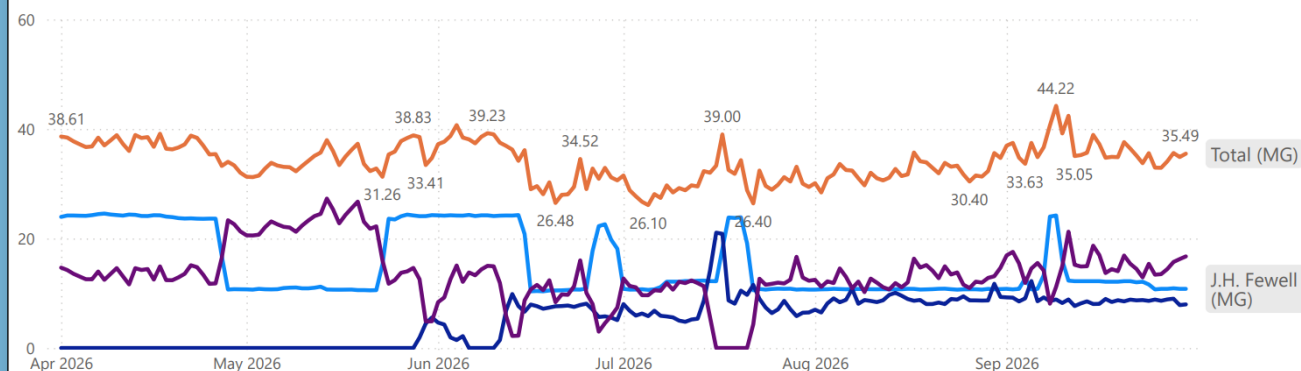
The daily demand on the water plants continues to trend down. The quarterly average was 32.9 mgd. This trend is very encouraging and will continue to be monitored and reported in future quarterly reports. Compared with Q3 2023, this represents a reduction of 38.7 %.

Estimated water loss is approximately 45% ( 14.9 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 20.1 MGD is over \$5.4 million per year based on our current costs for chemical and power (\$967 per MG).

## 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) | 34.98 |
|------------------------|-------|

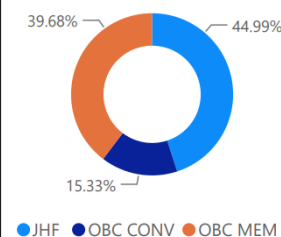
|                            |       |
|----------------------------|-------|
| O.B. Curtis Membrane (Avg) | 13.90 |
|----------------------------|-------|

|                                |      |
|--------------------------------|------|
| O.B. Curtis Conventional (Avg) | 5.45 |
|--------------------------------|------|

J.H. Fewell (Avg)  
15.63

| Plant                    | Average Production Trend (MG/Day) |          |                    |               |               |       |        |
|--------------------------|-----------------------------------|----------|--------------------|---------------|---------------|-------|--------|
|                          | Sep 2026                          | Sep 2025 | 25'-26' YOY Change | Rolling 6-mos | Rolling 3-mos | YTD   | Target |
| J.H. Fewell              | 12.62                             | 23.73    | -46.82%            | 15.28         | 12.15         | 15.63 | 10-20  |
| O.B. Curtis Conventional | 8.72                              | 0.09     | 9588.89%           | 5.21          | 8.53          | 5.45  | 10-20  |
| O.B. Curtis Membrane     | 14.97                             | 18.13    | -17.43%            | 13.47         | 12.15         | 13.90 | 23     |
| Total                    | 36.30                             | 41.94    | -13.45%            | 33.96         | 32.83         | 34.98 | 43-53  |

**Avg Production Share by WTP (Rolling 6 months)**



## **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.

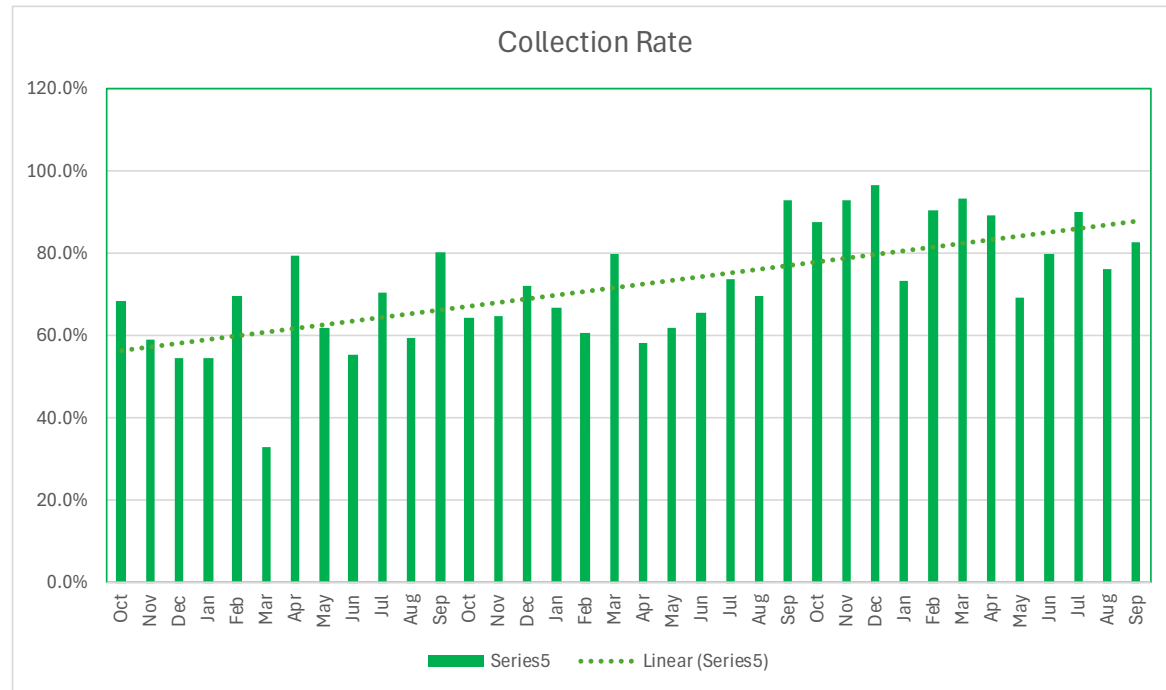
## **Audited Financial Statement for Fiscal Year 2025**

The audit was completed by Banks, Finely, White and Company on October 14, 2026, and submitted to the parties. The audit result was an unmodified opinion.

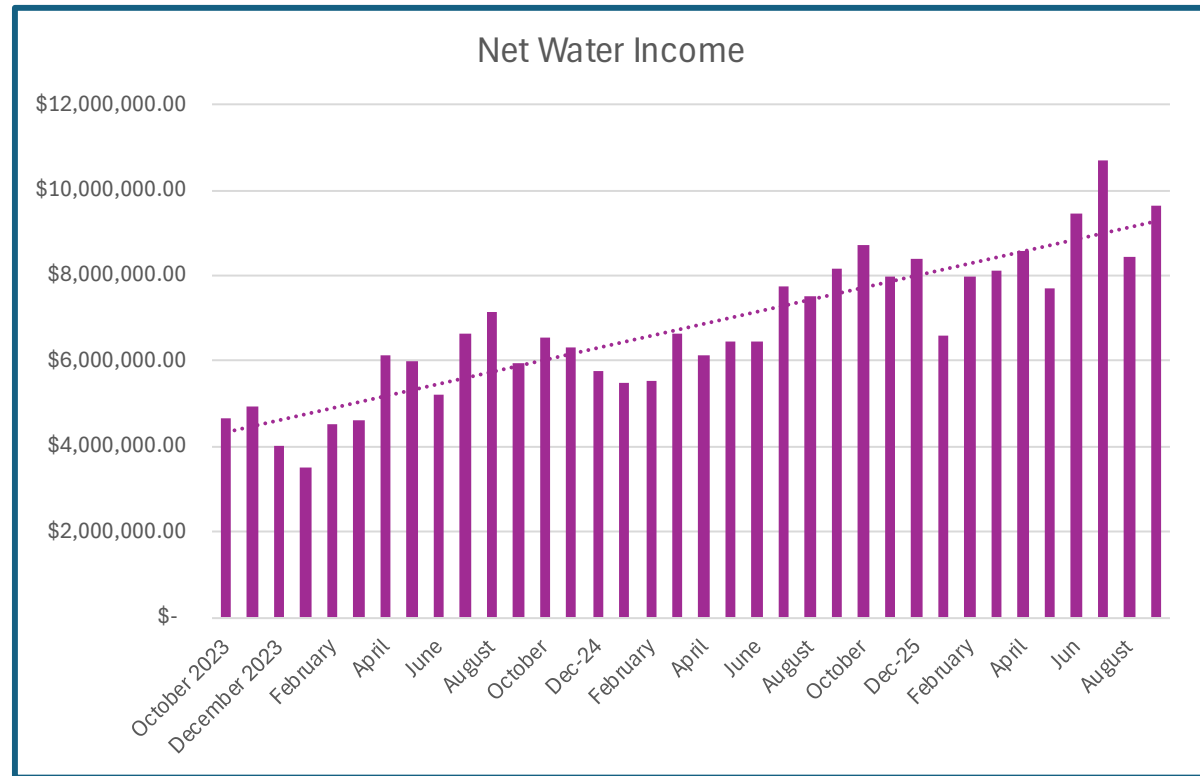
## PROJECTS AND ACTIVITIES CONDUCTED DURING THE REPORTING PERIOD

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:

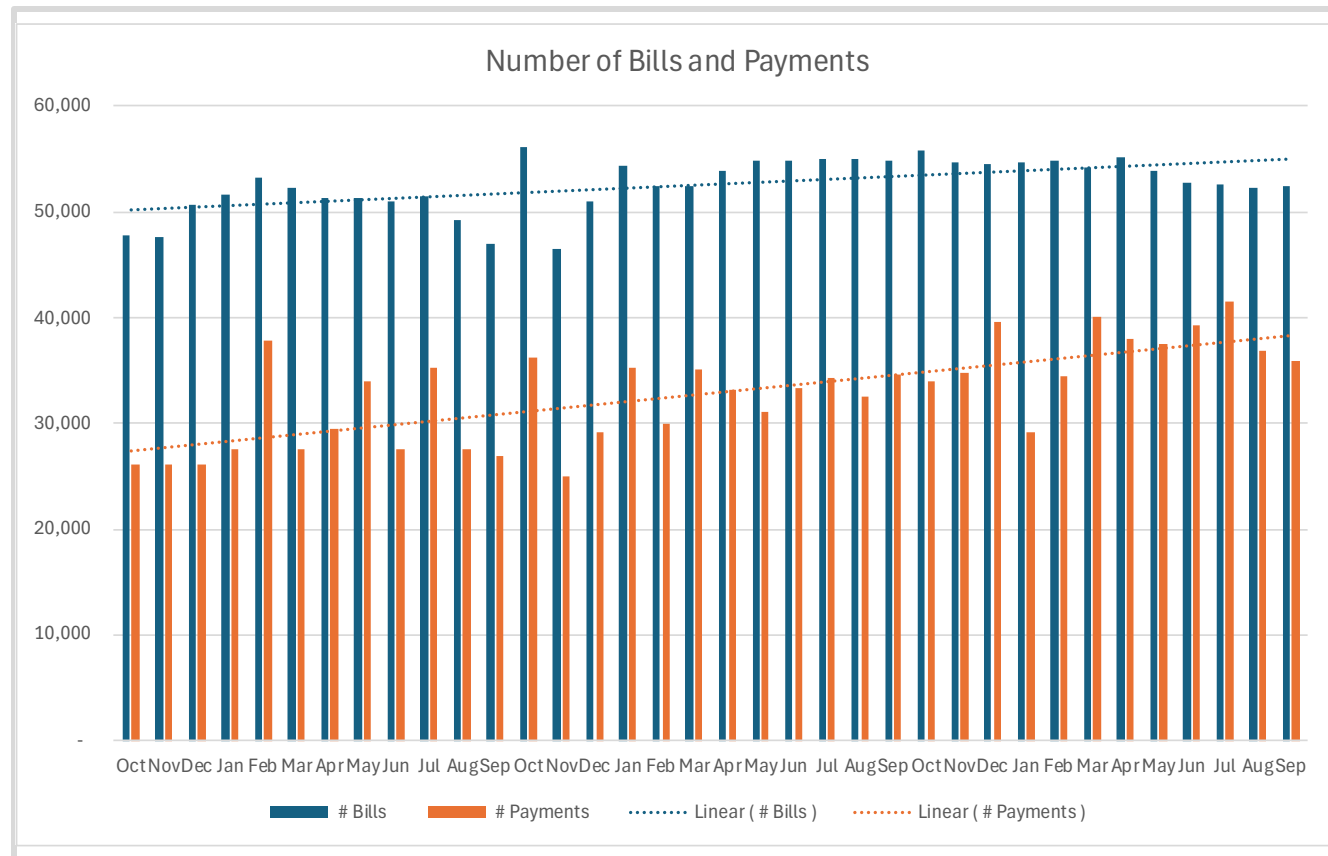
**Billing and Collections:** JXN Water continues to work to resolve legacy metering and billing issues that have hampered collection of water-related revenues. Revenues continue to increase through the significant efforts of the JXN Water billing staff. Severance (the process to disconnect customers 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:

- 10,229 fire hydrants were digitized into the GIS from the paper files
- 9,950 fire hydrant locations (from the digitized maps) have been visited for inspection

The current schedule with Wachs Water has all fire hydrant locations visited and inspected by the end of 2027.

