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Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.



Walter Wright, Jr. wwright@mwlaw.com (501) 688.8839

Lack of State Financial Support/Local Capacity Prolonged Jackson, Mississippi Drinking Water Issues: U.S. Office of Inspector General Report

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The United States Environmental Protection Agency ("EPA") Office of Inspector General ("OIG") issued a May 14th report titled:

Lack of State Financial Support and Local Capacity Prolonged Jackson, Mississippi Drinking Water Issues ("Report")

See Report No. 24-P-0038.

OIG states that it conducted an audit to identify federal funding and spending decisions relating to drinking water in Jackson, Mississippi. The stated objective was to identify award and expenditure decisions at the state and local level related to the community water system in Jackson.

The Jackson, Mississippi drinking water system has suffered safety and reliability problems for many years. The problems have included:

- Discolored water
- Low pressure
- Oily water
- Water with floating particles
- Elevated lead levels
- Boil water orders
- Water shutoffs

The water system in Jackson has more than 71,000 water connections.

In 2022 the United States District Court for the Southern District of Mississippi entered an Interim Stipulated Order agreed to by EPA, the Mississippi State Department of Health, and the City of Jackson to:

- Set forth a priority projects list with critical steps needed to stabilize Jackson's drinking water system,
 remedy problems that contributed to the water crisis and established sustainable practices for the
- Appoint an interim third-party manager to manage and operate Jackson's drinking water system and implement the priority projects list.
- Stay the matter for a period of six months, during which the parties will begin negotiation on a
 Consent Decree that addresses Jackson's long-term compliance with the Safe Drinking Water Act.

The OIG Report determined that Jackson's funding for its water system did not address capacity issues at a water treatment plant. This is stated to have led to problems with operation and maintenance. Further, OIG states that certain City of Jackson departments did not effectively communicate the water system's capacity issues internally, exacerbating problems in the water system.

The Mississippi State Department of Health was stated to have failed to have provided additional technical assistance to Jackson through the Local Assistance and Other State Programs set aside.

The flooding of the Ross Barnett Reservoir in 2022 was especially problematic because the water treatment plant was unable to respond due to Jackson's inability to maintain its water system. This initiated the emergency drinking water declarations resulting in emergency funding by the federal government and appointment of the previously referenced interim third-party manager.

OIG determined that the Mississippi Department of Health could have been more proactive in the past addressing the City of Jackson's water system failures. It cites the need to provide flexible Drinking Water State Revolving Fund loan options for what is characterized as a disadvantaged community like Jackson. Cited as options are increased loan subsidies, extended loan terms, and reduced interest rates. Such flexible loan and subsidy options are stated to have not been made available to the City of Jackson until after June 2021.

A recommendation and agency corrective actions cited in the OIG Report include:

... Region 4 Regional Administrator provide training to the MSDH on the DWSRF Disadvantaged Community Definitions: A Reference for States to assist it in exploring options to refine assistance programs to better support disadvantaged communities in need.

A copy of the OIG Report can be downloaded <u>here</u>.