

## **Governance Committee Meeting**

Suffolk County Water Authority

February 26, 2026, at 2:30 PM

4060 Sunrise Hwy, Oakdale

### **Agenda**

- 1. Approve September 25, 2025, Minutes**
- 2. Request for Proposed Amendment to Purchasing Policy 909**-seeking an increase to the purchasing approval level of the fleet manager for urgent repairs.
- 3. Write Off of Uncollectible Balances for Closed or Non-Existent Accounts (New Policy)**- seeking to standardize the guidance on writing off uncollectible receivables in compliance with GAAP (Generally Accepted Accounting Principles). This policy will increase transparency and ensure uniform application across departments.
- 4. Land Acquisition Policy (New Policy)**- In accordance with the NYS Public Authorities Law, this is a new proposed policy to formalize the standard practice of SCWA regarding Acquisition of Real Property.

**GOVERNANCE COMMITTEE MEETING**

DATE: September 25, 2025

LOCATION: 4060 Sunrise Highway, Oakdale

ATTENDANCE: Charles Lefkowitz, Chairman  
Timothy Bishop, Secretary  
John Rose, Member  
Jeffrey W. Szabo, CEO  
Frank Tassone, Deputy CEO of Customer Service  
Joseph Pokorny, Deputy CEO of Operations  
John Milazzo, General Counsel  
Brendan Warner, Director of Construction  
Brian Seevers, Director of Human Resources

Barbar Yatauro, Cross Connection Field Assistant- Local 393 arrived late and Mr. John Milazzo, General Counsel, filled Ms. Yatauro in on the approved changes to Policy 111 and 112.

The meeting was called to order by Mr. Szabo at 9:35 a.m. upon Members of the Committee being present.

On motion made by Mr. Bishop, duly seconded by Mr. Rose, and unanimously carried, it was

RESOLVED, To approve the minutes of April 24, 2025, Governance Committee Meeting.

Mr. Szabo introduced Mr. Frank Tassone, Deputy CEO of Customer Service, who presented an update to SCWA's Contact Center which continues to face high call wait times due to staffing shortages, productivity constraints, and the impact of the Field Service Communication pilot program. To address these challenges, Mr. Tassone has implemented short-term measures including real-time workload monitoring, staff training, process improvements, temporary reassignment of former clerks, accelerated hiring, and technology upgrades to IVR, call routing, and self-service tools. Mr. Tassone also explained that they are expanding alternative support channels such as live chat, text, and scheduled call backs. For the long term, Mr. Tassone mentioned exploring the use of a third-party

vendor for overflow and off-hour support. Mr. Tassone has a full action plan with cost and timeline projections which will be presented to the Board for review.

Mr. Szabo then introduced Mr. Brian Seevers, Director of Human Resources who presented the SCWA Policy 111: Leaves Donation which requests to change page four (4), paragraph two (2), in the event of a serious personal illness, or for the care of a child, spouse or parents' serious health condition, and employee may exhaust their accumulated sick/ vacation balances and may require the use of leave hours voluntarily donated by co-workers.

On motion made by Mr. Bishop, duly seconded by Mr. Rose, and unanimously carried, it was

RESOLVED, To approve the revisions to Rules and Regulations: Leave of Absence Policy No. 111 and present to the full board for approval.

Mr. Szabo then introduced Mr. Brian Seevers, Director of Human Resources who presented the SCWA Policy 112: Absent for Personal Business, requesting to approve the following additions added to Policy 112: Absent for Personal Business, under NYS Labor Law, nursing mothers are guaranteed thirty (30) minutes of paid break time to express breast milk. This time should be provided when the employee has the need to do so. Those wishing to do so must notify Human Resources in advance through email or other written correspondence, preferably before they return from parental leave. This time is in addition to an employee's regular break time.

On motion made by Mr. Bishop, duly seconded by Mr. Rose, and unanimously carried, it was

RESOLVED, To approve the revisions to Rules and Regulations: Absent for Personal Business No. 112 and present to the full board for approval.