Of the 9,950 fire hydrant locations visited:

- 6,780 were in service
- 1,838 were not found at the location digitized from paper maps
- 786 were located but out of service
- 238 were found but inaccessible for testing (behind locked fences, etc.,)
- 390 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, a reallocation of previously appropriated funding under Section 1452 of the SDWA. 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. The number of non-metered active accounts was reduced from 31 to 10 during Q3. We continue to work to resolve these in accordance with the plan. **PLAN SUBMITTED SEPTEMBER 1, 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 (APR-SEP) AND ANNUAL AVG YTD @83% – 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. **UPDATED PLAN SUBMITTED TO PARTIES AUGUST 20, 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% |
| <b>Total Accounts</b>                                                                                                                               | 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).                                                             |         |             |                |         |
| Metered and Unmetered Accounts                                                                                                                      |         |             |                |         |
| Q3 2026                                                                                                                                             |         |             |                |         |
| Service Agreement Status                                                                                                                            | Metered | Non Metered | Total Accounts | Percent |
| Active                                                                                                                                              | 53143   | 10          | 53153          | 99.98%  |
| Pending Start*                                                                                                                                      | 305     | 127         | 432            | 70.60%  |
| Reactivated                                                                                                                                         | 50      | 1           | 51             | 98.04%  |
| <b>Total Accounts</b>                                                                                                                               | 53498   | 138         | 53636          | 99.74%  |

## 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%              |
| 2026          | Jul | \$ 12,084,178.04 | \$ 10,883,350.17 | 90%             | 52,642     | 41,606        | 79%              |
| 2026          | Aug | \$ 11,004,637.19 | \$ 8,371,109.59  | 76%             | 52,363     | 36,914        | 70%              |
| 2026          | Sep | \$ 11,558,918.54 | \$ 9,548,619.61  | 83%             | 52,498     | 35,902        | 68%              |
| 3rd Q Average |     | \$ 11,549,244.59 | \$ 9,601,026.46  | 83%             | 52,501     | 38,141        | 73%              |

**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<br>Priority List                        |                                            |                    |                            |                          |               |
|--------------------------------------------------------------------|--------------------------------------------|--------------------|----------------------------|--------------------------|---------------|
| Project                                                            | Project Description                        | Priority<br>Points | Service Area<br>Population | Loan Amount<br>Requested | Cumulative    |
| <b>III: Primary Drinking Water Standards Projects</b>              |                                            |                    |                            |                          |               |
| Jackson, City of                                                   | Intake Structure Repair                    | 11099              | 155000                     | \$5,500,000              | \$5,500,000   |
| <b>IX: Existing Facilities Upgrade (Meeting Primary Standards)</b> |                                            |                    |                            |                          |               |
| 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 |
| <b>XIII: Other</b>                                                 |                                            |                    |                            |                          |               |
| 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<br>Thru 10/06/2026   |                    |                       |                             |                             |                                   |                      |
|-----------------------------------------------------|--------------------|-----------------------|-----------------------------|-----------------------------|-----------------------------------|----------------------|
| 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         | 22                          | \$ 30,811,805               | \$ 29,669,928                     | 44%                  |
| 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         | 33                          | \$ 42,783,780               | \$ 40,554,150                     | 76%                  |
| SCADA System Improvements                           | DWJXN-L250008-07-0 | \$ 25,153,954         | 15                          | \$ 10,133,222               | \$ 9,637,008                      | 38%                  |
| Choctaw Village 2310                                | DWJXN-L250008-08-0 | \$ 7,210,350          | 10                          | \$ 4,173,683                | \$ 3,373,305                      | 47%                  |
| 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 | \$ 8,500,000          | 2                           | \$ 196,685                  | \$ 196,685                        | 2%                   |
| OBC Residuals System Upgrades                       | DWJXN-L250008-11-0 | \$ 5,000,000          | 2                           | \$ 374,203                  | \$ 374,203                        | 7%                   |
| Fortification St                                    | DWJXN-L250008-12-0 | \$ 16,733,354         | 2                           | \$ 886,660                  | \$ 460,996                        | 3%                   |
| Broadmoor/Brown (Small Dia 2311 and 2312)           | DWJXN-L250008-13-0 | \$ 6,024,714          | 2                           | \$ 162,993                  | \$ 162,993                        | 3%                   |
| Merit Health 2309                                   | DWJXN-L250008-14-0 | \$ - *                |                             |                             |                                   |                      |
| Surface Restoration 2328 (Coordinating w/paving)    | DWJXN-L250008-15-0 | \$ 6,824,635          | 1                           | \$ 159,840                  | \$ 159,840                        | 2%                   |
| MMC- 2401                                           | DWJXN-L250008-16-0 | \$ 1,307,934          | 1                           | \$ 208,125                  | \$ -                              | 0%                   |
| DWSRF Retirement                                    | DWJXN-L250008-17-0 | \$ 28,416,978         | N/A                         | \$ 28,416,978               | \$ 28,416,978                     | 100%                 |
| Well System Rehabilitation                          | DWJXN-L250012-18-0 | \$ 11,500,000 *       |                             |                             |                                   |                      |
| Gallatin 2308                                       | DWJXN-L250008-19-0 | \$ 11,935,106         | 0                           | \$ -                        | \$ -                              |                      |
| West/Rankin St 2324                                 | DWJXN-L250008-20-0 | \$ 8,992,228 *        |                             |                             |                                   |                      |
| Oakdale Subdivision/Westside Park 2323/2327         | DWJXN-L250008-21-0 | \$ 5,177,848 *        |                             |                             |                                   |                      |
| Briarwood/Canton Heights Rd/North Colony 2329/2330  | DWJXN-L250008-22-0 | \$ 4,323,364 *        |                             |                             |                                   |                      |
| East Oak Forest (Small Dia) 2322                    | DWJXN-L250008-23-0 | \$ 7,454,316 *        |                             |                             |                                   |                      |
| Maddox/TV Road 2326                                 | DWJXN-L250008-24-0 | \$ 13,412,348 *       |                             |                             |                                   |                      |
| 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 **       |                             |                             |                                   |                      |
| 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%                 |
| Loan Administration (EPA and MSDH)                  | DWJXN-L250008-XX-X | \$ 1,750,000          | N/A                         | \$ 1,750,000                | \$ 1,750,000                      | 100%                 |
| <b>Totals</b>                                       |                    | <b>\$ 449,324,749</b> | <b>96</b>                   | <b>\$ 237,807,665</b>       | <b>\$ 232,505,778</b>             | <b>51.7%</b>         |
|                                                     |                    | * Loan Submitted      | ** Current Estimate         |                             |                                   |                      |



### Small Diameter Pipe Replacement

An estimated total of 100 miles of undersized water distribution piping needs to be replaced in the system. Continual investment in small pipe replacement has been included in the Capital Improvement Plan. Several projects have been funded with a portion of the \$450 million SRF allocation. Current status of small pipe replacement is as follows:

| Length (miles) | Status             |
|----------------|--------------------|
| 3.2            | Complete           |
| 1.6            | Under Construction |
| 3.7            | Design Complete    |
| 2.6            | Under Design       |
| <b>11.1</b>    | <b>Total</b>       |

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 and funding becomes available.

#### 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. \$ |
|-----------------------------------------------------------------------------|-----------------------------------------------------|----------|-----------------|-------------------------|--------------------|---------------------|-------------------|
| <b>Category IX: Existing Facilities Upgrade (Meeting Primary Standards)</b> |                                                     |          |                 |                         |                    |                     |                   |
| 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. \$ |
|-----------------------------|-----------------------------------------------|----------|-----------------|-------------------------|--------------------|---------------------|-------------------|
| <b>Category XIII: Other</b> |                                               |          |                 |                         |                    |                     |                   |
| 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 \$2.6 million BRIC grant to develop long-term strategies for water supply and treatment for Jackson. The ITPM worked with MEMA to incorporate the scope of the BRIC grant with the master planning work completed with PPL 5.

#### **BRIC Reimbursements**

| <b>Number</b>        | <b>Amount of Eligible Expenses</b> | <b>Reimbursement (75%)</b> | <b>Status</b>         |
|----------------------|------------------------------------|----------------------------|-----------------------|
| 1                    | \$345,934.12                       | \$259,450.59               | Received by JXN Water |
| 2                    | \$737,341.17                       | \$568,005.88               | Received by JXN Water |
| 3                    | \$668,640.84                       | \$501,480.63               | Received by JXN Water |
| <b>Total to Date</b> | <b>\$1,751,916.13</b>              | <b>\$1,328,937.10</b>      |                       |

**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**

Nine months into 2026, JXN Water continues to advance its Local Business Development Initiative by strengthening engagement with local contractors and preparing them to compete for upcoming infrastructure projects. The initiative remains focused on technical assistance, procurement readiness, and building long-term local capacity.

During the third quarter, JXN Water, its Prime contractors, and The Jones Group identified anticipated needs for upcoming work, including small-diameter pipe repair and replacement, sewer inspection and rehabilitation, manhole rehabilitation, paving, HVAC, electrical, and plumbing services. Through one-on-one consultations and trade-specific meetings, The Jones Group engaged directly with local firms in these trades to help them understand procurement requirements and position themselves for future contracts.

The Jones Group continues to engage directly with local businesses performing work for JXN Water and its prime contractors, maintaining regular communication to help them navigate complex project requirements and address challenges that may require coordination with JXN Water. This support includes ongoing assistance to a local general contractor, first supported last quarter, as it works through JXN Water's New TAP process. Through these direct relationships, The Jones Group helps contractors clarify requirements, identify next steps, and work through issues that could affect successful project delivery

Workforce development remains a key component of the initiative. The Jones Group continues to work with community, educational, and industry partners to raise awareness of careers in the water and wastewater sector and prepare individuals for employment as needs arise. Combined with ongoing contractor capacity building, this work is creating a pipeline of skilled workers and qualified businesses ready to support JXN Water's long-term infrastructure and operational needs.

These efforts reflect JXN Water's commitment to delivering benefits beyond infrastructure improvements. By combining workforce development, technical assistance, direct contractor engagement, and the intentional inclusion of local businesses in project opportunities, JXN Water is building a lasting foundation of local talent and contractor capacity that supports a stronger water system, sustained economic growth, and meaningful opportunity 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 Q3 KPIs are slightly down from the peak in Q2 2026. While encouraging, more data are needed to see if we are seeing a downward trend that may indicate billing and collection issues may have peaked and will continue to trend to a level that may be expected as status quo in the future.

#### Call Center KPIs for Q3 2026

| Total Calls     | Average Talk Time    | Average Wait Time     |
|-----------------|----------------------|-----------------------|
| 48,132 (-13.3%) | 3.25 minutes (-7.7%) | 2.17 minutes (-19.6%) |

#### 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      |

## 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. At the end of the reporting period both grants had been fully pulled down and funds are exhausted. Close out approval was received for Grant Agreement 471 on September 29, 2026 and for Grant Agreement 476 on October 7, 2026.

|                                |                  |                  |                         |                                |                 |                 |                         |
|--------------------------------|------------------|------------------|-------------------------|--------------------------------|-----------------|-----------------|-------------------------|
| <b>471 Grant Amount</b>        |                  |                  | <b>\$ 34,288,680.00</b> | <b>476 Grant Amount</b>        |                 |                 | <b>\$ 12,000,000.00</b> |
| <b>Reimbursement Available</b> |                  |                  | <b>\$ 17,144,340.00</b> | <b>Reimbursement Available</b> |                 |                 | <b>\$ 6,000,000.00</b>  |
| 1                              | \$ 189,476.76    | \$ 189,476.76    |                         | 1                              | \$ 187,373.77   | \$ 187,373.77   |                         |
| 2                              | \$ 40,555.31     | \$ 230,032.07    |                         | 2                              | \$ 41,220.50    | \$ 228,594.27   |                         |
| 3                              | \$ 188,525.99    | \$ 418,558.06    |                         | 3                              | \$ 106,633.54   | \$ 335,227.81   |                         |
| 4                              | \$ 27,896.22     | \$ 446,454.28    |                         | 4                              | \$ 43,274.40    | \$ 378,502.21   |                         |
| 5                              | \$ 41,469.13     | \$ 487,923.41    |                         | 5                              | \$ 56,779.60    | \$ 435,281.81   |                         |
| 6                              | \$ 139,183.64    | \$ 627,107.05    |                         | 6                              | \$ 148,784.72   | \$ 584,066.53   |                         |
| 7                              | \$ 299,151.17    | \$ 926,258.22    |                         | 7                              | \$ 47,560.80    | \$ 631,627.33   |                         |
| 8                              | \$ 307,650.07    | \$ 1,233,908.29  |                         | 8                              | \$ 174,709.75   | \$ 806,337.08   |                         |
| 9                              | \$ 116,404.01    | \$ 1,350,312.30  |                         | 9                              | \$ 52,656.60    | \$ 858,993.68   |                         |
| 10                             | \$ 416,066.61    | \$ 1,766,378.91  |                         | 10                             | \$ 30,304.57    | \$ 889,298.25   |                         |
| 11                             | \$ 533,161.73    | \$ 2,299,540.64  |                         | 11                             | \$ 48,098.81    | \$ 937,397.06   |                         |
| 12                             | \$ 460,093.65    | \$ 2,759,634.29  |                         | 12                             | \$ 116,437.70   | \$ 1,053,834.76 |                         |
| 13                             | \$ 297,206.32    | \$ 3,056,840.61  |                         | 13                             | \$ 52,656.60    | \$ 1,106,491.36 |                         |
| 14                             | \$ 10,246,801.50 | \$ 13,303,642.11 |                         | 14                             | \$ 211,071.95   | \$ 1,317,563.31 |                         |
| 15                             | \$ 1,479,729.41  | \$ 14,783,371.52 |                         | 15                             | \$ 138,938.45   | \$ 1,456,501.76 |                         |
| 16                             | \$ 2,188,282.67  | \$ 16,971,654.19 |                         | 16                             | \$ 21,023.50    | \$ 1,477,525.26 |                         |
|                                | \$ 16,971,654.19 |                  |                         | 17                             | \$ 8,419.05     | \$ 1,485,944.31 |                         |
|                                |                  |                  |                         | 18                             | \$ 154,572.60   | \$ 1,640,516.91 |                         |
|                                |                  |                  |                         | 19                             | \$ 237,102.90   | \$ 1,877,619.81 |                         |
|                                |                  |                  |                         | 20                             | \$ 76,275.50    | \$ 1,953,895.31 |                         |
|                                |                  |                  |                         | 21                             | \$ 2,916,503.35 | \$ 4,870,398.66 |                         |
|                                |                  |                  |                         | 22                             | \$ 75,620.52    | \$ 4,946,019.18 |                         |
|                                |                  |                  |                         | 23                             | \$ 153,498.85   | \$ 5,099,518.03 |                         |
|                                |                  |                  |                         | 24                             | \$ 123,912.75   | \$ 5,223,430.78 |                         |
|                                |                  |                  |                         | 25                             | \$ 115,375.25   | \$ 5,338,806.03 |                         |
|                                |                  |                  |                         | 26                             | \$ 833,879.78   | \$ 6,172,685.81 |                         |
|                                |                  |                  |                         |                                | \$ 6,172,685.81 |                 |                         |
| <b>ARPA Match Available</b>    |                  |                  | <b>\$ 23,144,340.00</b> |                                |                 |                 |                         |
| <b>Reimbursement Grant 471</b> |                  |                  | <b>\$ 16,971,654.19</b> |                                |                 |                 |                         |
| <b>Reimbursement Grant 476</b> |                  |                  | <b>\$ 6,172,685.81</b>  |                                |                 |                 |                         |
| <b>Balance Available</b>       |                  |                  | <b>\$ -</b>             |                                |                 |                 |                         |

## Water Resources Development Act Section 219 Funding (USACE)

There has been \$139 million in Section 219 funding authorized by WRDA. The USACE has been working with JXN Water on the first phase of projects. One project is complete and the second is estimated to be complete by the end of Q1 2027. The third project remains unfunded as JXN Water does not have adequate funds for the local match.

