

The logo for the Water Finance Exchange (WFX) features the letters 'WFX' in a large, white, serif font. Below it, the words 'WATER FINANCE EXCHANGE' are written in a smaller, white, sans-serif font, followed by the tagline 'NO COMMUNITY LEFT BEHIND' in an even smaller, white, sans-serif font. The background of the logo is a blue-tinted photograph of a water treatment facility with large rectangular tanks and metal walkways.

WATER FINANCE EXCHANGE
NO COMMUNITY LEFT BEHIND

COMMUNITY WORKSHOP REPORT

Mississippi Water and Wastewater Infrastructure Opportunities

Vicksburg, Mississippi

On January 11, 2024 representatives from Mississippi state, local, and federal government, along with local water sector leaders convened to discuss funding opportunities for water and wastewater infrastructure. The workshop, hosted by Water Finance Exchange (WFX) and Communities Unlimited (CU) highlighted the challenges to achieving urgently needed financial resources for small, rural, underserved communities.

Attendees shared successes and challenges from communities across Mississippi as they navigate the planning, funding, and implementation processes, as well as the ways to leverage the available technical assistance resources in the state. Innovative partnerships, new financial strategies, and an unprecedented volume of available technical assistance will pave the way for communities to meet their public health and community economic development goals. The workshop included panel discussions, keynote presentations, and break-out sessions, allowing community leaders to learn from, and interact with, state and federal agency representatives and industry experts.

Water Finance Exchange (WFX) and Communities Unlimited thank the panelists and presenters, including leadership from:

- City of Vicksburg
- Mississippi Department of Health
- Mississippi Department of Environmental Quality (MDEQ)
- U.S Army Corp. of Engineers
- Mississippi Emergency Management Agency (MEMA)
- Mississippi Development Authority
- Black Bayou Water Association
- Environmental Protection Agency (EPA)
- Delta Regional Authority (DRA)
- Mississippi Rural Water Association (MRWA)

Generous support for the workshop was provided by Lyda Hill Philanthropies and CoBank.

The workshop convened water sector leaders, communities seeking to address sustainable water management needs, and public officials. More than 60 leaders across the state attended the workshop, including representatives from 17 rural and underserved communities. This report provides a summary of the discussion, including key roadblocks identified by participants, and ideas for innovative solutions resulting from these conversations.

Water and Wastewater Funding in Mississippi

Water infrastructure in Mississippi has many challenges shared by various communities across the state, including aging infrastructure, financial and human capital limitations, and political roadblocks. Mississippi has garnered national attention in the last few years with high profile crises such as the state capital Jackson's failing water utility. Although Mississippi's water infrastructure has reached the spotlight, many of its challenges reside in the complex operations and financial management of the sector. This is particularly true for smaller, rural communities. Solutions for sustainable water infrastructure must be made accessible for small municipalities and target greater water equity for low-income communities.

Mississippi is home to numerous community leaders looking for solutions to their water infrastructure challenges, who are ready to tap into all available technical and financial resources.

Keynote remarks from City of Vicksburg Mayor George Flagg Jr. set the tone for the day. Although Vicksburg is among the larger cities in the state, many of the challenges they face were shared with the community representatives in the room. Vicksburg has experienced a declining population, which puts additional burden on the remaining water and wastewater customers of the system.

WORKSHOP REPORT - VICKSBURG, MISSISSIPPI

The city has also struggled to find a consistent and reliable workforce to manage their water system. Further, the city is preparing to navigate changes to the regulatory structure, including the EPA's Lead and Copper Rule. Mayor Flagg applauded the participation of community leaders in the workshop, emphasizing that drinking water is among the most important concerns for his residents, as it is for residents of all communities in Mississippi. The engagement and discussion among community leaders at the workshop demonstrated a willingness to address those concerns.

Following the keynote, attendees participated in small group discussions on the specific challenges and opportunities they see for their own communities.