Mr. Szabo then introduced Mr. Brendan Warner, Director of Construction Maintenance who presented the revision to Fire District Hydrant Flow Test Allotment, requesting the Fire District to be allotted five (5) free flow tests per one hundred (100) hydrants per five (5) years, rather than the current one (1) per one hundred (100) annually.

RESOLVED, To approve the revisions to Rules and Regulations: Revision to Fire District Hydrant Flow Test Allotment and present to the full board for approval.

Mr. Szabo informed the members of the Committee that himself, Mr. Milazzo, and Mr. Pokorny have been working closely with Salt Air and are currently operating the Salt Air System, which is positioned between two of the Authority's existing systems.

Mr. Szabo asked if any members of the Committee or staff members in attendance any questions had, none were received.

On motion made by Mr. Bishop, duly seconded by Mr. Rose, and unanimously carried, the meeting of the Audit Committee was adjourned at 9:55 a.m.

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Timothy Bishop, Secretary

# SUFFOLK COUNTY WATER AUTHORITY

## INTEROFFICE CORRESPONDENCE

**To:** Jeffrey Szabo, CEO

**From:** Alyson E. Bass, Attorney

**Date:** February 20, 2026

**Re:** Request for Proposed Amendment to Purchasing Policy 909 – NonConstruction Purchasing and Professional Services Contracts & for Delegation of Implementation of Authority

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In connection with SCWA's commitment to robust corporate governance, The Legal Department, in conjunction with the Operations Department have drafted a proposed amendment to the current SCWA Policy 909 governing non-construction purchasing.

Specifically, the policy increases the authority for the Fleet Manager to utilize Blanket Purchase Orders in an efficient manner to better execute urgent purchases. The proposed change allows for the Fleet Manager to make individual purchases, not exceeding \$2,500.00, without the issuance of a transaction-specific purchase order. The Fleet Department is tasked with maintaining safe and continuous usage of SCWA's fleet of vehicles and this often requires rush repairs or procurement of parts to return a vehicle to service. The proposed change streamlines the purchasing process.

All of the purchases covered by this amendment must be with pre-approved vendors and remain within the previously approved budget allocations. This amendment does not cover planned, routine, or regular maintenance purchases.

The only change to the policy is the addition of paragraph VII(C)(2) on page 6. All other text remains the same.

I respectfully request presentation of the proposed policy to the Governance Committee for review, and if acceptable, further presentation to the Board of Directors for discussion and approval.

**SUFFOLK COUNTY WATER AUTHORITY**  
**POLICIES AND PROCEDURES**

**SUBJECT: POLICY FOR SELECTING VENDORS OF NON-CONSTRUCTION PURCHASING & PROFESSIONAL SERVICES CONTRACTS & FOR DELEGATION OF IMPLEMENTATION AUTHORITY**      **FILE UNDER SECTION NO.: 9**

**EFFECTIVE DATE: July 25, 2024**      **POLICY NO.: 909**

**SUPERSEDES: September 28, 2023**      **APPROVED:** 

**POLICY FOR SELECTING VENDORS OF NON-CONSTRUCTION PURCHASING CONTRACTS, PROFESSIONAL SERVICES, AND THE DELEGATION OF IMPLEMENTATION AUTHORITY**

**I. PURPOSE AND SCOPE**

The purpose of this Policy is to have a competitive procurement process that results in the selection of qualified vendors that offer the best value to SCWA. This policy is limited to the selection of vendors of goods or services not related to construction, professional service providers, and for the payment of expenses not subject to negotiation. This policy does not affect construction contracts awarded pursuant to §1088 of the Public Authorities Law.

**II. DEFINITIONS**

As used herein, the following terms shall have the means set forth below:

- A. AGGREGATE VALUE:** The value of goods or services or professional services of the same type or in the same category purchased in the same fiscal year.
- B. BEST VALUE:** The basis for awarding contracts for goods or services to the bidder/proposer which optimizes quality, cost, and efficiency, among responsive and responsible bidders/proposers.
- C. FISCAL YEAR:** The Authority's Fiscal Year commences on June 1 and runs through and including May 31 of each year.
- D. GOODS AND SERVICES:** Commodities, materials, equipment, supplies, products and other standard articles of commerce and related services.
- E. LOCAL SMALL BUSINESS ENTERPRISE:** An enterprise with no more than fifteen employees with a corporate office in Suffolk County and the office is the principal place of activity for one or more of the entity's employees.