JXN Water is working with the USACE to develop a workplan for 2027 to include Increments 4, 5 and 6 as shown below:

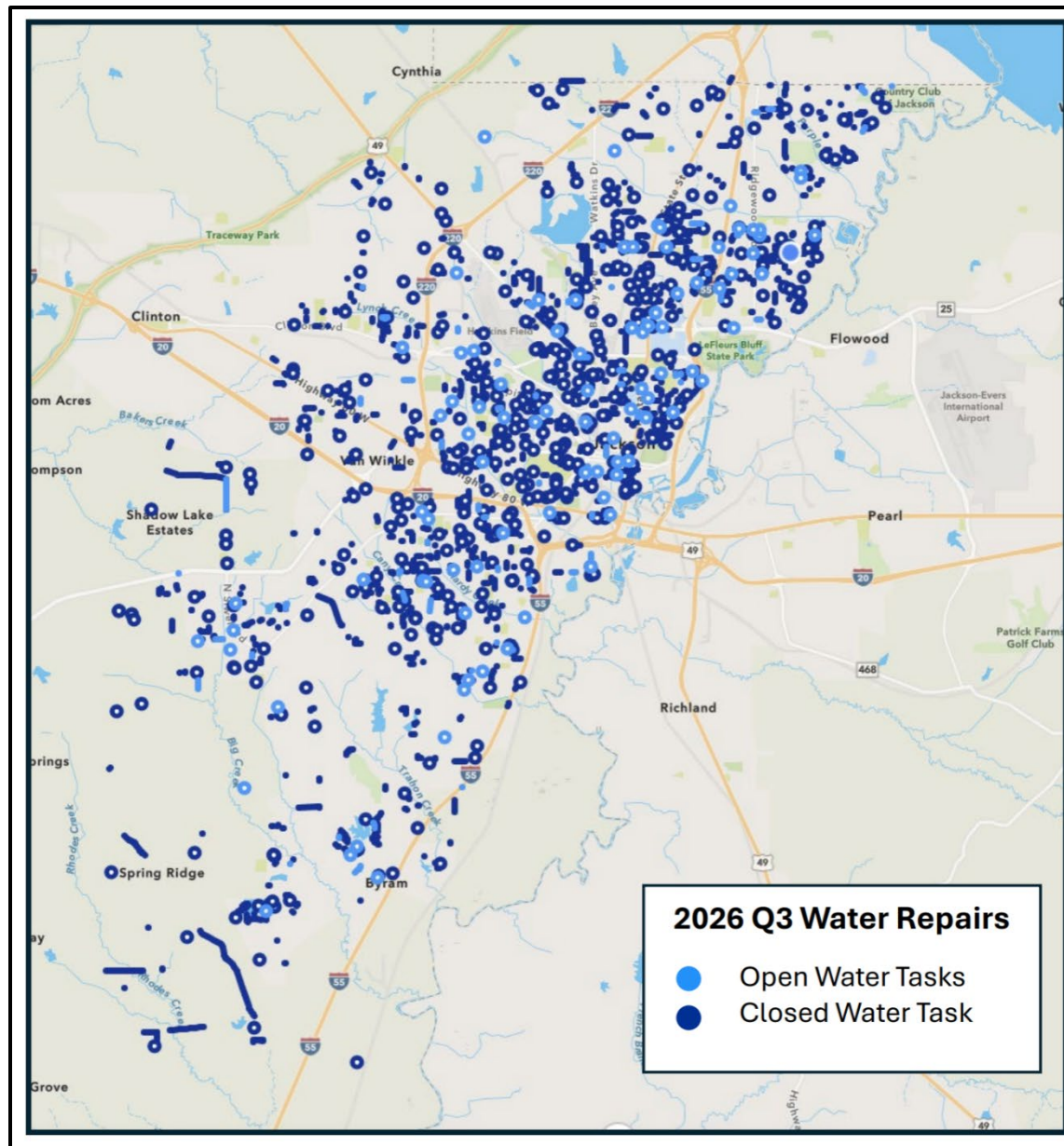
| Increment | Project                                        | Project Cost | Local Share  | Status                                                           |
|-----------|------------------------------------------------|--------------|--------------|------------------------------------------------------------------|
| 1         | 100 MGD Pump @ Savanna St WWTP                 | \$ 5,000,000 | \$ 1,666,666 | Funded, Est Completion 3/27                                      |
| 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 – local match requirements exceed available local funds |
| 4         | Mill Street Gravity Line Replacement           | \$ 3,606,500 | \$ 901,625   | Draft Letter Report under review                                 |
| 5         | Savanna St WWTP Influent Screen Replacement    | \$ 2,300,000 | \$ 575,000   | Letter report under development                                  |
| 6         | Savanna St WWTP Influent PS Structural Repairs | \$ 2,300,000 | \$ 575,000   | Letter report under development                                  |

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.



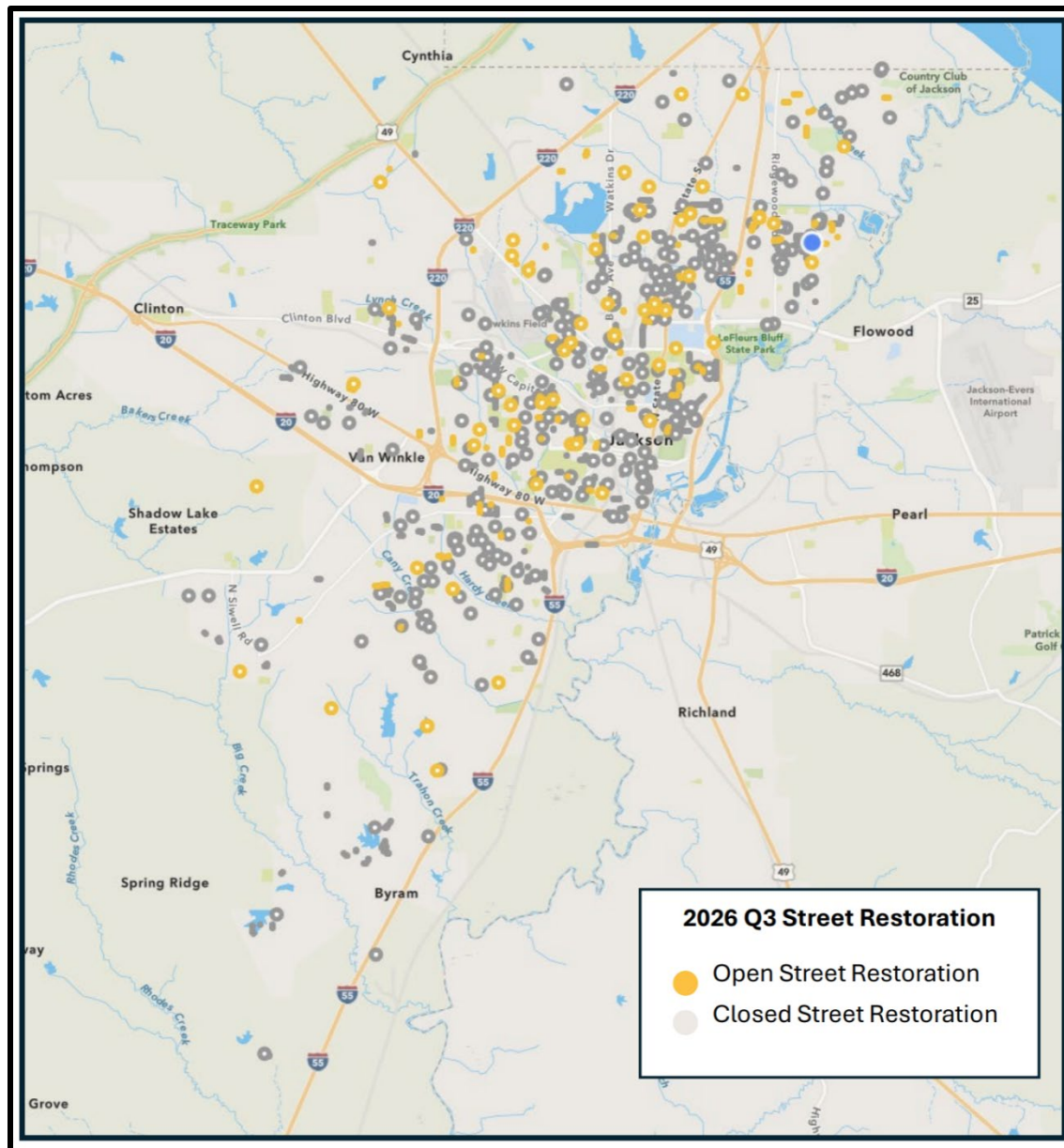
## Distribution system maintenance, repair, and renewal (formerly Find and Fix)

| Water Distribution Tasks Completed |             |            |            |            |            |             |            |            |            |            |             |
|------------------------------------|-------------|------------|------------|------------|------------|-------------|------------|------------|------------|------------|-------------|
|                                    | 2025        | 2026       |            |            |            |             |            |            |            |            |             |
| Status                             | 2025        | Jan        | Feb        | Mar        | Apr        | May         | Jun        | Jul        | Aug        | Sept       | 2026        |
| In Progress                        | 19          | 2          | 8          | 1          | 2          |             | 2          | 2          | 10         | 29         | 56          |
| Completed                          | 1843        | 176        | 182        | 123        | 135        | 130         | 113        | 131        | 136        | 150        | 1276        |
| <b>Total Tickets</b>               | <b>1862</b> | <b>178</b> | <b>190</b> | <b>124</b> | <b>137</b> | <b>130</b>  | <b>115</b> | <b>133</b> | <b>146</b> | <b>179</b> | <b>1332</b> |
| <b>Percent Complete</b>            | <b>99%</b>  | <b>99%</b> | <b>96%</b> | <b>99%</b> | <b>99%</b> | <b>100%</b> | <b>98%</b> | <b>98%</b> | <b>93%</b> | <b>84%</b> | <b>96%</b>  |
| *Data from 2025 forward            |             |            |            |            |            |             |            |            |            |            |             |
| Tickets by Type                    |             |            |            |            |            |             |            |            |            |            |             |
|                                    | 2025        | 2026       |            |            |            |             |            |            |            |            |             |
| Ticket Type                        | 2025        | Jan        | Feb        | Mar        | Apr        | May         | Jun        | Jul        | Aug        | Sept       | 2026        |
| <b>Non-Construction Tasks</b>      | <b>91</b>   | <b>14</b>  | <b>5</b>   | <b>8</b>   | <b>14</b>  | <b>12</b>   | <b>14</b>  | <b>9</b>   | <b>13</b>  | <b>16</b>  | <b>105</b>  |
| Install                            | 39          | 0          | 4          | 0          | 2          | 0           | 2          | 3          | 2          | 1          | 14          |
| Install New Tap                    | 2           | 2          | 0          | 4          | 1          | 5           | 0          | 0          | 7          | 3          | 22          |
| Move                               | 1           | 0          | 0          | 0          | 0          | 0           | 0          | 0          | 0          | 0          | 0           |
| Repair                             | 1546        | 134        | 157        | 97         | 109        | 91          | 76         | 105        | 100        | 150        | 1019        |
| Replace                            | 177         | 28         | 25         | 16         | 10         | 22          | 23         | 16         | 24         | 9          | 173         |
| Retire                             | 8           | 0          | 0          | 0          | 0          | 0           | 0          | 0          | 0          | 0          | 0           |
| <b>Grand Total</b>                 | <b>1864</b> | <b>178</b> | <b>191</b> | <b>125</b> | <b>136</b> | <b>130</b>  | <b>115</b> | <b>133</b> | <b>146</b> | <b>179</b> | <b>1333</b> |
| *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          | 2          |            |             |            |            |            |            |             |
| Install                            | 16          | 10         | 0          | 2          |            |             |            |            |            |            |             |
| Install New Tap                    | 16          | 35         | 1          | 2          |            |             |            |            |            |            |             |
| Move                               | 95          |            |            |            |            |             |            |            |            |            |             |
| Repair                             | 12          | 8          | 3          | 3          |            |             |            |            |            |            |             |
| Replace                            | 36          | 11         | 9          | 4          |            |             |            |            |            |            |             |
| Retire                             | 3           |            |            |            |            |             |            |            |            |            |             |
| *Data from 2025 forward            |             |            |            |            |            |             |            |            |            |            |             |



| Street Restorations        |       |             |            |            |            |            |            |            |            |            |            |            |
|----------------------------|-------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|                            |       | 2025        | 2026       |            |            |            |            |            |            |            |            |            |
| Status                     | Month | 2025        | Jan        | Feb        | Mar        | Apr        | May        | Jun        | Jul        | Aug        | Sept       | 2026       |
| In Progress                |       | 4           | 1          | 1          | 1          | 6          | 7          | 2          | 7          | 15         | 8          | 48         |
| Completed                  |       | 849         | 70         | 67         | 64         | 36         | 38         | 53         | 55         | 87         | 50         | 520        |
| <b>Total Tickets</b>       |       | <b>853</b>  | <b>71</b>  | <b>68</b>  | <b>65</b>  | <b>42</b>  | <b>45</b>  | <b>55</b>  | <b>62</b>  | <b>102</b> | <b>58</b>  | <b>568</b> |
| <b>Percent Complete</b>    |       | <b>100%</b> | <b>99%</b> | <b>99%</b> | <b>98%</b> | <b>86%</b> | <b>84%</b> | <b>96%</b> | <b>89%</b> | <b>85%</b> | <b>86%</b> | <b>92%</b> |
|                            |       |             |            |            |            |            |            |            |            |            |            |            |
| Completed Tickets          |       | 2025        | 2026 Q1    | 2026 Q2    | 2026 Q3    |            |            |            |            |            |            |            |
| Average # of Days to Close |       | 75          | 23         | 38         | 49         |            |            |            |            |            |            |            |

