Governance Committee Meeting

Suffolk County Water Authority
October 29, 2026, at 2:30 PM
4060 Sunrise Hwy, Oakdale

Agenda

1. **Approve February 26, 2026, Minutes**

2. **Revising Policy 201- Employee Personnel Records**
   The Human Resources Department seeks approval to revise Policy 201, Employee Personnel Records. On September 9, 2026, the NYS Personnel Records Access legislation was signed into law. This law provides both public and private sector employees and former employees the right to access and dispute their employee personnel records. This will require the Authority to update Policy 201. This law takes effect on November 8, 2026, please refer to the memo attached for the additions to Policy 201.

3. **Revising Policy 501-Business Travel**
   The Human Resources Department seeks approval to revise Policy 501, Business Travel. Policy 501- provides steps utilized by employees to document business expenses for which they are requesting reimbursement. The current expense report includes a review and approval from SCWA Internal Audit. As of January 2026, SCWA has not had an Internal Auditor on staff and has recently looked to outsource this role. The recommendation is to remove the Internal Audit and replace it with the Chief Financial Officer/ Accounting Manager prior to sending it to be signed off by the Chief Executive Officer for final approval. Please refer to the memo attached for the additions to Policy 501.

4. **Code of Ethics and Conflict of Interest and Disclosure Policy Adoption**
   The Legal Department seeks approval to adopt the new provisions required by the Public Authorities Accountability Act (PAAA) and to adopt a Code of Ethics to govern the conduct of its Members and Employees. The Act requires that the Code minimum includes the standards established in Section-74a of the Public Law Officers. Please refer to the memo attached to the new provisions, all the others are existing policy, and the scope of the existing policy has not been broadened or constrained, and while they are codified in one Policy, their application remains unchanged.

GOVERNANCE COMMITTEE MEETING

DATE: February 26, 2026

LOCATION: 4060 Sunrise Highway, Oakdale

ATTENDANCE: Charles Lefkowitz, Chairman
John Rose, Member
William Davidson, Member
Jeffrey W. Szabo, CEO
Frank Tassone, Deputy CEO of Customer Service
Joseph Pokorny, Deputy CEO of Operations
John Milazzo, General Counsel

Barbar Yatauro, Cross Connection Field Assistant- Local 393

The meeting was called to order by Mr. Szabo at 2:36 p.m. upon Members of the Committee being present.

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

RESOLVED, To approve the minutes of September 25, 2025, Governance Committee Meeting.

Mr. Szabo then presented the SCWA Policy 909: Nonconstruction Purchasing and Professional Services Contracts & for Delegation of Implementation of Authority, which requests to increase the purchasing approval level of the fleet manager for urgent repairs.

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

RESOLVED, To approve the revisions to Rules and Regulations: Leave of Absence Policy No. 909 and present to the full board for approval.

Mr. Szabo then presented the SCWA New Policy: Write-off of Uncollectible Balances for Closed or Non-Existent Accounts, seeking to standardize the guidance on writing off uncollectible receivables in compliance with Generally Accepted Accounting Principles (GAAP). This policy will increase transparency and ensure uniform application across departments.

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

RESOLVED, To approve the revisions to Rules and Regulations: Write-off of Uncollectible Balances for Closed or Non-Existent Accounts (New Policy).

Mr. Szabo then presented the SCWA New Policy: Land Acquisition, 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.

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

RESOLVED, To approve the revisions to Rules and Regulations: Land Acquisition (New Policy).

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. Davidson, duly seconded by Mr. Rose, and unanimously carried, the meeting of the Audit Committee was adjourned at 2:53 p.m.

_____

Ms. Elizabeth Mercado, Secretary

SUFFOLK COUNTY WATER AUTHORITY
Oakdale, Long Island, New York

I N T E R O F F I C E C O R R E S P O N D E N C E

DATE: October 21, 2026

TO: Jeffrey Szabo, Chief Executive Officer

FROM: Brian Seevers, Director of Human Resources BS

SUBJECT: Revising Policy 201- Employee Personnel Records

Suffolk County Water Authority ("SCWA") last updated Policy No. 201- Employee Records on February 23rd, 2023. This policy outlines the way the Authority will provide access to employee records including their personnel file and the information held therein.