**F. PROCUREMENT OFFICER:** Shall mean, unless otherwise specified by the Authority's Members, the Authority's Purchasing Manager. The procurement officer shall comply with all related policies, including but not limited to the Authority's Policy Concerning Contacts During Procurements.

**G. PROFESSIONAL SERVICES:** A firm or individual that provides services including but not limited to, accounting, environmental, engineering, legal, architectural, appraisal, surveying, public relations, or archaeological services.

### **III. SOLICITATION OF PROPOSALS FOR GOODS OR SERVICES**

A. Solicitation for Proposals for goods or services with an Aggregate Value of TWENTY THOUSAND DOLLARS (\$20,000.00) or greater:

1. The Procurement Officer may select a vendor from an existing United States General Services Administration, State of New York, or municipal contract or pursuant to Public Authorities Law Section 2881 ("Public Contract"), or
2. The Procurement Officer may issue a sealed contract bid request or request for proposals for goods or services.
  - a. The Procurement Officer must use its reasonable efforts to circulate contract bid requests and requests for proposals (hereinafter "RFP") to prospective vendors, including posting a notice of RFP on SCWA's website.
  - b. The Procurement Officer must obtain at least one non-Public contract response or document a justification as to why a non-Public Contract vendor was not solicited.

B. Solicitation for Proposals for goods or services with an Aggregate Value less than TWENTY THOUSAND DOLLARS (\$20,000.00):

1. The Procurement Officer may select a vendor from an existing United States General Services Administration, State of New York, or municipal contract or pursuant to Public Authorities Law Section 2881 ("Public Contract"), or
2. The Procurement Officer may issue a sealed contract bid request or request for proposals for goods or services, or
3. The Procurement Officer may use its reasonable efforts to obtain competitive prices for the required item:
  - a. Reasonable efforts include purchasing the item at retail prices from a reputable vendor whose normal course of business includes selling such items.
  - b. For those items of a specialized character, reasonable efforts shall

include obtaining three written quotes from reputable vendors for the item.

4. The Procurement Officer must obtain at least one non-public Contract response or an explanation as to why a non-Public Contract vendor was not solicited.

#### **IV. REVIEW AND SELECTION OF VENDOR PROPOSALS FOR GOODS AND SERVICES**

##### **A. Review and Selection of Vendor Responses with an Aggregate Value of TEN THOUSAND DOLLARS (\$10,000.00) or greater.**

1. The Procurement Officer must cause the evaluation of responses to the contract bid, request for proposals or Public Contract considering, among other things, price, vendor experience and responsibility, quality of product, whether a vendor is a Disadvantaged Business Enterprise or small local business enterprise and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA.
2. The Procurement Officer must cause the responses to the contract bid, request for proposals, or Public Contract vendor to the Chief Executive Officer for consideration on whether they should be presented to the Board. Such presentation may include a recommendation. If a recommendation is made to use a Public Contract vendor, at least one non-Public Contract response for the same item must be provided or an explanation as to why a non-Public Contract vendor was not provided.
3. The Board taking into consideration, among other things, any recommendation, price, vendor experience and responsibility, whether a vendor is a Disadvantaged Business Enterprise or small local business enterprise, its ability to perform the service in a timely fashion, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA. The Board may authorize or reject entering into an agreement with a vendor for the requested good or service.

##### **B. Review and Selection of Vendor of Responses with an Aggregate Value of Less Than TEN THOUSAND DOLLARS (\$10,000.00):**

1. The Procurement Officer must cause the evaluation of responses to the solicitation considering, among other things, price, vendor experience and responsibility, quality of product, whether a vendor is a Disadvantaged Business Enterprise or small local business enterprise, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA.
2. The responses must be presented to the Chief Executive Officer. Such presentation may include a recommendation. If a recommendation is made

to use a Public Contract vendor, at least one non-Public Contract response for the same item must be provided or an explanation as to why a non-Public Contract vendor was not provided.