| Curb Restorations          |       |            |            |             |            |            |            |             |            |            |            |            |
|----------------------------|-------|------------|------------|-------------|------------|------------|------------|-------------|------------|------------|------------|------------|
|                            |       | 2025       | 2026       |             |            |            |            |             |            |            |            |            |
| Status                     | Month | 2025       | Jan        | Feb         | Mar        | Apr        | May        | Jun         | Jul        | Aug        | Sep        | 2026       |
| In Progress                |       | 1          | 3          | 0           | 1          | 2          | 2          | 0           | 1          | 3          | 2          | 14         |
| Completed                  |       | 102        | 8          | 2           | 8          | 8          | 5          | 11          | 7          | 7          | 3          | 59         |
| <b>Total Tickets</b>       |       | <b>103</b> | <b>11</b>  | <b>2</b>    | <b>9</b>   | <b>10</b>  | <b>7</b>   | <b>11</b>   | <b>8</b>   | <b>10</b>  | <b>5</b>   | <b>73</b>  |
| <b>Percent Complete</b>    |       | <b>99%</b> | <b>73%</b> | <b>100%</b> | <b>89%</b> | <b>80%</b> | <b>71%</b> | <b>100%</b> | <b>88%</b> | <b>70%</b> | <b>60%</b> | <b>81%</b> |
|                            |       |            |            |             |            |            |            |             |            |            |            |            |
| Completed Tickets          |       | 2025       | 2026 Q1    | 2026 Q2     | 2026 Q3    |            |            |             |            |            |            |            |
| Average # of Days to Close |       | 88         | -          | 31          | 55         |            |            |             |            |            |            |            |



## Metering

| Meter Tasks Completed   |              |             |             |             |             |             |             |             |             |             |            |
|-------------------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|
|                         | 2025         | 2026        |             |             |             |             |             |             |             |             |            |
| Status                  | 2025         | Jan         | Feb         | Mar         | Apr         | May         | Jun         | Jul         | Aug         | Sep         | 2026       |
| Planned                 | 100          | 7           | 5           | 11          | 26          | 23          | 23          | 20          | 32          | 228         | 375        |
| In Progress             | 111          | 6           | 16          | 73          | 115         | 37          | 172         | 55          | 103         | 107         | 684        |
| Completed               | 19852        | 2043        | 1890        | 4131        | 4808        | 3201        | 3893        | 2958        | 3619        | 3128        | 29671      |
| <b>Total Tickets</b>    | <b>20063</b> | <b>2056</b> | <b>1911</b> | <b>4215</b> | <b>4949</b> | <b>3261</b> | <b>4088</b> | <b>3033</b> | <b>3754</b> | <b>3463</b> | 30730      |
| <b>Percent Complete</b> | <b>99%</b>   | <b>99%</b>  | <b>99%</b>  | <b>98%</b>  | <b>97%</b>  | <b>98%</b>  | <b>95%</b>  | <b>98%</b>  | <b>96%</b>  | <b>90%</b>  | <b>97%</b> |

\* Data from March 30, 2025 forward

| Meter Tasks Created by Type    |              |             |             |             |             |             |             |             |             |             |              |
|--------------------------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
|                                | 2025         | 2026        |             |             |             |             |             |             |             |             |              |
| Ticket Type                    | 2025         | Jan         | Feb         | Mar         | Apr         | May         | Jun         | Jul         | Aug         | Sep         | 2026         |
| Meter Exchange Turn Off        | 519          | 26          | 113         | 169         | 80          | 28          | 24          | 19          | 25          | 24          | 508          |
| Meter Exchange Turn On         | 4374         | 127         | 390         | 212         | 109         | 109         | 93          | 103         | 75          | 52          | 1270         |
| Meter Install                  | 4256         | 30          | 44          | 66          | 53          | 65          | 72          | 46          | 15          | 25          | 416          |
| Meter Install New Tap          | 1            |             |             | 1           | 1           | 8           | 3           | 8           | 9           | 11          | 41           |
| Meter Remove                   | 180          | 26          | 9           | 8           | 9           | 4           | 3           | 3           | 2           |             | 64           |
| Meter Turn Off                 | 4452         | 245         | 286         | 347         | 347         | 343         | 340         | 325         | 300         | 322         | 2855         |
| Meter Turn Off No Account      | 1219         | 124         | 318         | 429         | 401         | 358         | 324         | 556         | 1024        | 752         | 4286         |
| Meter Turn Off Non Payment     | 8821         | 798         | 397         | 2246        | 2842        | 1243        | 1976        | 965         | 1101        | 1042        | 12610        |
| Meter Turn Off Temp Disconnect | 202          | 27          | 37          | 16          | 17          | 19          | 20          | 17          | 39          | 31          | 223          |
| Meter Turn On                  | 3157         | 375         | 530         | 627         | 807         | 750         | 777         | 722         | 789         | 680         | 6057         |
| Meter Turn On Non Payment      | 3264         | 575         | 324         | 576         | 738         | 626         | 866         | 689         | 568         | 583         | 5545         |
| Meter Turn On Sync             | 180          | 44          | 27          | 25          | 33          | 16          | 15          | 35          | 29          | 32          | 256          |
| <b>Grand Total</b>             | <b>30625</b> | <b>2397</b> | <b>2475</b> | <b>4722</b> | <b>5437</b> | <b>3569</b> | <b>4513</b> | <b>3488</b> | <b>3976</b> | <b>3554</b> | <b>34131</b> |

| Average # of Days to Close            |                 |            |            |            |
|---------------------------------------|-----------------|------------|------------|------------|
| Completed Tickets                     | 2025<br>Average | 2026<br>Q1 | 2026<br>Q2 | 2026<br>Q3 |
| Meter Exchange Turn Off               | 15              | 3          | 7          | 0          |
| Meter Exchange Turn On                | 13              | 4          | 7          | 3          |
| Meter Install                         | 14              | 9          | 11         | 15         |
| Meter Install New Tap                 | -               | -          | 74         | 15         |
| Meter Remove                          | 6               | 5          | 0          | 0          |
| Meter Turn Off                        | 16              | 10         | 16         | 16         |
| Meter Turn Off No Account             | 2               | 0          | 1          | 1          |
| Meter Turn Off Non Payment            | 6               | 3          | 5          | 3          |
| Meter Turn Off Temp Disconnect        | 2               | 0          | 2          | 1          |
| Meter Turn On                         | 2               | 1          | 1          | 1          |
| Meter Turn On Non Payment             | 0               | 0          | 0          | 0          |
| Meter Turn On Sync                    | 0               | 0          | 0          | 0          |
| * Data from March 30, 2025<br>forward |                 |            |            |            |

| Service Requests Completed |      |      |      |      |      |     |      |     |     |      |      |
|----------------------------|------|------|------|------|------|-----|------|-----|-----|------|------|
|                            | 2025 | 2026 |      |      |      |     |      |     |     |      |      |
| Status                     | 2025 | Jan  | Feb  | Mar  | Apr  | May | Jun  | Jul | Aug | Sept | 2026 |
| Open                       | 0    | 0    | 0    | 0    | 0    | 2   | 0    | 6   | 3   | 6    | 17   |
| Closed                     | 2991 | 315  | 397  | 370  | 393  | 335 | 342  | 422 | 328 | 396  | 3298 |
| <b>Total Tickets</b>       | 2991 | 315  | 397  | 370  | 393  | 337 | 342  | 428 | 331 | 402  | 3315 |
| <b>Percent Complete</b>    | 100% | 100% | 100% | 100% | 100% | 99% | 100% | 99% | 99% | 99%  | 99%  |

\* Data from March 30 forward

| Service Requests Created by Type |
|----------------------------------|
|----------------------------------|

|                    | 2025 | 2026 |     |     |     |     |     |     |     |      |      |
|--------------------|------|------|-----|-----|-----|-----|-----|-----|-----|------|------|
| Request Type       | 2025 | Jan  | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept | 2026 |
| Meter Issue        | 960  | 80   | 103 | 95  | 94  | 84  | 58  | 111 | 80  | 116  | 821  |
| Meter Leak         | 1194 | 131  | 138 | 149 | 178 | 134 | 149 | 178 | 134 | 171  | 1362 |
| Meter Low Pressure | 144  | 11   | 30  | 17  | 15  | 24  | 24  | 41  | 30  | 29   | 221  |
| Meter No Water     | 596  | 85   | 109 | 92  | 93  | 80  | 107 | 82  | 81  | 76   | 805  |
| Grand Total        | 2894 | 307  | 380 | 353 | 380 | 322 | 338 | 412 | 325 | 392  | 3209 |

## Communications & Customer Experience

### 1. Executive Summary

---

In Q3, JXN Water ran communications and customer experience as one strategy: tell customers clearly how to engage with their utility, then make sure every touchpoint delivers on that message. Customer activity grew month over month across every in-person channel.

**Table 1. Q3 at a glance**

| Q3 measure                          | Result                                       |
|-------------------------------------|----------------------------------------------|
| Radio spots aired                   | 682 across 3 stations                        |
| Peak monthly radio reach            | 54% of Jackson Metro adults 21–54 (113,500)  |
| Total radio impressions             | 1.87 million                                 |
| Jackson Advocate placements         | Every weekly edition                         |
| Customer Care Center visits         | 2,513 (up 18.7% July to September)           |
| Kiosk payments                      | 2,846 payments totaling \$681,199 (up 23.1%) |
| Neighborhood library kiosk payments | Up 40% July to September                     |

The communications strategy points customers to the core functions of their account: where to get help, how to pay, how to manage a past-due balance, and how to manage their account online. The growth in visits and payments shows customers are using those channels.

## 2. Our Approach: Integrated Utility Communications

---

Our communications are designed around how and why customers actually interact with their water utility. Every message is useful, accessible, and tied to an action a customer can take. The approach works in two connected parts:

1. **Communications models the way.** Paid radio and local print reach customers where they are with practical resources: where to get in-person help, how to pay, how to set up a payment arrangement, and how to manage an account online.
2. **Customer experience delivers on the promise.** Internal messaging matches what customers hear publicly, and Customer Care representatives are equipped to resolve the issues those messages invite.

When the public message and the service experience match, customers learn to navigate their utility with confidence. That consistency is how trust is built.

## 3. Communications

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Q3 paid media reached more than half of Jackson Metro adults each month with practical, action-oriented resources, through radio stations with deep reach among our customers and every weekly edition of the Jackson Advocate.

### 3.1 Message Priorities

Every placement directed customers to a specific way to engage:

- **In-person service** at the Customer Care Center, Jackson Medical Mall
- **Ways to pay**, including kiosks at neighborhood libraries and The Summit
- **Payment arrangements** for past-due balances
- **Online accounts** for easier account management
- **Community meetings**, with upcoming dates and locations
- **Water quality**, and where to find current information

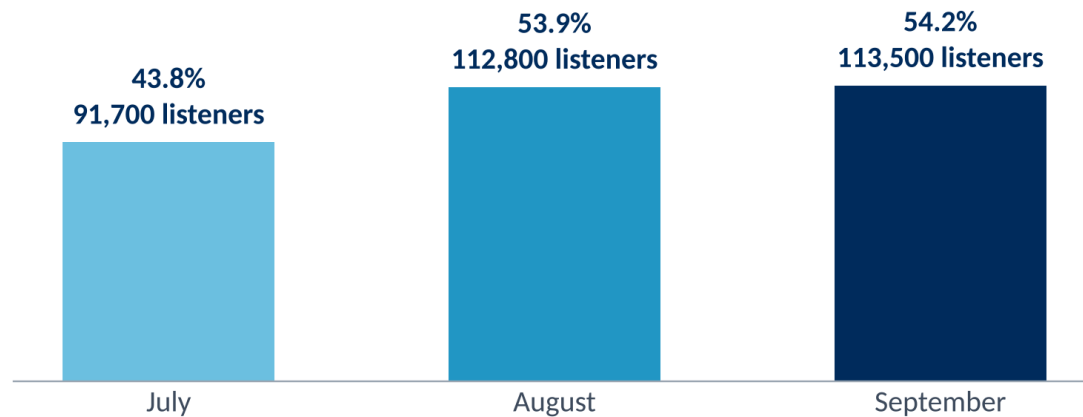
### 3.2 Paid Radio

JXN Water aired 682 :30 spots from July 15 through September 30 for a total investment of \$25,980. Spots ran weekdays from 6a to 7p to reach customers during their commutes and workdays.

**Table 2. Paid radio by month**

| Month            | Spots      | Investment      | Reach (A21–54) | Avg. frequency | Impressions  |
|------------------|------------|-----------------|----------------|----------------|--------------|
| July (7/15–7/31) | 159        | \$6,000         | 43.8%          | 4.6            | 425,400      |
| August           | 265        | \$10,000        | 53.9%          | 6.3            | 709,000      |
| September        | 258        | \$9,980         | 54.2%          | 6.5            | 735,200      |
| <b>Q3 total</b>  | <b>682</b> | <b>\$25,980</b> |                |                | <b>1.87M</b> |

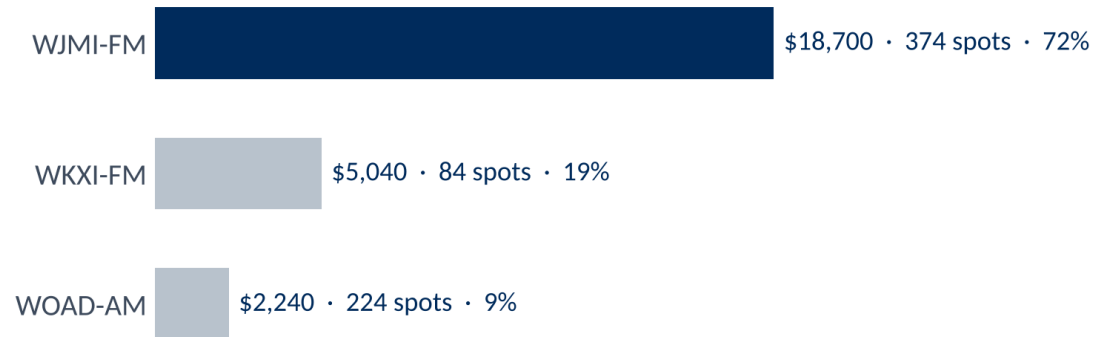
**Figure 1. Monthly radio reach grew to 54% of Jackson Metro adults 21–54**



*Source: Station schedules; Nielsen Jackson Metro, Oct–Dec 2025 survey, adults 21–54, M–F 6a–7p.*

Reach grew from 44% to 54% of Jackson Metro adults over the quarter, with each listener hearing the message 6 to 7 times a month by September. The campaign delivered impressions at \$13.90 per thousand.

