

Water & Wastewater

QUARTERLY SECTOR BRIEF | Q2 2025

What's Included:

- [01] Insights:** Get up to speed on key sector developments, such as recent investments in infrastructure, the increasingly complex regulatory environment, and advancements in smart technologies.
- [02] Sector Activity:** Discover recent deal activity and sector data, showing water and wastewater equities rebounding with economic resilience.
- [03] Connect With Us:** Learn about our expertise, including recent work with USA Water and WRM Companies, by contacting our team or scheduling a meeting at an upcoming conference.

Insights

SECTION 01

- [03]** Key Sector Themes
- [04]** What We're Reading



Key Sector Themes

Multiple tailwinds, supported by a continuing influx of capital, are driving constant innovation in key areas across the water sector



Aging Infrastructure

Water and wastewater infrastructure across the U.S. is reaching and surpassing the end of its useful life, requiring significant investment to retrofit, update, and maintain systems.

Beneficiaries: utility O&M service providers, water-related engineering and construction firms



Comprehensive Regulatory Environment

A broadening regulatory backdrop – including new regulations on per- and polyfluoroalkyl substances (PFAS) – places increasing pressure on water service providers to meet safety standards.

Beneficiaries: smart sensor producers, monitoring and detection technology developers



Increased Outsourcing

Local budgetary constraints and increased operational complexity have led municipalities to outsource operations and maintenance work to dedicated third-party professionals.

Beneficiaries: utility O&M service providers, outsourced municipal wastewater service providers



Evolving Climate Conditions

Warmer temperatures and drought have placed a focus on the conservation and effective use of water, while evolving regulatory mandates require greater oversight and treatment of water.

Beneficiaries: smart metering and water conservation technology manufacturers



Population Shifts

Robust population growth in the U.S. south is straining water infrastructure that is not sufficiently equipped to support large population centers.

Beneficiaries: water infrastructure O&M providers, water management and consulting firms

What We're Reading

Private sector involvement in the water industry is expanding globally, driven by the urgent need to modernize aging infrastructure, address water scarcity, and meet sustainability goals

Water Industry Responds to ASCE's 2025 Infrastructure Report Card – Wastewater Digest

[READ HERE](#)

“ASCE's 2025 Report Card maintains 2021 grades for wastewater (D+), drinking water (C-), and stormwater (D). The report underscores the ongoing challenges in the nation's water and wastewater systems.”

Key takeaway: There is a long way to go to adequately modernize water infrastructure across the country. Companies that assist in the maintenance, repair, and build-out of water and wastewater infrastructure are sure to benefit.

2025 Water Forecast: Transition, Changes, And Trends – Water Online

[READ HERE](#)

“Obvious within the water industry, or most any sector, is that everything is trending toward digital, automated, remote, and “smart” — at its smartest, leveraging machine learning and artificial intelligence.”

Key takeaway: The water industry is undergoing a significant transformation driven by digitalization and smart technologies. Key trends include the integration of machine learning and artificial intelligence for real-time water quality analytics, leak detection, and predictive maintenance.

Making Waves: The Future of Water Innovation – Cleantech Group

[READ HERE](#)

“The water sector is facing unprecedented challenges driven by climate change, aging infrastructure, and evolving contaminants. Yet, this is also fueling a wave of innovation and investment.”

Key takeaway: The water innovation sector is experiencing a surge in investment and technological advancements driven by the urgency of addressing global water challenges such as scarcity and contamination.

Sector Activity

SECTION 02

- [06]** Select Water & Wastewater M&A Transactions
- [07]** Public Market Performance
- [08]** Public Market Observations



Select Water & Wastewater M&A Transactions

Announced May 2025



EQT Acquires Seven Seas Water

EQT Infrastructure VI fund has agreed to acquire Seven Seas Water Group from Morgan Stanley Infrastructure Partners. Headquartered in Tampa and Houston, Seven Seas builds, owns, and operates water and wastewater treatment plants across the U.S., Caribbean, and Latin America, with over 220 plants currently under management.

Announced April 2025



Goldman Sachs Acquires Atlas-SSI Holdings

Atlas-SSI Holdings, a North American supplier of water management equipment for the protection of mission-critical assets and water ecosystems, announced its acquisition by the Sustainable Investing team at Goldman Sachs Alternatives. Atlas-SSI designs, manufactures, and services customized screens, gates, and barriers that serve as the first line of defense for facilities that utilize water. The Company's offerings address non-discretionary demand across industrial, utility, municipal, and commercial customers.

Announced January 2025



PURIS (JF Lehman & Co) Acquires Creekside

PURIS, a portfolio company of J.F. Lehman & Company, announced the completion of the acquisition of Creekside, the parent company of Insight Pipe Contracting, premier infrastructure and environmental services provider with customers throughout the Mid-Atlantic and Midwest. Founded in 1989 by Michael Marburger, the Company specializes in trenchless pipeline rehabilitation services for wastewater and stormwater sewer applications.

Announced January 2025



Frontenac Acquires CROM

Frontenac announced the acquisition of CROM, a solutions provider for water infrastructure. The Company is headquartered in Gainesville, FL and operates across the Sun Belt, with regional offices in Florida, North Carolina, Tennessee, and Texas. CROM is dedicated to the innovation, design, construction, restoration, and maintenance of the nation's essential infrastructure with a portfolio of products and services that include a large installed base of prestressed concrete tanks.

Announced December 2024



Align Capital Partners Acquires MKB Company

Align Capital Partners announced the acquisition of MKB Company, a manufacturer of erosion control, pollution prevention, and stormwater management products utilized across applications to comply with federal and state environmental regulations. The Company produces compost filter socks, erosion control blankets, and other environmental products at 17 facilities in 14 states.