3. The Chief Executive Officer, taking into consideration, among other things, any recommendation, price, vendor experience and responsibility, whether a vendor is a Disadvantaged Business Enterprise or small local business enterprise, its ability to perform the service in a timely fashion, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA. The CEO may authorize or reject entering into an agreement with a vendor for the requested good or service.

## **V. SOLICITATION OF PROFESSIONAL SERVICES**

- A. Solicitation for Professional Services with an aggregate value of TWENTY THOUSAND DOLLARS (\$20,000) or greater:

The Procurement Officer must issue a request for proposals. SCWA must use its reasonable efforts to circulate the request for proposals. Such request for proposals must be posted on the SCWA website and may be circulated by other means. If the issuance of a request for proposals is unreasonable under the circumstances, SCWA may obtain at least three quotes for such services and provide an explanation as to why a request for proposals was not issued.

- B. Solicitation for Professional Services with an aggregate value of less than TWENTY THOUSAND DOLLARS (\$20,000):

The Procurement Officer must solicit written proposals from reputable professional vendors with experience performing the requested service. A request for proposals may be issued if deemed appropriate by the soliciting department. The use of a request for proposals is encouraged if highly technical or specialized services are sought. If a request for proposals is issued, the request must be posted on the SCWA website and may be circulated by other means. SCWA may schedule a conference with the vendors prior to any award.

## **VI. REVIEW AND SELECTION OF A FIRM OR INDIVIDUAL TO PROVIDE PROFESSIONAL SERVICES**

- A. Selection of a Firm or Individual to Provide Services with an Aggregate Value TEN THOUSAND DOLLARS (\$10,000.00) or greater:

1. The Procurement Officer must cause the evaluation of responses to the contract bid, request for proposals or Public Contract considering, among other things, price, vendor experience and responsibility, quality of product, whether a vendor is a Disadvantaged Business Enterprise or a local business enterprise, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA.
2. The Procurement Officer must cause the responses to the contract bid,

request for proposals, or Public Contract vendor to the Chief Executive Officer for consideration on whether they should be presented to the Board. Such presentation may include a recommendation. If a recommendation is made for use of a Public Contract vendor, at least one non-Public Contract response for the same item must be provided or an explanation as to why a non-Public Contract vendor was not provided.

3. The Board taking into consideration, among other things, any recommendation, price, vendor experience and responsibility, whether a vendor is a Disadvantaged Business Enterprise or small local business enterprise, its ability to perform the service in a timely fashion, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA. The Board may authorize or reject entering into an agreement with a vendor for the requested good or service.

**B. Review and Selection of a Firm or Individual to Provide Professional Services with a Value less than TEN THOUSAND DOLLARS (\$10,000.00).**

- 1 The Procurement Officer must cause the evaluation of responses to the solicitation considering, among other things, price, vendor experience and responsibility, quality of product, whether a vendor is a Disadvantaged Business Enterprise or small local business enterprise and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA.
2. The responses must be presented to the Chief Executive Officer. Such presentation may include a recommendation. If a recommendation is made for use of a Public Contract vendor, at least one non-Public Contract response for the same item must be provided or an explanation as to why a non-Public Contract vendor was not provided.
3. The Chief Executive Officer, taking into consideration, among other things, any recommendation, price, vendor experience and responsibility, whether a vendor is a Disadvantaged Business Enterprise or small local business enterprise, its ability to perform the service in a timely fashion, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA. The CEO may authorize or reject entering into an agreement with a vendor for the requested good or service.

**VII. Blanket Purchase Authorizations**

**A. Issuance of a Blanket Authorization:**

The Board may, upon the recommendation of the Procurement Officer, authorize or reject establishing a Blanket Authorization for an anticipated amount of goods or services of the same type or in the same category from one vendor and the estimated Aggregate Value of such goods or services. The Procurement Officer must use its reasonable efforts to circulate contract bids to, requests for proposals to, or seek quotes from prospective vendors, including posting notice

on SCWA's website, before issuing a Blanket Authorization to a vendor.