**Figure 2. Q3 radio investment by station**



*Source: Station schedules, July–September 2026.*

WJMI-FM carried most of the audience. WOAD-AM extends reach to gospel and older listeners, an audience Nielsen does not rate in this market.

### **3.3 Local Print**

JXN Water appeared in every weekly edition of the Jackson Advocate throughout Q3. Print carried the same customer resources as radio and reached readers who rely on trusted community media.

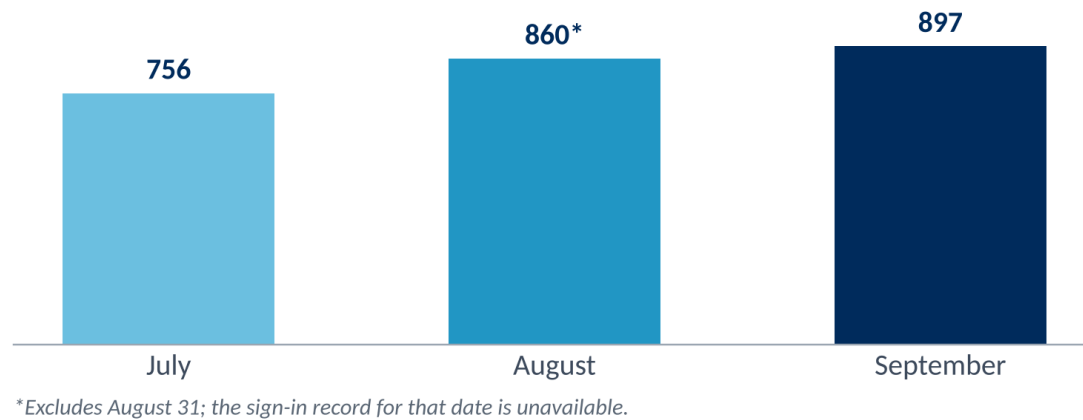
## 4. Customer Experience

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Customers used every in-person channel more as the quarter progressed. Care Center visits rose 18.7% and kiosk payments rose 23.1% from July to September.

### 4.1 Customer Care Center, Jackson Medical Mall

**Figure 3. Customer Care Center visits rose 18.7% over the quarter (2,513 total)**



*Source: Customer Care Center sign-in sheets, July–September 2026.*

The Care Center served about 40 customers per business day in Q3, rising to 43 a day in September.

## 4.2 Payment Kiosk Network

Kiosks processed 2,846 payments totaling \$681,199 in Q3.

**Figure 4. Kiosk payments rose 23.1%, from 871 in July to 1,072 in September**

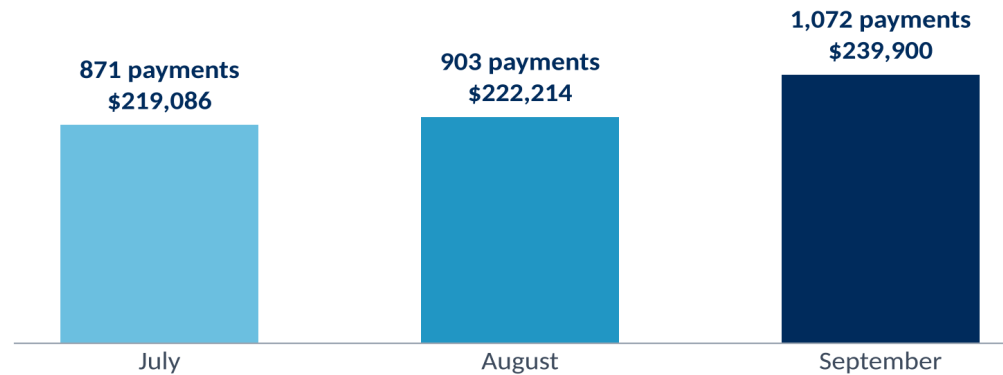


**Figure 5. Q3 kiosk payments by location**



**The Medical Mall is the hub.** It handled 90% of kiosk payments and 93% of dollars, and its kiosk volume grew 20% over the quarter. Together with Care Center visits, this confirms the Mall as the center of in-person service.

**Neighborhood access is growing.** Library kiosk payments rose 40%, from 53 in July to 74 in September, and The Summit doubled from 21 to 42 payments. Kiosks at libraries and The Summit give customers a way to pay close to home.

**More customers are paying, in smaller amounts.** The average payment fell from \$252 to \$224 as payment volume rose. This pattern is consistent with more customers making regular or partial payments.

### 4.3 Equipping Customer Care Representatives

Public messaging only works when the service experience matches it. Customer Care is building rep readiness in the areas customers ask about most.

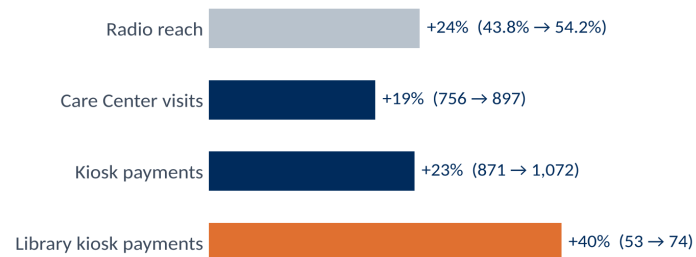
- **Standard operating procedures.** HDR completed a gap analysis of four core procedures: payment arrangements, leak adjustments, escalation, and onboarding. Representative training is now built on those findings.
- **Coaching model.** Training is shifting from broad onboarding toward one-on-one coaching: a standards session, a rep self-assessment, then live-call coaching. The first cohort is five representatives.
- **Consistent messaging.** Internal guidance aligns with what customers hear on radio and in print, so a customer gets the same answer at every touchpoint.

## What the Data Shows Together

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As our message reached more customers, more customers used the channels it pointed them to.

**Figure 6. Growth from July to September, by channel**



The channels the campaign promoted by name, the Medical Mall and neighborhood library kiosks, showed strong growth. Many factors shape customer behavior, but the alignment between message and activity supports continued investment in this approach.

## 5. Looking Ahead to Q4

---

Q3 sets the baseline for an expanded Q4 campaign.

- **Digital video.** A paid digital campaign launched September 28 and runs through December 31, with a new video each month across pre-roll, connected TV, and display.
- **New radio creative.** Three new :30 spots promote the November 7 community meeting (“Come to the Source”), water quality, and in-person service at the Medical Mall Customer Care Center.
- **Rep readiness.** Updated procedures and live-call coaching extend to more representatives.

We will report Q4 results against these Q3 benchmarks.

## 6. Data Notes

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Customer Care Center sign-in sheets; Q3 kiosk payment report; station schedules and affidavits (Nielsen Jackson Metro, Oct–Dec 2025 survey, adults 21–54, M–F 6a–7p). August Care Center figure excludes August 31; the sign-in record for that date is unavailable. Care Center visits and kiosk payments are reported separately, since kiosk users may not sign in at the Center.

## 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 61 issued during the quarter with an average of 35.5 connections impacted for 3.1 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 |
|-----|------------------------|------------------------|-----------------|----------------------|-------------------|--------------------------------------------------------------------------------------------------|-----------------------|
| 1   | 07/01/226              |                        |                 | x                    |                   | (1317-1350) Linden Pl (1425-1615) Pinehurst St (1500-1606) Poplar Blvd (1320-1623) St. Ann St    | 39                    |
| 2   | 7/1/2026               |                        |                 | x                    |                   | (3405-3438) Old Canton Rd (108-173) Glenway Dr (3403-3404) Kings Hwy (3403-3404) Galloway Ave    | 31                    |
| 3   | 7/1/2026               |                        |                 |                      | x                 | (5503-5584) Tiki Ln                                                                              |                       |
| 4   | 7/1/2026               | 7/7/2026               | 6               | x                    |                   | (912) Dalton St                                                                                  | 32                    |
| 5   | 7/1/2026               | 7/7/2026               | 6               |                      | x                 | (1317-1350) Linden Place (1425-1615) Pinehurst St (1500-1606) Poplar Blvd (1320-1623) St. Ann St | 39                    |
| 6   | 7/6/2026               | 7/8/2026               | 2               | x                    |                   | (4145-4356) Robinson St                                                                          | 15                    |
| 7   | 7/6/2026               | 7/8/2026               | 2               | x                    |                   | (2607-2709) Brown St                                                                             | 8                     |

|    |           |           |   |   |  |                                                   |    |
|----|-----------|-----------|---|---|--|---------------------------------------------------|----|
| 8  | 7/6/2026  | 7/8/2026  | 2 | x |  | (445-755) Nakoma Dr                               | 35 |
| 9  | 7/7/2026  | 7/9/2026  | 1 | x |  | (107-171) Highland Cir<br>(1606-1631) Pinevale St | 22 |
| 10 | 7/9/2026  | 7/10/2026 | 0 | x |  | (501-515) Court St<br>(555) S West St             | 5  |
| 11 | 7/9/2026  | 7/14/2026 | 5 | x |  | (27-39) Polo Dr                                   | 7  |
| 12 | 7/10/2026 | 7/14/2026 | 4 | x |  | (109-171) Holly Hill Dr                           | 30 |
| 13 | 7/10/2026 | 7/14/2026 | 4 | x |  | (510-572) Robinhood Rd                            | 20 |
| 14 | 7/13/2026 | 7/15/2026 | 2 | x |  | (500-510) Bradford Cv                             | 9  |
| 15 | 7/14/2026 | 7/17/2026 | 3 | x |  | (600-1125) E McDowell Rd                          | 20 |
| 16 | 7/15/2026 | 7/17/2026 | 2 | x |  | (401) E South St                                  | 1  |
| 17 | 7/16/2026 | 7/21/2026 | 5 | x |  | (714-1024) Euclid Ave                             | 40 |
| 18 | 7/20/2026 | 7/23/2026 | 3 | x |  | (130-221) Bell St                                 | 24 |
| 19 | 7/20/2026 |           |   | x |  | (4918-5253) Forest Hill Rd                        | 65 |

|    |           |           |   |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |     |
|----|-----------|-----------|---|---|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
|    |           |           |   |   |   | (408-1010) Lake Dockery<br>(417-1006) W Lake Dockery Dr<br>(516-530) Lake Dockery Cove<br>(420-460) Powell Cove<br>(701-765) Forest Woods Drive<br>(104-152) Forest Lake Drive<br>(200-225) Berlin Place<br>(308-316) Erie Cove<br>(220-270) Bryan Cove<br>(104-257) Gaddy Drive<br>(1467-1685) Gergory Drive<br>(100-1553) Torrence Cove<br>(210-1468) Forbes Drive<br>(320-350) Runnels Cove<br>(420-460) Powell Cove<br>(3101-3132) Tynes Drive<br>(3202-3218) Ryan Cove<br>(319-372) Barfield Drive<br>(220-287) Turtle Creek<br>(605-695) Dorothy Lane<br>(12-34) Brock Drive<br>(44-62) Lester Cove<br>(1205-1259) Wildwood Cove<br>(1205-1230) Wildwood Road<br>(70-83) Walbash Cove<br>(50-65) Lee Cove<br>(551-580) Buchanan Drive |     |
| 20 | 7/20/2026 | 7/23/2026 | 3 |   | x |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 508 |
| 21 | 7/22/2026 | 7/24/2026 | 2 |   | x | (1010-1067) E Broadwater Rd                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 19  |
| 22 | 7/27/2026 | 7/29/2026 | 2 | x |   | (216-340) S State Street<br>(200) Commerce St                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 5   |
| 23 | 7/27/2026 | 7/29/2026 | 2 | x |   | (607-671) Piermont St                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 14  |

|       |           |           |   |   |   |                                                                                                                                                                                                                           |     |
|-------|-----------|-----------|---|---|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 24    | 7/27/2026 | 7/29/2026 | 2 | x |   | (518-989) Bobby Rush Blvd<br>(2703-2713) 1st Ave                                                                                                                                                                          | 30  |
| 25    | 7/27/2026 | 7/29/2026 | 2 | x |   | (4104-4152) N Honeysuckle Ln                                                                                                                                                                                              | 10  |
| 26    | 7/28/2026 | 7/31/2026 | 3 | x |   | (3911-4043) Old Canton Ln (919-1127) Meadowbrook Rd (1070-1226) Buckley Dr (1-7) Crane Park (5-16) Wesley Walk (1-5) Ashley Park Dr (1-9) Abby Nord Pl (1-10) Fondren Green Cir (1-7) Carlyle Pl (4205-4245) Brookdale St | 106 |
| 27    | 7/29/2026 | 8/3/2026  | 5 | x |   | (906-980) Morningside Street                                                                                                                                                                                              | 22  |
| 28    | 7/29/2026 | 8/3/2026  | 5 | x |   | (610-660 North Street<br>(629) N. Jefferson St                                                                                                                                                                            | 4   |
| #REF! | 8/3/2026  | 8/6/2026  | 3 | x |   | (1024-1125) Manship St                                                                                                                                                                                                    | 16  |
| 30    | 8/3/2026  | 8/6/2026  | 3 |   | x | (1401-1475) Marwood Rd                                                                                                                                                                                                    | 18  |
| 31    | 8/4/2026  | 8/7/2026  | 3 | x |   | (517-732) Seneca Ave                                                                                                                                                                                                      | 25  |
| 32    | 8/6/2026  | 8/12/2026 | 6 | x |   | (18-26) Oakcreek Pl                                                                                                                                                                                                       | 8   |
| 33    | 8/6/2026  | 8/10/2026 | 1 | x |   | (752) Broad St                                                                                                                                                                                                            | 1   |
| 34    | 8/6/2026  | 8/10/2026 | 4 | x |   | (203-560) Hartfield St<br>(302-446) Decelle St                                                                                                                                                                            | 75  |
| 35    | 8/10/2026 | 8/13/2026 | 3 | x |   | (948-1093) Meadow Heights Drive                                                                                                                                                                                           | 30  |
| 36    | 8/10/2026 | 8/12/2026 | 2 |   | x | (408-1010) Lake Dockery Rd                                                                                                                                                                                                | 40  |
| 37    | 8/10/2026 | 8/12/2026 | 2 | x |   | (119-365) Wacaster St                                                                                                                                                                                                     | 38  |
|       | 8/12/2026 | 8/17/2026 | 5 | x |   | (3903-3942) Greaves St                                                                                                                                                                                                    | 13  |
| 38    | 8/12/2026 | 8/17/2026 | 5 | x |   | (200-301) N President St<br>(418-502) Yazoo St                                                                                                                                                                            | 9   |