Many participants shared common challenges and were comforted to know they were not alone. Those challenges included finding and maintaining water operators, the limited capacity to take on additional debt, acquiring proper technology, how to engage their constituents around issues such as rate increases, and educating local leadership about the major water infrastructure. In the small groups, attendees also shared some success stories, including how rate studies have been an effective tool to educate both community members and political leadership on the link between what needs to be fixed and how the costs could be managed overtime. In another group, participants discussed the value of having trusted engineers and technical assistance providers that understood the unique challenges of small systems.

Opportunity 1 – Seeking Out Technical Assistance Providers

The first panel discussion expanded on funding opportunities available to communities and the variety of technical assistance opportunities provided to prepare and submit funding applications. The panel included representatives from major state and federal agencies including the Mississippi Department of Health, Mississippi Department of Environmental Quality, the U.S Army Corps of Engineers, and the Mississippi Emergency Management Agency.

The panelists acknowledged one of the biggest challenges to getting financial resources to communities for water infrastructure projects is the limited capacity to complete the applications.

“If you have traveled the state the way I have, you’ve seen the limited human capital. Challenges such as the lack of dedicated grant writer to get those applications completed,” said Dr. Trina George, Mississippi State Director for USDA-Rural Development. George recommended the value of working with technical assistance providers such as Communities Unlimited, Water Finance Exchange, and the Mississippi Rural Water Association on completing applications.



Panelists discuss state and federal funding opportunities in Mississippi. From left to right: Katy Breaux, Jana Henderson, Brent Jones, Bill Moody, Dr. Trina George, Alexander Brandon.

In many cases, agencies and their funding programs can reimburse costs for technical assistance received during the application phase. Additional assistance available includes supporting communities as they procure an environmental engineer. For many communities across the state of Mississippi, lead service line inventory will also be a significant undertaking and will be required by various funding programs. There will likely be funding available to complete lead service line inventories and replacement, but communities need to be prepared to access that funding when it becomes available.

The workshop transitioned to conversations with the Technical Assistance providers present, including Chris Thomas, Senior Policy Advisor for Water Programs at the EPA.

WORKSHOP REPORT - VICKSBURG, MISSISSIPPI

Thomas said, “there is an unprecedented amount of money for water infrastructure,” referencing the Bipartisan Infrastructure Bill which has allocated \$181 million to Mississippi for water projects through the EPA and \$227.4 million through the Army Corps of Engineers for flood mitigation. “There is also now an unprecedented amount of technical assistance,” Thomas said. The technical assistance providers in the state, such as Water Finance Exchange, Communities Unlimited, and Mississippi Rural Water Association can work with communities on communications, rate studies, grant writing, financial strategy development, and more. Much of that technical assistance comes at no cost to the community, as it is funded through EPA and other sources.

Opportunity 2 – Develop Sustainable Regional Models

The second panel of the day focused on community opportunities and successes, which opened the floor to conversations around regional approaches to water and wastewater systems.

David Koehn and his son Lee Koehn represent the Black Bayou Water Association, which evolved from a few hundred water connections to more than 2,500, including 500 miles of pipeline in Washington County, Mississippi. When David Koehn started the association, he did not know what it would become, but he believes much of the utility’s success should be attributed to its reliability, managerial strength, and ultimately the association’s ability to maintain a high level of community trust. While the association has constructed interconnections between systems, their regionalization approach is grounded in finding economies of scale around management and operations, centralizing things like billing departments and workforce management, which lowers cost.

“Stronger together, works better” – Lee Koehn

Bill Moody, Director of the Bureau of Public Water Supply at Mississippi Department of Health, pointed out that EPA regulations on water services are only increasing which means the costs will increase for communities in the future. Moody recognized the apprehension communities feel over consolidation and a loss of identity, but in the end it often comes down to providing safe water at an affordable cost. In many cases, regional approaches are the best way to achieve that. Regionalization models are important for small, rural communities to consider in order to achieve economies of scale. In other words, consolidation allows systems to spread their costs across a larger customer base, which reduces the burden on any one rate payer.