**B. Review and Approval of Blanket Authorizations:**

1. The Procurement Officer must cause the evaluation of responses to the contract bid, request for proposals or Public Contract considering, among other things, price, vendor experience and responsibility, quality of product, whether a vendor is a Disadvantaged Business Enterprise, small local business enterprise, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA.
2. The responses to the contract bid, request for proposals, or Public Contract vendor must be presented to the Board for its consideration. If a recommendation is made to use a Public Contract vendor, at least one non-Public Contract response for the same item must be provided or an explanation as to why a non-Public Contract vendor was not provided. The recommendation must include an explanation as to why the Blanket Authorization should be issued and demonstrate compliance with this Policy by indicating the reasonable efforts made to obtain proposals from prospective vendor(s) for the items sought.
3. The Board taking into consideration, among other things, any recommendation, price, vendor experience and responsibility, whether a vendor is a Disadvantaged Business Enterprise, small local business enterprise, its ability to perform the service in a timely fashion, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA. The Board may authorize or reject issuing a Blanket Authorization.

**C. Purchases after the issuance of a Blanket Authorization:**

1. Purchases from the selected vendor will be made pursuant to Section VIII below. Notwithstanding the issuance of a Blanket Authorization, the Procurement Officer may, in its discretion, but is not be obligated to, obtain competitive pricing under the methods set forth in Sections III and IV prior to purchasing any item covered by the Blanket Authorization.
2. When required by the urgency of the circumstance, individual purchases made under a blanket purchase order not exceeding \$2,500.00 may be made without issuance of a transaction-specific purchase order by the Fleet Manager, who shall provide notice of and reasons for such purchase(s) to the Director of General Services and the Deputy CEO of Operations.

**VIII. Purchase Orders**

Purchase Orders for Goods and Services or Professional Services under this Policy must conform to the following procedures.

- A. All individual purchases with an aggregate value of Two Hundred Fifty Dollars (\$250.00) or more require the issuance of a purchase order. The Procurement Officer, or its designee, must review Purchasing Orders for facial conformity with this Policy.
- B. Authority to issue Purchase Orders:

1. Purchase Orders of any value may be issued by:  
  
Members, Chief Executive Officer, Chief Financial Officer, Chief Technology Officer, Deputy Chief Executive Officer for Administration, Deputy Chief Executive Officer for Customer Service, Deputy Chief Executive Officer for Operations, and General Counsel.
2. Purchase Orders with an aggregate value of less than One Thousand Dollars (\$1,000.00) may also be issued by:  
  
Chief Engineer and Director of Research and Development, Director of Communications and External Affairs, Director of Construction Maintenance, Director of Field Services, Director of General Services, Director of Water Quality and Laboratory Services, Director of Production Control, Director of Risk Management, Director of Strategic Initiatives, and Fleet Manager.
3. Purchase Orders for goods or services with an aggregate value of less than Five Hundred Dollars (\$500.00) may also be issued by:  
  
The Storeroom Manager and by Managers and Superintendents, not otherwise specifically mentioned, for items used within their department.
4. Purchase Orders for Professional Services Agreements without a Sum Certain (e.g. fees earned based on an hourly rate), must be submitted to the SCWA Board for their review and approval of payment.

**IX. Aggregate Value**

The Procurement Officer or its designee must use its best efforts to estimate the Aggregate Value purchased in the same fiscal year to determine the applicable acquisition procedure, as established by this Policy. If during a fiscal year, the Procurement Officer or its designee determines that the estimated value is lower than the actual purchases made, a revised estimate of the Aggregate Value must be made prior to making additional purchases. The appropriate acquisition procedure based upon the revised estimate must then be utilized.

**X. Purchasing Cards**

The Chief Executive Officer may authorize the issuance of purchasing cards to various departments for use to purchase goods not normally stocked by SCWA, not available under an existing SCWA contract, needed immediately, or needed from a vendor who does not accept SCWA purchase orders. The CEO, or its designee, must establish controls on the use of the cards and such controls and compliance with the same shall be reviewed no less than annually by the Internal Auditor.