|    |           |           |   |   |  |                                                                                                                                                 |    |
|----|-----------|-----------|---|---|--|-------------------------------------------------------------------------------------------------------------------------------------------------|----|
|    | 8/12/2026 | 8/17/2026 | 5 | x |  | (1404-1542) Winchester St                                                                                                                       | 26 |
| 40 | 8/13/2026 | 8/17/2026 | 4 | x |  | (140-250) Outer Circle<br>(364-365) Shop Street                                                                                                 | 4  |
| 42 | 8/17/2026 | 8/20/2026 | 3 | x |  | (300-465) Culbertson Ave                                                                                                                        | 31 |
| 43 | 8/17/2026 | 8/20/2026 | 3 | x |  | (104-119) Calhoun St<br>(115-202) Ethel Moore Ave<br>(119-150) Princeton St<br>(1509-1612) W Capitol St                                         | 42 |
| 44 | 8/17/2026 | 8/20/2026 | 3 | x |  | (104-248) Kimbrough Dr                                                                                                                          | 28 |
| 45 | 8/19/2026 | 8/21/2026 | 2 | x |  | (390-540) Collier Ave                                                                                                                           | 22 |
| 46 | 8/19/2026 | 8/21/2026 | 2 | x |  | (2601-2693) Lake Circle<br>(3819-4009) Eastover Dr<br>(4203-4230) Eastover Pl                                                                   | 51 |
| 47 | 8/20/2026 | 8/24/2026 | 4 | x |  | (1012-1222) W Silas Brown St                                                                                                                    | 13 |
| 48 | 8/20/2026 |           |   | x |  | (1103-1195) Florence Ave                                                                                                                        | 6  |
| 49 | 8/21/2026 | 8/26/2026 | 5 | x |  | (602-638) W Hillsdale Dr<br>(103-520) E Hillsdale Dr<br>(103-114) Elcrest St<br>(103-110) Fair Ct<br>(105-110) Club Ct<br>(103-109) Gay Ct      | 89 |
| 50 | 8/24/2026 | 8/27/2026 | 3 | x |  | (760-850) Willow St<br>(602-776) W Silas Brown St<br>(603-795) Cherry St<br>(603-739) Chestnut St<br>(704-723) Walnut St<br>(704-712) Hooker St | 85 |
| 51 | 8/25/2026 | 8/27/2026 | 2 | x |  | (700-787) Benning Rd                                                                                                                            | 24 |
| 52 | 8/25/2026 | 8/27/2026 | 2 | x |  | (1005-1031) Walnut St                                                                                                                           | 12 |
| 53 | 8/25/2026 | 8/27/2026 | 2 | x |  | (805-895) Serville Dr                                                                                                                           | 30 |

|    |           |           |   |   |  |                                                   |    |
|----|-----------|-----------|---|---|--|---------------------------------------------------|----|
| 54 | 8/26/2026 | 8/31/2026 | 5 | x |  | (3815-3861) Eddy St                               | 13 |
| 55 | 8/26/2026 | 8/28/2026 | 2 | x |  | (1207-1764) Hair St                               | 50 |
| 56 | 8/26/2026 | 8/28/2026 | 2 | x |  | (2008-2151) E Northside Dr                        | 17 |
| 57 | 8/26/2026 | 8/28/2026 | 2 | x |  | (211-270) Winfield St<br>(3812-3851) Nichols Blvd | 31 |
| 58 | 8/27/2026 | 8/31/2026 | 4 | x |  | (504-560) Hartfield St<br>(3139) N State St       | 15 |
| 59 | 8/27/2026 | 8/31/2026 | 4 | x |  | (3408-4025) Kings Hwy                             | 40 |
| 60 | 8/27/2026 | 8/31/2026 | 4 | x |  | (517-732) Seneca Ave                              | 25 |
| 61 | 8/31/2026 | 9/2/2026  | 2 | x |  | (1102-2585) McDowell Cir                          | 40 |

## 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.

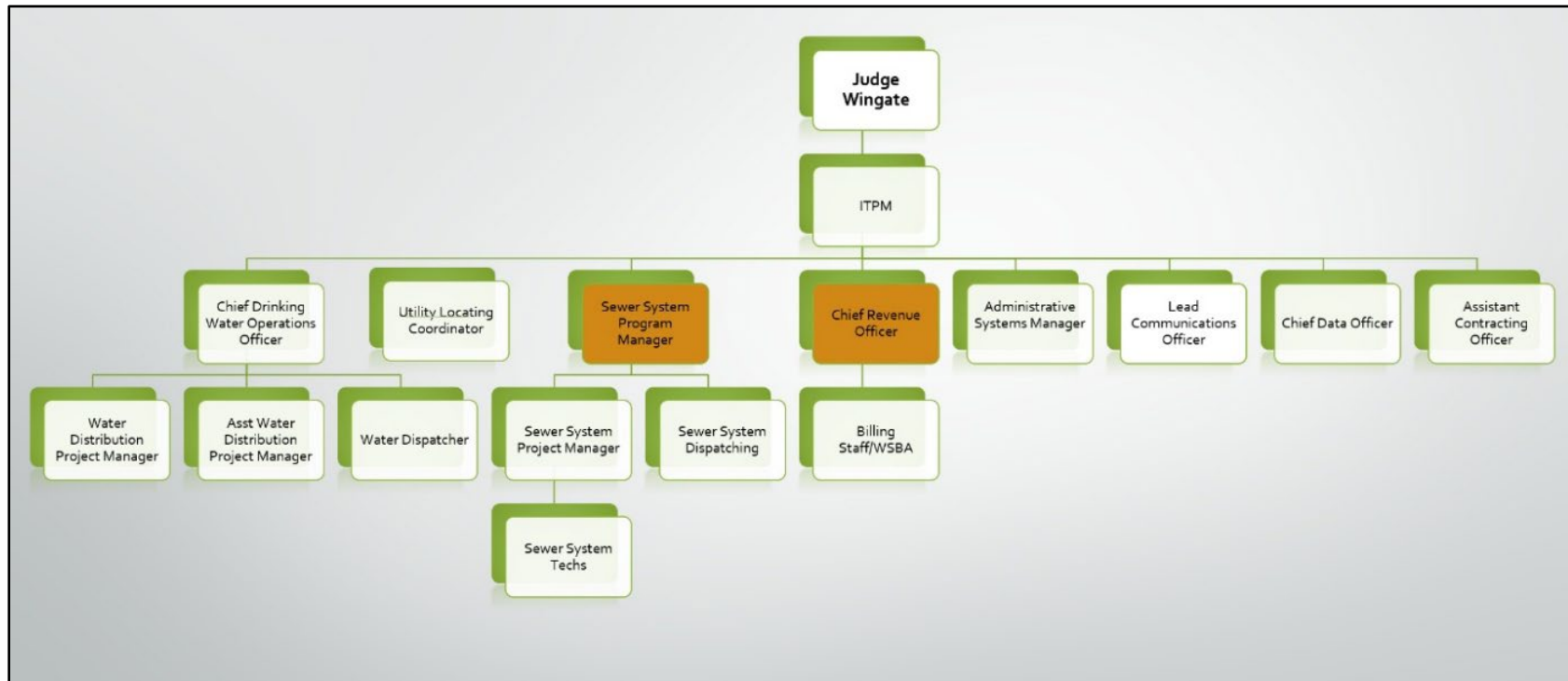
## Modifications to Priority Project List or Schedule

- 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.

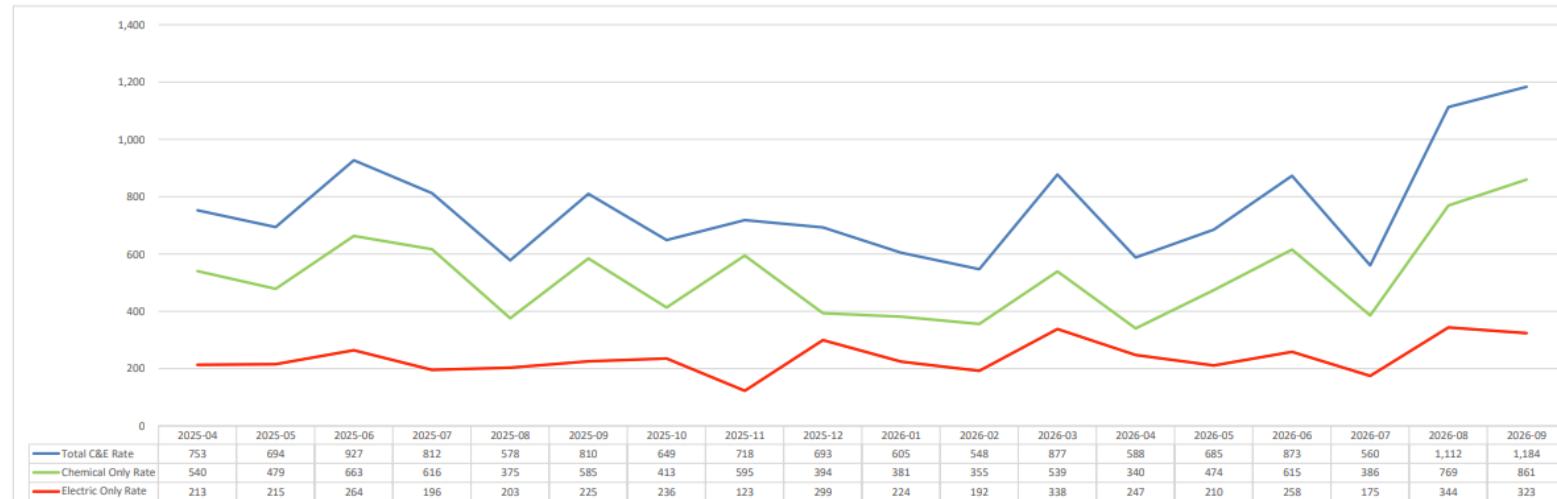
### Water Production (into Distribution System) in million gallons per day

| Plant            | Q3<br>Avg   | Q2<br>Avg   | Q1<br>Avg<br>2026 | Q4<br>Avg   | Q3<br>Avg   | Q2<br>Avg   | Q1<br>Avg<br>2025 | Q4<br>Avg   | Q3<br>Avg   | Q2<br>Avg   | Q1<br>Avg<br>2024 | Q4<br>Avg   | Q3<br>Avg   | Q2<br>Avg   | Q1<br>Avg<br>2023 |
|------------------|-------------|-------------|-------------------|-------------|-------------|-------------|-------------------|-------------|-------------|-------------|-------------------|-------------|-------------|-------------|-------------------|
| OBC Conventional | 8.6         | 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     | 12.2        | 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        | 12.1        | 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              |
| <b>Total</b>     | <b>32.9</b> | <b>35.1</b> | <b>37.0</b>       | <b>35.9</b> | <b>40.4</b> | <b>34.4</b> | <b>39.9</b>       | <b>39.6</b> | <b>40.7</b> | <b>38.4</b> | <b>48.5</b>       | <b>55.9</b> | <b>53.7</b> | <b>47.2</b> | <b>50.2</b>       |