Among the speakers on the second panel, Lisa Maxwell, Bureau Manager of Community Incentives at the Mississippi Development Authority and Amanda Allen, Director of Critical Infrastructure at the Delta Regional Authority stressed the importance of seeing water infrastructure as a tool for development. In order to attract new businesses, a community must have the infrastructure in place to support them. One example mentioned during the panel was a case in which a community was in good position with its infrastructure development to attract new businesses and jobs. However, it lacked available housing to support the employment boom. Rather than being a roadblock, this could be viewed as an opportunity for the community to turn to its neighboring communities looking for collaboration that could benefit them both.

Opportunity 3 – Close the Gap in the Water Workforce in Mississippi

Even communities as large as Jackson feel the challenge of staffing water jobs. Representatives from smaller systems noted that it is difficult to access water operator training. When someone does go through the training, it is unlikely that they want to stay at the small system for their entire career when higher pay, professional development, and upward mobility is available at larger systems. Not only does the loss of a trusted water operator create a short-term stress on the system, but the loss of institutional knowledge that leaves with that operator takes years to replace. Furthermore, the safe operation of water utilities depends on having a qualified workforce. High rates of retirement expect to continue within the water sector which could jeopardize rural utility performance. The average age of water operators in Mississippi is 55. The state needs to develop more education, training, and career pipelines for the water and wastewater sectors to increase the pool of available workforce.

The Mississippi Rural Water Association has expanded its offering of training and certification courses, which is an important start. One way to overcome this challenge would be to engage local high schools, colleges, and other technical education centers to expose students to opportunities within the water sector and local government. With an even smaller population to recruit from, it is an imperative that the water sector improves its connection with training institutions to encourage more people to consider a career path in water. Attendees of the workshop were not only passionate about their roles in their local communities, but recognized the importance of sharing these experiences with others. The long-term stability of their community rests on the management and maintenance of crucial infrastructure.

WORKSHOP REPORT - VICKSBURG, MISSISSIPPI

Proposed Action Steps

- Explore regional collaborative opportunities between water systems. This could include creating governance structures at the county or other regional level that could manage a group of small systems. To maintain local agency, board members can consist of a representative from each system within the larger organization. Technical Assistance Providers are available to communities that are interested in learning more about these approaches. Water Finance Exchange, Communities Unlimited, and other partners at the workshop are also working to develop a group that can advise on regional approaches in Mississippi.
- Maintain outreach and engagement efforts from technical assistance providers to communities in need of infrastructure solutions. Many communities with the greatest need may not have been able to make it to Vicksburg for the workshop. It is important for technical assistance providers to actively engage with all Mississippi communities in need to make sure they have equal footing to pursue funding opportunities to address their community needs.
- Build connections with educational institutions for workforce development, beginning with high school age students. The water sector is a backbone in many communities that students may not think about while they are already developing interests in engineering, chemistry, and even business. Giving students a chance to learn about the water sector is a first step. Next utilities should work with their regional technical assistance providers to connect the workforce with low cost and even free training programs.
- The discussions that took place during the Vicksburg workshop will continue across the state of Mississippi. Water Finance Exchange (WFX) and Communities Unlimited (CU) are looking forward to building on the momentum from the workshop to continue building connections with state agencies and local communities to find solutions to complex challenges in the water sector. WFX and CU believe that water and wastewater infrastructure is about more than pipes and pumps. Instead, it serves as a catalyst for and foundation of sustainable economic growth, public health, and environmental outcomes.

No community should be left behind.

Resources and Funding Opportunities

United States Department of Agriculture – Rural Development

- [Summary of All Programs](#)
- [Water & Waste Disposal Loan & Grant Program in Mississippi](#)

Mississippi Department of Health

- [State Drinking Water Revolving Loan Fund \(DWSRF\)](#)

Mississippi Department of Environmental Quality

- [Water Pollution Control \(Clean Water\) Revolving Loan Fund Program \(CWSRF\)](#)

Mississippi Emergency Management Agency

- [Building Resilient Infrastructure and Communities \(BRIC\)](#)

U.S. Army Corps of Engineers

- [Mississippi Environmental Infrastructure Program \(Section 592\) – pg. 58](#)

Delta Regional Authority

- [Community Infrastructure Fund](#)
- [Strategic Planning Program](#)