**XI. Purchases During an Emergency Condition**

If there is an emergency that affects SCWA's normal operations this Policy may be suspended for as long as the emergency exists upon the declaration of the emergency by the Chief Executive Officer. Within a reasonable time after the emergency ends, the details of the purchase or rental of any goods or services of the same type or category (e.g. bottled water, pumping equipment) made during the emergency costing Ten Thousand Dollars (\$10,000) or more must be presented to the Board for its review.

**XII. Local Small Business Enterprise Preference**

If a local small business enterprise's proposal is no more than Five Percent (5%) greater than the otherwise lowest responsive bid, the enterprise may be selected to provide the good or service, as the best value.

Local small business enterprise preference recommendations must contain the reason for the recommendation. Awards to local small business enterprises must comply with all other provisions of this Policy.

**XIII. EXPENSES NOT SUBJECT TO NEGOTIATION**

SCWA recognizes that the prompt payment of invoices for utilities, including, but not limited to, electrical, telephone, cellular, natural gas, governmental fees of any sort, legal notice publications, postage, and express delivery services is important and represents a good business practice. The fees for such services are not subject to negotiation. SCWA may make such payment upon receipt of an invoice for the same without Board approval. Members, Chief Executive Officer, Chief Financial Officer, Chief Technology Officer, Deputy Chief Executive Officer for Administration, Deputy Chief Executive Officer for Customer Service, and Deputy Chief Executive Officer for Operations, and General Counsel may make such payments. In addition, the Board delegates to the Director of Finance and the Finance Department Manager authority to make payments for these services upon receipt of an invoice for the same without further Board action.

**XIV. AUDIT OF DOCUMENTS**

All expenditures as well as processes and procedures leading towards those expenditures are subject to further audit by internal auditors, independent accountants, and appropriate government agencies as required.

**XV. REPORTS**

On an annual basis, a report will be submitted to the Board reflecting number of contracts, contractor, estimated annual award amounts and amounts paid to date and the controls governing the use of purchasing cards.

**XVI. REVIEW**

The Board must review and reconfirm this policy on no less than an annual basis.

**XVII. EFFECTIVE DATE**

The Effective Date for this Policy is July 25, 2024.

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**To:** Jeffrey Szabo, CEO

**From:** Alyson E. Bass, Attorney

**Date:** February 20, 2026

**Re:** Request for Proposed Policy Review  
Write-Off of Uncollectible Balances for Closed or Non-Existent Accounts

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In connection with SCWA's commitment to robust corporate governance, The Legal Department, in conjunction with the Customer Service Collections Team, and the Finance Department, have drafted a policy, "Write-Off of Uncollectible Balances for Closed or Non-Existent Accounts".

Specifically, the policy standardizes a formal write-off mechanism for account balances with no reasonable expectation of collection. It covers the following: (1) closed accounts where the balance is \$1.00 or less; (2) closed accounts for balances \$1.01 or more where there is no active customer account or relationship; and (3) for balance of \$00.01 or more where no account associated with the balance, such as a damage claim. Formalizing these procedures brings consistency to SCWA's operational practices, strengthens internal controls, and helps to increase compliance with generally accepted accounting principles (GAAP).

I respectfully request presentation of the proposed policy to the Governance Committee for review, and if acceptable, further presentation to the Board of Directors for discussion and approval.

# SUFFOLK COUNTY WATER AUTHORITY

## POLICIES AND PROCEDURES

**SUBJECT: Write-Off of Uncollectible Balances  
For Closed or Non-Existent Accounts**

**FILE UNDER SECTION NO.: [ ]**

**EFFECTIVE DATE:** February 27, 2026

**POLICY NO.: [ ]**

**SUPERSEDES:** N/A

**APPROVED:** [ ]

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### I. PURPOSE

The purpose of this policy is to establish clear guidelines and procedures for writing off balances that have been determined to be uncollectible. Removing balances that are realistically uncollectible ensures SCWA's accounts receivable reflect only amounts that can reasonably be expected to be recovered. Additionally, writing off these balances increases operational efficiency by bringing closure to collection efforts that would otherwise continue to consume staff time through unnecessary follow-up, reporting, and administrative processing.