## Chemical and Electrical Costs

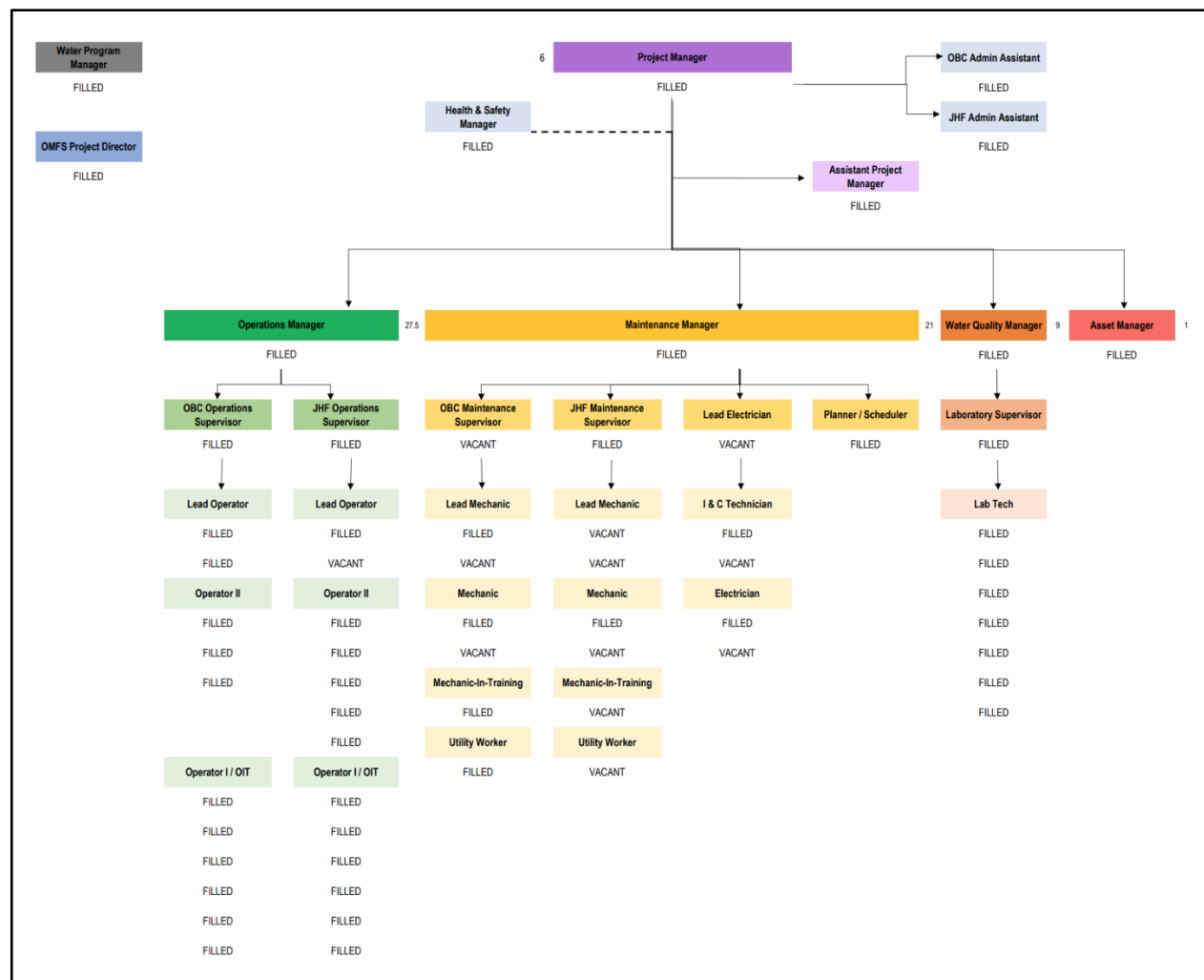
JXN Water Chemical and Electrical Costs per Million Gallons

|                                            | 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        | 2026-07        | 2026-08          | 2026-09          |
|--------------------------------------------|----------------|----------------|----------------|------------------|----------------|------------------|----------------|----------------|----------------|----------------|----------------|------------------|----------------|----------------|----------------|----------------|------------------|------------------|
| <b>Chemical and Electrical Consumption</b> |                |                |                |                  |                |                  |                |                |                |                |                |                  |                |                |                |                |                  |                  |
| Chemical Cost                              | 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        | 361,176        | 766,300          | 937,261          |
| Electrical Cost                            | 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        | 163,734        | 342,584          | 352,284          |
| <b>Total C&amp;E</b>                       | <b>763,414</b> | <b>744,064</b> | <b>970,780</b> | <b>1,012,472</b> | <b>698,202</b> | <b>1,019,288</b> | <b>811,656</b> | <b>724,277</b> | <b>721,592</b> | <b>658,500</b> | <b>583,126</b> | <b>1,035,178</b> | <b>650,291</b> | <b>731,605</b> | <b>887,250</b> | <b>524,910</b> | <b>1,108,884</b> | <b>1,289,545</b> |
| Quarterly                                  |                |                | 2,478,258      |                  |                | 2,729,962        |                |                | 2,257,525      |                |                | 2,276,804        |                |                | 2,269,146      |                |                  | 2,923,339        |
| <b>Plant Flows</b>                         |                |                |                |                  |                |                  |                |                |                |                |                |                  |                |                |                |                |                  |                  |
| All Plants MG                              | 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       | 936.70         | 997.00           | 1,089.10         |
| Quarterly                                  |                |                | 3,134          |                  |                | 3,714            |                |                | 3,300.84       |                |                | 3,333.90         |                |                | 3,191.80       |                |                  | 3,022.80         |
| <b>Total C&amp;E Rate</b>                  |                |                |                |                  |                |                  |                |                |                |                |                |                  |                |                |                |                |                  |                  |
| Cost per MG                                | 753            | 694            | 927            | 812              | 578            | 810              | 649            | 718            | 693            | 605            | 548            | 877              | 588            | 685            | 873            | 560            | 1,112            | 1,184            |
| Quarterly                                  |                |                | 791            |                  |                | 735              |                |                | 684            |                |                | 683              |                |                | 711            |                |                  | 967              |
| <b>Chemical Only Rate</b>                  |                |                |                |                  |                |                  |                |                |                |                |                |                  |                |                |                |                |                  |                  |
| Cost per MG                                | 540            | 479            | 663            | 616              | 375            | 585              | 413            | 595            | 394            | 381            | 355            | 539              | 340            | 474            | 615            | 386            | 769              | 861              |
| Quarterly                                  |                |                | 560            |                  |                | 527              |                |                | 463            |                |                | 429              |                |                | 473            |                |                  | 683              |
| <b>Electric Only Rate</b>                  |                |                |                |                  |                |                  |                |                |                |                |                |                  |                |                |                |                |                  |                  |
| Cost per MG                                | 213            | 215            | 264            | 196              | 203            | 225              | 236            | 123            | 299            | 224            | 192            | 338              | 247            | 210            | 258            | 175            | 344              | 323              |
| Quarterly                                  |                |                | 231            |                  |                | 208              |                |                | 221            |                |                | 254              |                |                | 238            |                |                  | 284              |



## 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 September 30, 2026, 52.5 positions are filled.



## Priority Project Status

| PPL    | Description                                                                          | Summary of Work<br>Quarter Ending Sept 30, 2026                                                                                                                                                                                                                                                                                                        | Projection of Work<br>Quarter Ending Dec 31, 2026                                                                                                                                                                                                                                                 |
|--------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | O&M Contract                                                                         |                                                                                                                                                                                                                                                                                                                                                        | Continue to coordinate operations with ongoing construction project sequencing.                                                                                                                                                                                                                   |
| 2      | Winterization                                                                        |                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                   |
| 3      | Corrosion Control - JHF CO <sub>2</sub> Chemical Feed Equipment Project Construction |                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                   |
| 3      | Corrosion Control – OBC Liquid Lime                                                  | <u>Jacobs/Hemphill</u> <ul style="list-style-type: none"> <li>Liquid Lime and CO<sub>2</sub> system installed and tested</li> <li>Punch walk from construction and design conducted</li> </ul>                                                                                                                                                         | Issue Substantial Completion certificate                                                                                                                                                                                                                                                          |
| 5a     | Distribution Plan for EPA Review and Approval                                        |                                                                                                                                                                                                                                                                                                                                                        | Continue to advance efforts outlined in the submitted plan.                                                                                                                                                                                                                                       |
| 5ai.1  | Hydraulic Model System Analysis                                                      | <u>Stantec</u><br>Continued performing model analyses as requested by JXN Water, Jacobs, or the Stantec design team.                                                                                                                                                                                                                                   | Continue performing Model analyses as requested by JXN Water, Jacobs, or the Stantec design team                                                                                                                                                                                                  |
| 5aii.1 | Altitude Valve Assessment                                                            | <u>Stantec</u><br>Field assessment of existing altitude valves was completed in 2023. Altitude Valve recommendations were provided to JXN Water in a TM and reviewed in a meeting on 9/15/26. JXN Water has agreed to proceed with functional testing at several locations to determine if existing valves can be repaired vs. full valve replacement. | Complete functional valve testing. Revisit replacement recommendations with JXN Water to determine the next steps.                                                                                                                                                                                |
| 5aii.2 | Valve and Hydrant Assessment                                                         | <u>Wachs/Stantec</u><br>Completed the following repairs and field activities: <ul style="list-style-type: none"> <li>Valves fully exercised: 346 (9,219 cumulative)</li> <li>Op nut repairs: 3 (115 cumulative)</li> <li>Uncovered: 203 (2,398 cumulative)</li> </ul>                                                                                  | Continue assessing the entire distribution system valves and hydrants and performing needed hydrant flow tests.<br>Continue the hydrant painting program.<br>Re-visit buried or not found valves identified in the first round so that they can be raised and verified to be active and operable. |

|         |                              |                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                      |
|---------|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                              | <ul style="list-style-type: none"> <li>• Frozen repaired: 1 (18 cumulative)</li> <li>• Position changed: 52 (1,079 cumulative)</li> <li>• Hydrants: 191 (9,708 cumulative)</li> <li>• Leak Loggers Installed: 0 (23 cumulative)</li> <li>• Hydrant Painting: 13 (1,417 cumulative)</li> </ul>                                                                                                                                                |                                                                                                                                                                                                                                                                                                      |
| 5a.ii.3 | Valve Repair and Replacement | <u>Stantec/Wachs</u> <ul style="list-style-type: none"> <li>• Stantec worked with the condition assessment team (Wachs) to identify replacements.</li> <li>• Non-operational valves continue to be replaced as emergency projects as needed.</li> </ul> <p>Stantec prepared list of recommended large diameter valves based on Wachs assessment and hydraulic modeling. Valves recommended for replacement were reviewed with JXN Water.</p> | Continue replacing non-operational valves as emergency projects where required. Complete revisions per JXN Water feedback and finalize draft large diameter valve replacement bid package. Prepare a bid package for large diameter valve replacements and submit it to SRF for review and approval. |
| 5a.ii.4 | Hydrant Replacements         | <u>Stantec/Wachs</u> <ul style="list-style-type: none"> <li>• Stantec worked with the condition assessment team (Wachs) to identify replacements.</li> </ul> <p>Non-operational hydrants have been replaced as emergency projects as needed.</p>                                                                                                                                                                                             | Continue replacing non-operational hydrants as emergency projects where required.                                                                                                                                                                                                                    |
| 5a.ii.5 | Water Taps                   | <u>Stantec</u><br>Details of the completed / ongoing activities: <ul style="list-style-type: none"> <li>• New water tap requests – 24</li> <li>• New sewer tap requests – 0.</li> <li>• New water meter downsize requests – 6</li> <li>• Water tap installations in progress - 57</li> </ul> <p>Total meter downsize in progress - 70</p>                                                                                                    | The administration services are ongoing as new applications for water taps are received.                                                                                                                                                                                                             |

|         |                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                 |
|---------|----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5aii.6  | Sample Tap / Station Replacements                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                 |
| 5aiii.1 | Development of Comprehensive GIS Map to support Hydraulic Modelling / Other Activities |                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                 |
| 5aiii.2 | GIS Field Data collection and mapping services                                         |                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                 |
| 5aiii.3 | GIS Data Integration                                                                   | <u>Stantec</u> <ul style="list-style-type: none"> <li>• Ongoing Hydrant/Valve data integration from Wachs</li> <li>• GIS/Asset Inventory Updates</li> <li>• Improved data automations and increased reliability</li> </ul> Continued data migration to JXN enterprise environment.                                                                                                                                 | Continue improvements to the utility network to improve traceability.<br>Ongoing Asset Management/Cartegraph support.<br>Data Management efforts to support inspection records. |
| 5aiii.4 | Water Distribution – Asset Information                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                 |
| 5aiii.5 | Water Distribution - Cartegraph                                                        | <u>Stantec</u><br>Ongoing Cartegraph / Automation improvements                                                                                                                                                                                                                                                                                                                                                     | Follow up enhancements as requested by JXN Water.<br>Begin migration and authentication of map services from AGO to AGE.                                                        |
| 5aiii.6 | Sewer Collection Asset Information                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                 |
| 5aiv.1  | Distribution System Leaks – Find and Fix                                               | <u>Stantec</u> <ul style="list-style-type: none"> <li>• Performed triage for work order requests.</li> <li>• Assist JXN Water with find and fix work orders as requested.</li> </ul>                                                                                                                                                                                                                               | Continue real-time leak detection identification.<br>Continue to assist JXN with work order investigation and field related activities.                                         |
| 5aiv.2  | Water Loss Investigations Pilot Studies                                                | <u>Stantec</u><br>Oldcastle's leak detection pro bono pilot project was completed during this period.<br>2026 data as 9/30/26: <ul style="list-style-type: none"> <li>• Addresses Visited: 404</li> <li>• Results: <ul style="list-style-type: none"> <li>• Public Side/Proximity to Public Side: 92</li> <li>• Private Side/Proximity to Private Side: 64</li> <li>• No Leak Detected: 250</li> </ul> </li> </ul> | Continue internal leak detection program.<br>Assess and report out on the 2026 program to date.<br>Complete assessment for 2027 program.                                        |

|        |                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                |
|--------|---------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                                                                     | <ul style="list-style-type: none"> <li>Tasks/Requests Sent to Cartegraph: 73</li> </ul>                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                |
| 5aiv.3 | Management of Leak Detection and Repair Program                     | <u>Stantec</u><br>Provided initial investigation of water leaks and provided inspection services associated with the repair of water system leaks.                                                                                                                                                                                                                                                            | Continue providing investigation and inspection services as requested.                                                                                                                                                                         |
| 5aiv.4 | Management of Identification and Repair of Major Water System Leaks | <u>Stantec</u><br>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                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                |
|        |                                                                     | <b>30-inch Pipe Replacement Design (Fortification – from Prentiss to I-220)</b><br>Stantec is 100% complete with design to replace pipeline. Temporary and permanent construction easements are obtained. Permits have been issued for railroad crossings.<br>Delays: MSDH review and approval, which was submitted for review on 3/20/26 and responses to comments with revisions were sent to MSDH 9/24/26. | Project approval for procurement is anticipated in Q4 2026.<br>Project procurement/bidding to be completed after MSDH approval.                                                                                                                |
|        |                                                                     | <b>30-inch Pipe Design (Gallatin &amp; McDowell)</b> <ul style="list-style-type: none"> <li>Project was split into Project 1A and 1B to advance construction due to poor condition of existing 12" water main.</li> </ul>                                                                                                                                                                                     | Project 1A design completion is anticipated in Q4 2026.<br>Project 1B design and permitting anticipated to be completed in Q4 2026.<br>Project procurement/bidding to be completed after approvals from MDOT, MSDH and SRF have been obtained. |