Public Market Performance¹

Indexes largely aligned during the market's correction following the COVID-19 outbreak as low-interest rates and federal relief measures encouraged rapid equity appreciation.

Water equities have seen strong performance largely in line with the broader market as investors are drawn to the industry's durability and significant public and private investment.



Index	Description
S&P 500	Large-cap U.S equities
S&P Global Water Index	100 global water-related businesses across utilities, infrastructure, and equipment
Nasdaq CMX U.S. Water	39 U.S. equities that purify water for residential and corporate end users

Public Market Observations^{1,2}

Company	Market Capitalization	Enterprise Value	EBITDA Margin	Multiples Summary				
				Enterprise Value / Revenue		Enterprise Value / EBITDA		
				LTM	NTM	LTM	NTM	
Industrial Products								
A. O. Smith Corporation	\$ 9,139,032	\$ 9,234,632	20.2%	2.4x	2.4x	12.0x	11.4x	
Advanced Drainage Systems, Inc.	8,531,262	9,579,546	28.8%	3.3x	3.3x	11.5x	10.9x	
Badger Meter, Inc.	7,310,901	7,179,542	23.8%	8.4x	7.6x	35.3x	32.1x	
Danaher Corporation	135,905,655	151,497,656	31.3%	6.4x	6.1x	20.3x	19.4x	
IDEX Corporation	13,666,775	15,038,375	27.0%	4.6x	4.3x	17.0x	15.7x	
Mueller Water Products, Inc.	3,843,300	3,992,400	21.4%	2.9x	2.8x	13.6x	12.1x	
Pentair plc	16,317,788	18,130,988	25.4%	4.4x	4.4x	17.5x	16.3x	
Watts Water Technologies, Inc.	8,080,874	7,939,273	20.5%	3.5x	3.4x	17.3x	16.3x	
Xylem Inc.	30,671,961	31,986,961	20.1%	3.7x	3.6x	18.5x	16.7x	
Zurn Elkay Water Solutions Corporation	6,089,050	6,501,250	22.2%	4.1x	4.0x	18.5x	15.6x	
Median	\$ 8,835,147	\$ 9,407,089	23.0%	3.9x	3.8x	17.4x	16.0x	
Water Utilities								
American States Water Company	\$ 3,037,187	\$ 3,963,448	39.3%	6.5x	6.0x	16.6x	15.5x	
American Water Works Company, Inc.	27,880,811	42,200,811	54.0%	8.8x	8.4x	16.2x	14.7x	
California Water Service Group	2,814,689	4,234,791	35.3%	4.4x	4.2x	12.4x	12.4x	
Essential Utilities, Inc.	10,801,408	18,569,965	54.9%	8.2x	8.1x	15.0x	14.0x	
Pennon Group Plc	3,236,186	6,682,308	28.4%	5.1x	4.4x	17.8x	10.7x	
Severn Trent PLC	10,935,240	16,763,824	42.3%	5.3x	4.5x	12.6x	9.6x	
United Utilities Group PLC	10,760,179	17,100,913	51.3%	6.2x	4.9x	12.0x	8.3x	
Median	\$ 10,760,179	\$ 16,763,824	42.3%	6.2x	4.9x	15.0x	12.4x	
Water-Related Services								
Ecolab Inc.	\$ 75,306,622	\$ 82,529,822	23.3%	5.3x	5.1x	22.6x	20.9x	
Jacobs Solutions Inc.	15,153,706	17,718,660	11.2%	1.5x	1.4x	13.5x	13.8x	
Veolia Environnement SA	25,097,559	42,027,481	12.5%	0.9x	0.8x	7.3x	5.1x	
Median	\$ 25,097,559	\$ 42,027,481	12.5%	1.5x	1.4x	13.5x	13.8x	
Waste Management Services								
Clean Harbors, Inc.	\$ 12,151,317	\$ 14,771,137	18.1%	2.5x	2.4x	13.8x	12.2x	
GFL Environmental Inc.	18,490,245	32,620,210	23.9%	5.9x	6.7x	24.6x	22.4x	
Republic Services, Inc.	80,402,356	93,851,356	31.1%	5.8x	5.5x	18.6x	17.3x	
Waste Connections, Inc.	50,926,919	59,524,997	27.0%	6.6x	6.1x	24.3x	18.5x	
Waste Management, Inc.	96,950,043	120,572,044	29.4%	5.3x	4.6x	17.9x	15.7x	
Median	\$ 50,926,919	\$ 59,524,997	27.0%	5.8x	5.5x	18.6x	17.3x	
Total Median	\$ 11,543,279	\$ 17,100,913	27.0%	5.1x	4.4x	17.0x	15.5x	

Connect With Us

SECTION 03





















- [10]** Our Team
- [11]** Harris Williams Overview



Our Team

The energy, power, and infrastructure industry is supported by several global trends, including a rapid increase in electrification, the ongoing energy transition, growing demand for connectivity, sustainability, and digitization, and aging infrastructure. With these long-term themes in place, M&A interest remains strong across multiple categories, including water and wastewater.

Recent Harris Williams Water & Wastewater Activity

 a portfolio company of  has been acquired by 	 a portfolio company of  has been acquired by 
 a portfolio company of  has been acquired by 	 in partnership with THE CORBETT FAMILY has acquired 
LITTLEJOHN & Co. has acquired  a portfolio company of 	Morgan Stanley CAPITAL PARTNERS has acquired  a portfolio company of 
 has acquired USG WATER SOLUTIONS a division of 	 a portfolio company of  has partnered with 

Connect With Our Team

Learn more about our expertise unlocking value for great businesses in the water and wastewater sector:



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