This policy ensures:

- Accurate and transparent financial reporting
- Reduction of aged and unrecoverable accounts receivable
- Compliance with Generally Accepted Accounting Principles ("GAAP") and recommended audit controls

These balances typically arise from back-billing adjustments posted after account closure, unpaid hydrant or RPZ charges, or instances where no customer account exists and are generally small in nature. Once all appropriate collection efforts have been exhausted, as determined by the Deputy CEO of Customer Service, such balances may be eligible for write-off.

This policy is not applicable to any outstanding balance on an open account.

### II. POLICY

The Authority may write off outstanding balances that are deemed uncollectible only upon due diligence and exhaustion of standard collection procedures<sup>1</sup>. Such write-offs represent adjustments to accounting records only and do **not** relieve customers of any legal obligation to pay outstanding charges. The Authority reserves the right to pursue future collection efforts at its discretion, including referral to third-party collection agencies or legal action.

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<sup>1</sup> Standard collection procedures include but are not limited to: obtaining a forwarding billing address, follow up collections letters, calls and other methods of escalation within the Customer Service department.

Write-offs shall be processed collectively on an annual basis at the close of the fiscal year in a single batch, on such date designated by the Chief Financial Officer. An annual report shall be approved by the Chief Executive Officer and presented to the Board of Directors. The Chief Executive Officer, or its designee, may approve annual aggregate balances not exceeding FIFTY THOUSAND DOLLARS (\$50,000.00) and balances not exceeding TEN THOUSAND DOLLARS (\$10,000.00), for any one person and. Approval from the Board of Directors shall be required for write off balances in excess of these thresholds.

### III. STANDARDS FOR WRITE OFF

<b>Account Status</b>	<b>Balance</b>	<b>Justification</b>
Closed Account	\$1.00 or less	Balances of \$1.00 or less are not mailed, as the administrative cost of issuing a customer bill exceeds the value of the debt.
Closed Account	\$1.01 or more	When a back-billing adjustment is applied to a closed account, the resulting balance is often uncollectible because there is no active customer relationship to receive the charges. If this balance remains unpaid, it may become a lien on the service property, improperly transferring responsibility for the debt to a new customer who had no notice of the charges and has no means of recourse or it may remain as a receivable despite the inability to collect. Such an outcome is inconsistent with sound debt-collection practices and violates SCWA's commitments to fairness, transparency, and responsible customer service.
No Customer Account Exists	\$0.01 or more	Collection is deemed not feasible due to abandonment, demolition, or the absence of valid contact information, typically upon damage to SCWA property by a non-customer.

### IV. RECORDKEEPING AND REPORTING

The Billing and Finance Departments shall maintain complete documentation supporting all balances that write-offs. Separate main and sub-accounts shall be established to track, classify, and reconcile all write-off activity.

Quarterly reports shall be provided to Executive Leadership, with an annual summary included as part of the year-end financial review and audit process. The Board of Directors of the Suffolk County Water Authority may receive detailed information regarding periodic write-offs upon request.

### V. REVIEW

This policy shall be reviewed annually by the Billing and Finance Departments and updated as needed based on audit recommendations, regulatory changes, or operational requirements.

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**To:** Jeffrey Szabo, CEO

**From:** Alyson E. Bass, Attorney

**Date:** February 20, 2026

**Re:** Proposed Policy for the Acquisition of Real Property

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In connection with SCWA's commitment to robust corporate governance, The Legal Department, has drafted a proposed policy for the Acquisition of Real Property. This Policy is a requirement of all New York Public Authorities and must be published as well as presented to the Authorities Budget Office with the annual report.

Specifically, this policy solely addresses the acquisition of interest in real property, whether by purchase, lease, license, easement, condemnation, or otherwise. The main points provide that the CEO remain the officer responsible for any such transactions; the price must be determined by either a broker market analysis or appraisal by a licensed appraiser. If SCWA deems it necessary, more than one valuation may be sought, with the average of the valuations becoming the acceptable purchase price. As is currently in practice, the board must approve of all transactions.

