

TOWN OF PERU

**NOTICE OF PUBLIC HEARING PURSUANT TO SECTION 202b OF
NEW YORK TOWN LAW RELATIVE TO THE PERU WATER DISTRICT
WATER TREATMENT PLANT IMPROVEMENTS PROJECT**

PLEASE TAKE NOTICE that, pursuant to Section 202b of the State of New York Town Law and an Order of the Town Board of the Town of Peru, New York dated February 9, 2026, a public hearing will be held in connection with the proposal by the Peru Water District to undertake various improvements to the Peru Water District water treatment plant, including installing an upgraded treatment system, new backwash storage tank, on-site chemical addition and pumping systems and building addition to house the new treatment, chemical and pumping equipment. The improvements are proposed to improve the ability of the water District to treat increased turbidity in its raw water source and improve drinking water quality to the residents of the water district. The details of the proposed improvements are set forth in the engineer's report on file in the Town Clerk's Office. The maximum amount proposed to be expended for said improvements is Nine Million Four Hundred Thousand Dollars (\$9,400,000.00).

Said public hearing will be held in the Peru Town Hall, Peru, New York on February 23, 2026 at 5:45 P.M., at which time and place an opportunity will be given to all persons interested in being heard on the proposed project.

BY ORDER OF THE TOWN BOARD OF THE TOWN OF PERU, NEW YORK.

CHRISTINE CRAWFORD
TOWN CLERK

Water System Improvements Project
Town of Peru, Clinton County

Preliminary Engineering Report

May 2024

Prepared for:

Town of Peru
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Prepared by:

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EXECUTIVE SUMMARY

The Town of Peru owns and operates a public water system that serves approximately 2,600 residents in the Town of Peru and the Hamlet of Peru. The original water system has been upgraded since its original construction in 1926 where it relied solely on water from the reservoir without any treatment. Since then, a water treatment plant has been added, along with various additions and upgrades to the system that include a dam, water storage tank, lagoons, and treatment improvements.

Recently the Town of Peru has been struggling with elevated turbidity levels in the treatment plant that cause it to fail during storm events that cause high levels of runoff to go into the reservoir. On November 30, 2023, the Town of Peru entered into a stipulation agreement from the Clinton County Health Department (CCHD) in the matter of the finding of violation for high finished water turbidity resulting from the high turbidity levels in the Town of Peru's drinking water reservoir and treatment plant. This agreement requires the Town of Peru to take the following actions:

- Provide recommendations to address the elevated turbidity in the reservoir and treatment plant.
- Evaluate a groundwater source supply to determine the potential of groundwater supplement and/or replacement of surface water sources.
- Evaluate existing reservoir and recommend modifications and/or upgrades.
- Evaluate, modify and/or implement current treatment process including coagulation/flocculation process that may address turbidity issues.

This preliminary engineering report (PER) documents and details the system deficiencies, explores improvement alternatives, and recommends a capital improvement project (CIP) to address these deficiencies. Details about the capital, operation, and maintenance (O&M), life-cycle cost and preliminary plan of finance are included.

Based on this study, the total capital cost for the recommended alternative is \$9.4 million for the necessary upgrades to ensure the protection of public health, safety, and reliability of the water system.

7.2. Preliminary Plan of Finance

It is recommended that the Town of Peru review each of the funding and financing options presented above to determine which are in the best interest of the community. For the purposes of this report, it is assumed that the Town of Peru will pursue and be awarded grant funding via the NYSEFC WIIA program. Interest-free hardship financing from NYSEFC would be secured to cover the remaining balance of project costs. Debt service for this financing would be borne by system users through an increase in annual water use rates. Annual project costs per equivalent dwelling unit (EDU) are presented in Table 7-1 below for a variety of funding scenarios.

Table 7-1: Estimated Annual User Cost Scenarios

	EFC Hardship Financing	EFC Hardship Financing	EFC Hardship Financing	USDA RD Financing
	Max WIIA Grant	No WIIA Grant	CDBG Grant	RD Grant
Total Project Cost	\$9,400,000	\$9,400,000	\$9,400,000	\$9,400,000
WIIA Grant	\$5,000,000			
CDBG Grant			\$1,250,000	
RD Grant				\$500,000
NYS EFC Financing (30yr Loan, 0% Interest)	\$4,400,000	\$9,400,000	\$8,150,000	
RD Financing (40yr Loan, 2.125% Interest)				\$8,900,000
Annual Debt Service	\$146,667	\$313,334	\$271,667	\$222,500
Annual Project O&M Cost	\$207,000	\$207,000	\$207,000	\$207,000
Annual Project Short-lived Asset Cost	\$18,680	\$18,680	\$18,680	\$18,680
Total Annual Project Cost	\$372,347	\$539,014	\$497,347	\$448,180
Number of EDU's	822	822	822	822
Total Annual Project Cost Debt per EDU	\$452.98	\$655.73	\$605.05	\$545.23
Total Monthly Project Cost Debt per EDU	\$37.75	\$54.64	\$50.42	\$45.44
Total Quarterly Project Cost per EDU	\$113.24	\$163.93	\$151.26	\$136.31
Average Quarterly Water Cost per EDU	\$105.27	\$105.27	\$105.27	\$105.27
Total Average Quarterly Cost per EDU	\$218.51	\$269.20	\$256.53	\$241.58

These debt service charges would be paid in addition to the quarterly water charges currently paid by Town of Peru system users. The successful pursuit of supplemental funding in addition to NYSEFC DWSRF and WIIA funding would reduce the user cost impacts.