



TOWN OF  
**ONONDAGA**  
ESTABLISHED 1798

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Dear Resident,

May 22, 2026

This letter is being circulated to provide an update on the status of the Bussey and Norton Road Water District (the "District").

As you are likely aware, the District was originally formed and thereafter approved by the NYS Comptroller's Office at a total estimated project cost of \$2,457,535 on April 9, 2024. In addition, at the time of District formation and NYS Comptroller approval, the estimated annual cost per EDU or cost to the typical property was \$2,985, which includes the capital construction costs, other project costs and applicable charges from the Onondaga County Water Authority ("OCWA").

The Town completed the engineering design for the District improvements and obtained New York State Department of Health approval in February 2025. Subsequently, the Town continued to pursue available grant funding for the District and on December 19, 2025, the Town received a WIIA grant award letter for the project from NYSEFC in the amount of \$1,720,274. This grant represents 70% of the original estimated project cost referenced above, which is the highest percentage NYS offers.

The Town held a public bid for the proposed District improvements and bids were received and opened on May 8, 2026, at 2pm at the Town of Onondaga Town Hall. Seven (7) bids were received, and the apparent low bidder is Highlander Construction with a proposed bid price of \$2,269,000. Early conversations with the Contractor have concluded that they are willing to hold their prices until Fall, 2026. A formal request has been sent to the Contractor requesting a specific date that their bid price is effective until. We are currently awaiting their response.

Upon further review of the low contractor's bid price and a review of the estimated soft costs as part of the District process (i.e. district formation, survey, legal, engineering, project design, bond counsel fee, fiscal advisors fee, bond anticipation note (BAN) interest due in Year 1, construction inspection services), it appears that the total project cost will exceed the originally approved cost to the District, as approved by the NYS Comptroller's Office. Therefore, Town's Engineer, C&S Engineers, Inc., have updated the Map, Plan & Report for the District, which includes a new financing plan and a new maximum total project cost estimate.

When a district is fully formed and approved at a specified maximum amount to be expended, then any time the maximum amount needs to be increased, the Town of Onondaga needs to follow certain necessary procedures prescribed by New York State Town Law. To increase the maximum cost amount to the district, the Town must follow the steps set forth in Article 12 of the Town Law. which include similar procedures as to when the District was originally created:

- (1) submission, by the District property owners, to the Town Board of a petition containing

signatures of owners in favor of the project with at least 51% taxable assessed value; (2) scheduling and holding a public hearing; (3) resolution by the Town approving the increase in the maximum amount to be expended (i.e. increasing the total project cost); (4) re-submission of a revised application to the NYS Comptroller's Office for approval to increase the maximum amount to be expended.

As reflected in the updated financing plan, the revised current total capital project cost is estimated to be \$3,400,750, which includes all past and future soft costs, a 15% construction contingency, contingency for a potential rebid in 2027, and the NYSEFC Grant of \$1,720,274. Based on the foregoing, the updated annual cost per EDU is estimated at \$2,487 which is \$508 less than the previous estimate cost per EDU. Please note that this figure includes updated annual OCWA charges. The annual OCWA charge increased from \$401 to \$504 and is a result of 2026 rate increases set by OCWA. An updated financing plan outlining these costs is appended to this letter for reference.

If the following steps take place in a timely manner, it is possible though not a guarantee that a lower estimated annual cost per EDU could be realized.


1. The residents of this District circulate and submit a new petition with at least 51% of taxable assessed value in favor of the project. The residents acknowledge and understand both the estimated and amended district cost & annual cost per EDU.
2. A revised application, including an updated Map, Plan, and Report is prepared by the Town's professionals and is submitted to the NYS Comptroller for approval of the new total project cost and estimated cost per EDU.
3. Project construction commences this fall with the awarded NYSEFC grant and Highlander Construction's bid price of \$2,269,000.
4. The contractor does not submit any substantial change orders (i.e. market price of ductile iron pipe or fuel price increases).

Note the following potential scenarios are solely meant to provide information to the residents of the District. They are estimates and are subject to change for a variety of reasons outlined herein and potential project delays or disapprovals.

1. If the project is constructed this fall with no submitted contractor change orders, a 15% construction contingency is included, the total annual cost per EDU (including OCWA charges) could be approximately \$2,150.
2. If the project is constructed this fall with no submitted contractor change orders, a 15% construction contingency is NOT included, the total annual cost per EDU (including OCWA charges) could be approximately \$1,800.

**There will be a Public Information session pertaining to the water district as part of the Town Board meeting on Monday, June 1, 2026 which will begin at approximately 5:30 pm. We encourage residents to attend to hear the latest update on where this project is to date and go over the information in this letter. There will be an opportunity to ask questions as well.**

Sincerely,



John P. Mahar  
Supervisor