|  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                         |
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|  |  | <ul style="list-style-type: none"> <li>• 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.</li> <li>• Project 1B will include the trenchless crossing within MDOT Right-of-Way, crossing Lynch Creek and continuing north until South West Street.</li> <li>• MDOT has reviewed the plans and revisions per review comments were sent to MDOT for approval on 9/23/26.</li> <li>• Loan agreement signed 08/12/26.</li> </ul> <p>Delays: MSDH and SRF review and approval for Phase 1A. Plans sent to MSDH on 4/17/26.<br/>MDOT, MSDH, and SRF review and approval for Phase 1B. Plans sent to MSDH on 7/29/26.</p> |                                                                         |
|  |  | <b>20-inch Pipe Design (Siwell Rd - McClure St to Terry Rd) – Complete</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Condition assessment indicated not urgent at this time. Design shelved. |
|  |  | <b>30-inch Pipe Design (West St and Rankin Rd)</b> <ul style="list-style-type: none"> <li>• Draft Plans and Contract documents at 100%.</li> <li>• Cathodic protection (CP) design is completed.</li> <li>• Easements have been obtained.</li> <li>• Awaiting CN railroad permit review and approval.</li> <li>• Awaiting MDOT permit review and approval.</li> <li>• Final plans have been reviewed by JXN Water.</li> </ul> <p>Delays: Waiting for loan approval from MSDH. loan request sent 05/26/26. Railroad crossing and MDOT permit approvals.</p>                                                                                                                                                                  | Anticipate design completion in Q4 2026 pending all approvals received. |

|         |                             |                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                  |
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|         |                             | MSDH and SRF review and approval.                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                  |
|         |                             | <b>Merit Hospital Fire Line Connection Pipeline Design (Project No. 2309)</b> <ul style="list-style-type: none"> <li>Plans and Contract documents at 100%</li> <li>Sent to MSDH for review and approval 2/23/26 with follow-up meetings and submittals on 4/10/26 and 4/13/26.</li> </ul> Delays: Acquisition of easement through Hospital property. MSDH and SRF review and approval. | Anticipate design completion once approved by MSDH, estimated Q1 2027.                                                                                                                                           |
|         |                             | <b>MMC Yard Pipeline Connection Pipeline Design (Project No. 2401) –</b> <ul style="list-style-type: none"> <li>Loan agreement signed 7/15/26</li> <li>Project was bid and JXN Water received 8 bids.</li> <li>Project Notice of Award sent to Low bidder on 9/17/26.</li> </ul> Delays: MSDH and SRF review and approval of project Award.                                            | Anticipate construction to begin Q4 2026.                                                                                                                                                                        |
|         |                             | <b>Maddox/TV Road Pipeline and Valve Design (Project No. 2326)</b><br>Design survey and geotechnical investigation completed. Design is ongoing.<br>Delays: MDOT and SRF Review and Approvals                                                                                                                                                                                          | Design continues with an estimated 90% completion in Q1 2027.                                                                                                                                                    |
| 5av.1   | Master Plan                 | <u>Stantec/Jacobs</u> <ul style="list-style-type: none"> <li>Finalized master plan and Facilities Plan Addendum #2.</li> </ul> Submitted Master Plan and Facilities Plan Addendum #2 to MSDH on 7/27/26.                                                                                                                                                                               | Respond to comments from MSDH when (if) received.                                                                                                                                                                |
| 5avii.1 | Lead Service Line Inventory | <ul style="list-style-type: none"> <li>Lead Program Compliance meetings were held between JXN Water and Jacobs.</li> <li>Working to join the Service Point ID (SPID) information to lead service</li> </ul>                                                                                                                                                                            | Continue the lead service line replacements, if encountered.<br>Update the service line inventory using Cartegraph (find and fix) data.<br>Updates to the public facing webmap based on the updated inventories. |

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|----------|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          |                                                                                           | <p>inventory. This is expected reduce the number of mailers and unknown service points in the water system.</p> <ul style="list-style-type: none"> <li>Delivered 2026 inventory to Jacobs.</li> <li>Updates to the Lead Service Line Solution from ESRI</li> <li>Updates to the public facing webmap based on the updated inventories.</li> </ul> <p>Development of the ESRI Lead Service Sampling Manager with Jacobs.</p> | <p>Ongoing work to integrate address and service point ID data from the billing system to the lead service line inventory.</p> <p>Complete the development of the ESRI Lead Service Sampling Manager.</p> <p>Develop proposed plan for mitigating unknown services from inventory.</p> |
| 5aviii.2 | Rate Modeling Support                                                                     | <p>Stantec</p> <p>Completed technical memo for tiered analysis. Prepare for meeting with intervenors.</p>                                                                                                                                                                                                                                                                                                                   | <p>Finalize Efficiency Tiered Analysis including presentation to intervenors. Begin work on alternative rate analysis.</p>                                                                                                                                                             |
| 5aviii.5 | SRF and Facilities Plan Support                                                           | <p>Stantec/Benchmark</p> <ul style="list-style-type: none"> <li>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.</li> </ul> <p>Delays: Approval from MSDH to advertise for Public Meeting for Addendum 1. Plan reviews by MSDH taking months.</p>                                                | <p>Continue submitting SRF Loan packages to MSDH.</p> <p>Continue working on addendum #2 for Facility Plan for Phase II projects.</p> <p>Public Meeting for Addendum 1 of the Facility Plan.</p>                                                                                       |
| 5aviii.6 | Develop Standard Details & Specifications for 2-Inch Water Main Replacement Pilot Project |                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                        |
| 5aviii.7 | Small Diameter Replacements                                                               | <p>Stantec</p> <p><b>Choctaw Village Water &amp; Sewer Replacement Design (Project No. 2310)</b></p> <ul style="list-style-type: none"> <li>Contractor completed with pipe installation and testing.</li> </ul> <p>Delays: Weather delays (34 days)</p>                                                                                                                                                                     | <p>Anticipated project completion in Q4 of 2026.</p> <p>Final contractor clean-up, punch list, and as-built completion.</p>                                                                                                                                                            |
|          |                                                                                           | <p><b>Broadmoor Area and Brown Street Water &amp; Sewer Replacement Design (Project No. 2311 and 2312 )</b></p> <p>Project was advertised and bid. Three bids were received. Project notice of</p>                                                                                                                                                                                                                          | <p>Construction to start in Q4 of 2026.</p>                                                                                                                                                                                                                                            |

|  |  |                                                                                                                                                                                                                                                                                                                                       |                                                                                         |
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|  |  | award has been sent to the low bidder and contract documents are being prepared for signatures.                                                                                                                                                                                                                                       |                                                                                         |
|  |  | <b>East Oak Forest/Emerald Hills/Emerald Acres Water &amp; Sewer Replacement Design (Project No. 2322)</b> <ul style="list-style-type: none"> <li>Design 100% complete and reviewed by JXN Water.</li> <li>Plans and contract documents submitted to MSDH for review on 7/27/26.</li> </ul> Delays: MSDH and SRF review and approval. | Anticipate design approval by MSDH in Q4 2026.                                          |
|  |  | <b>Oakdale Water &amp; Sewer Replacement Design (Project No. 2323)</b> <ul style="list-style-type: none"> <li>Design approximately 90% complete and internal review ongoing.</li> </ul> Delays: MSDH and SRF review and approval.                                                                                                     | Anticipate design completion in Q4 of 2026. Plans to be reviewed by JXN Water and MSDH. |
|  |  | <b>Westside Park Water &amp; Sewer Replacement Design (Project No. 2327)</b> <ul style="list-style-type: none"> <li>Design approximately 90% complete and internal review ongoing.</li> </ul> Delays: MSDH and SRF review and approval.                                                                                               | Anticipate design completion in Q4 of 2026. Plans to be reviewed by JXN Water and MSDH. |
|  |  | <b>Surface Restoration Projects Water &amp; Sewer Replacement Design (Project No. 2328)</b> <ul style="list-style-type: none"> <li>Design completed and reviewed by JXN Water.</li> <li>Loan approved 7/27/26</li> </ul> Delays: MSDH review and approval. Plans and Contract docs submitted for MSDH review 4/17/26 and 7/20/26.     | Anticipate design approval by MSDH Q4 2026.                                             |
|  |  | <b>Briarwood Water &amp; Sewer Replacement Design (Project No. 2329)</b><br>Design is 95% complete                                                                                                                                                                                                                                    | Anticipate design completion and into the review process Q4 of 2026.                    |
|  |  | <b>Canton Heights Road &amp; North Colony Water &amp; Sewer Replacement Design (Project No. 2330)</b><br>Design 95% complete                                                                                                                                                                                                          | Anticipate design completion and into the review process Q4 of 2026.                    |

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| 5aviii.1 | Ongoing Construction Owners Representative                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                   |
| 5aviii.3 | Bid Standards and PreQual Support                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                   |
| 5aviii.4 | Water Meter Install Verification                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                   |
| 5.a.ix   | Corrosion Control Renewal                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                   |
| 6        | System Stabilization & Sustainability Plan – Water Treatment Plants, Wells, and Tanks Capital Improvement Plan<br><br>Master Plan Submitted – Additional work continues for new well and JHF conversion. | <u>Jacobs</u> <ul style="list-style-type: none"> <li>Selected new well site and began to coordinate with IROW for easement acquisition and boundary/site survey.</li> <li>Continued permit activities; development of constructability and testing plan for new well</li> <li>Presented updated conceptual design and interim operational plan of JH Fewell pump station to operations team.</li> </ul> | <ul style="list-style-type: none"> <li>Continue to coordinate with IROW for easement and survey of new well site</li> <li>Further development of constructability and testing plan for new well</li> <li>Initial design of TV Road and Wiggins well pump replacement and deepening.</li> <li>Refinement of interim operations plan for JH Fewell as a booster station.</li> </ul> |
| 7        | SCADA Improvements                                                                                                                                                                                       | <u>Jacobs</u> <ul style="list-style-type: none"> <li>Installed flow meters in select locations</li> <li>Completed server room elec, arch, and HVAC</li> <li>Planning discussions for critical path activities (PLC-9 and Remote Sites)</li> </ul>                                                                                                                                                       | <ul style="list-style-type: none"> <li>Begin remote sites</li> <li>Complete PLC-9 transition activities</li> <li>Install Filter Consoles</li> <li>Install flow meters for select locations</li> </ul>                                                                                                                                                                             |
| 8        | Chemical Feed Improvements at plants and wells                                                                                                                                                           | <u>Jacobs/HDR</u> <ul style="list-style-type: none"> <li>Installed 10 bulk tanks and began install of stairs and ladders</li> <li>Installed temporary systems for multiple chemicals</li> <li>Continued coating activities inside and within containment pads</li> <li>Finished grading and subgrade for new roadway and around RWEB</li> </ul>                                                         | <ul style="list-style-type: none"> <li>Configure bulk tank systems for new chemicals</li> <li>Build-out of Chem Feed electrical Room</li> <li>Coating and installation of new chemical systems</li> <li>Continue construction administration services (review shop drawings, field orders, requests for information) [HDR]</li> </ul>                                             |

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|        |                                                                                      | <ul style="list-style-type: none"> <li>Terminated electrical and start-up/commission the RWEB</li> <li>Decommissioned temporary power</li> <li>Continued construction administration services (review shop drawings, field orders, requests for information) [HDR]</li> </ul> |                                                                                                                      |
| 9.a, b | Chlorine System Improvements at OBC                                                  |                                                                                                                                                                                                                                                                               | Immediate interim repairs are complete and plan to eliminate gaseous chlorine is under construction as part of PPL 8 |
| 10     | Intake Structure Repairs                                                             |                                                                                                                                                                                                                                                                               |                                                                                                                      |
| 11     | Performance Evaluation and Redundancy Plant Treatment Processes Restoration          |                                                                                                                                                                                                                                                                               |                                                                                                                      |
| 11     | Source Water Quality/Treatability Characterization Study (OBC and Barnett Reservoir) |                                                                                                                                                                                                                                                                               |                                                                                                                      |
| 11.a   | OBC Membrane System                                                                  |                                                                                                                                                                                                                                                                               |                                                                                                                      |
| 11.b   | Raw water pumping and screening                                                      | <ul style="list-style-type: none"> <li>GMP awarded and NTP issued in August for Raw Water Pump Station Rehabilitation project</li> <li>PLC's installed for membrane Microscreen</li> </ul>                                                                                    | <ul style="list-style-type: none"> <li>Install Ovivo Microscreens on conventional and membrane trains</li> </ul>     |
| 11.g   | OBC Filters                                                                          | <u>Hemphill</u> <ul style="list-style-type: none"> <li>Filters 6, 4, and 2 completed (all six filters are fully operational)</li> <li>Surface wash pumps installed.</li> </ul>                                                                                                | Punch items (install nozzles and indicator rods; shorten riser on F4)<br>Closeout                                    |
| 11.g   | JHF Filters                                                                          |                                                                                                                                                                                                                                                                               |                                                                                                                      |
| 11.j   | OBC High Service Pump VFD                                                            | <u>Jacobs</u><br>Project suspended due to alternative path of replacing existing pumps/motors beyond their useful life with smaller                                                                                                                                           | Future assessment to be performed                                                                                    |

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|-------|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       |                                                              | pumps/motors accomplishes objective more cost effectively.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                     |
| 12    | Sludge Assessment at Finished Water Storage Facilities       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                     |
| 13    | OBC Electrical Resiliency and Reliability Evaluation         | Jacobs/HDR <ul style="list-style-type: none"> <li>Initiated negotiation of the GMP</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>Award the GMP</li> <li>Prepare Issue for Construction plans</li> </ul>                                                                                                                                                                                       |
| Other | Plant Operations Program Management                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                     |
| Other | Forrest Hill Surface to Well Conversion                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                     |
| Other | Strategic Communications Implementation and Creative Support | HDR <ul style="list-style-type: none"> <li>Provided program management coordination and budget oversight to support disciplined delivery across communications, creative, and engagement initiatives. Included: <ul style="list-style-type: none"> <li>Social media content development, management and monitoring for general messaging and boil water notices</li> <li>Website updates</li> <li>Script development and video production for ongoing customer education and resource library</li> <li>Copywriting and design for community meetings, new/updated programs, fall issue of the newsletter, LCRI engagement materials, and QPM support</li> <li>Continued development of training resources for Customer Care team</li> </ul> </li> </ul> | Continue LCRR/LCRI program management outreach templates and custom creative support<br>Support earned, owned, shared and paid media campaigns<br>Produce and submit community update and educational videos<br>Continue YouTube platform management<br>Provide as-needed creative material support |