Generally speaking, this Policy merely formalizes the process already utilized by SCWA in its acquisition efforts. I respectfully request presentation of the proposed policy to the Governance Committee for review, and if acceptable, further presentation to the Board of Directors for discussion and adoption.

**SUFFOLK COUNTY WATER AUTHORITY  
POLICIES AND PROCEDURES**

**SUBJECT: POLICY FOR THE  
ACQUISITION OF REAL PROPERTY**

**FILE UNDER SECTION NO.: [ ]**

**EFFECTIVE DATE: February , 2026**

**POLICY NO.:**

**SUPERCEDES: N/A**

**APPROVED:**

**I. PURPOSE AND SCOPE**

- A. This policy shall apply to any acquisition of real property by the Suffolk County Water Authority, (“SCWA”).
- B. Pursuant to the Public Authorities Law, which enumerates the General Powers of SCWA, SCWA may exercise the General Power to acquire title, rights, or interest in real property through purchase, gift or grant, lease, license, easement, condemnation, cooperative agreement, or otherwise, upon such terms and conditions as the authority may deem necessary or convenient to carry out the powers expressly given or necessarily implied by the Public Authorities Law. PAL Sec. 1078.
- C. Notwithstanding the terms of any other section of these Guidelines, applicable Property may be acquired in accordance with the provisions of Article 9 of the Public Authorities Law.
- D. The Chief Executive Officer (“CEO”) is Officer who will be responsible for compliance with, and enforcement of, this policy.

**II. GENERAL**

- A. All acquisitions of real property shall comply with applicable State, federal and local law, including but not limited to Chapter 766 of the Laws of New York 2005, better known as the Public Authorities Accountability Act (“PAAA”), the State Environmental Quality Review Act (“SEQRA”), the Eminent Domain Procedure Law (“EDPL”), any requirements of SCWA’s policies or board resolutions, and any other applicable state and local law or regulation.
- B. The CEO, or its designee, is hereby authorized to negotiate the terms and conditions of the acquisition of real property necessary to accomplish SCWA’s purposes consistent with this policy.
- C. The CEO, or its designee, may execute such documents for the transfer of title or other interest in real property and take such other action as is required or deemed necessary and proper to acquire such real property, as authorized by resolution.
- D. SCWA shall maintain a record for each transaction that documents its compliance with this policy.

- D. SCWA shall procure any outside professional services, such as title insurance and commercial real estate brokerage services, as necessary, pursuant to the SCWA's Purchasing Guidelines.

### III. IMPLEMENTATION

- A. The CEO shall identify real property necessary for SCWA's purposes.
- B. Once potentially acceptable real property has been identified, such real property shall be evaluated internally under the direction of the CEO of SCWA. When necessary or convenient, the CEO may seek participation from SCWA staff, and professionals including, but not limited to, real estate counsel, engineering, environmental, geological, and other consultants, title insurance company, and a licensed commercial real estate broker or brokers.
- C. Prior to contract for the acquisition of real property, SCWA shall obtain at least one (1) of either a broker's market analysis, appraisal by Members of the Appraisal Institute ("AMI"), or other reasonable and professionally prepared valuation projection consistent with then-current industry standards and practices. If more than one valuation is procured, SCWA may attempt to reconcile the differences in value through determining an average of the two valuations, or by seeking a further review appraisal which shall constitute the final determination of value. The contract price for acquiring real property is subject to the approval of the Board of Directors of SCWA.
- D. SCWA may enter into a contract to obtain the right to enter onto real property being considered for acquisition for the purposes of conducting archeological, environmental, geotechnical and any other relevant studies and investigations of such property, either separately or as part of a contract for acquisition of such property.

### IV. REVIEW AND REPORTING REQUIREMENTS

- A. This policy will be reviewed annually.
- B. The Authority will post the policy on its internet website to remain accessible by the public.
- C. The Authority shall maintain accountability and a system of internal controls for all Property under its control, including a system of inventory and annual reporting as may be required under applicable law or other SCWA policy.