On September 9, 2026, the New York State Personnel Records Access legislation was signed into law. This law provides both public and private sector employees and former employees the right to access and dispute their employee personnel records. This will require the Authority to update Policy 201- Employee records to meet this new standard. The law takes effect on November 8, 2026.

Additions to the policy will include:

1. Right of both current and former employees to view and be given a copy of their personnel records two (2) times per calendar year.
2. Provide a free copy of the employee's personnel records within five (5) business days after receiving a written request:
3. Retaining of the complete personnel records for separated employees for three (3) years after separation.
4. Notification to an employee within ten (10) days of placing in the employee records any information to the extent the information is, has been used or may be used to "negatively affect the employees qualification for employment, promotion, transfer, additional compensation or the possibility that employee will be subject to disciplinary action".
5. The new law also defines what a personnel record should include with regards to providing employees. It defines "personnel record" as a record kept by an employer that "identifies the employee, to the extend that the record is used or has been used or may affect or be used relative to that employee's qualifications for employment, promotion, transfer, additional compensation or disciplinary action."

While policy 201 provides for some of this information, additional changes in language is needed to meet the new law.

Attached you will find a draft of Policy 111 with the additional language.

SUFFOLK COUNTY WATER AUTHORITY

POLICIES AND PROCEDURES

SUBJECT: EMPLOYEE RECORDS **FILE UNDER SECTION NO.: 2**

EFFECTIVE DATE: February 23, 2023 **POLICY NO.: 201**

SUPERSEDES: July 19, 2021 **APPROVED:**

POLICY

This policy defines the personnel records to be maintained for each employee and the rules governing access to these records. This policy shall apply to all divisions of the Authority and all individuals employed therein. The interpretation and administration of this policy shall be the responsibility of the Human Resources Department.

PROCEDURE

1. The Authority maintains Personnel Files for each employee. The Personnel Files document all aspects of an employee's tenure with the Authority, facilitating decisions about transfers, promotions, compensation and other developmental considerations. Guidelines for the removal and filing of documents to comply with legal and ethical requirements for information access and control are defined below.

2. **The Personnel File:** The Human Resources Department maintains the personnel file for each employee. This file must contain all documents applying to the employee's tenure and includes but is not limited to the following:

   A) Employment application and resume (if applicable).

   B) Employment agreement (if applicable).

   C) Education and transcript release, request, response and verification.

   D) Offer of employment or acceptance letter.

   E) Rates of pay.

   F) All personnel status forms, current and historical.

   G) Performance appraisals and related documents (commendations, warnings, discipline etc.)

   H) Any other documents relating to disciplinary action regarding the employee.

   I) Salary reviews and related documents.

   J) Termination documentation, etc.

3. **Personal Data**: Any time there is a change in an employee's status or personal data, such as name, address, phone number, marital status, beneficiaries, etc., the employee **must** notify the Human Resources Department in writing.

FILE ACCESS

1) Personnel files are considered to be and are treated as **CONFIDENTIAL**. All active and former employees are entitled to see their own personnel file up to two (2) times per calendar year.

2) All requests by active and former employees must be made to Human Resources in writing. All requests for copies of employee files will be provided within five (5) business days of the receipt of a written request by an active or former employee.

3) All employees will be notified when negative information will be placed in their personnel files. Negative information may include but is not limited to information that could negatively affect retention, promotion, hiring etc. (ex employee discipline). All employees will be provided an opportunity to respond to negative information at time of notice.

4) The authority will retain the records of separated employees for period of three (3) years after separation.

5) Documents under restricted access may only be released to the Supervisor/Manager to whom the employee directly reports unless there is a demonstrable need to know.

6) **Confidential Records:** Access to information contained in these files is restricted to Human Resources staff members with a need to know about information contained in these files. All medical records will be maintained in files separate from the general employee personnel files within the Human Resources Department. These include pre-employment physicals, doctors' notes, personal medical information and background check forms

GOVERNMENT AND OFFICIAL INQUIRIES

When legal documents (subpoenas and other court orders) are received, the Authority will comply in accordance with applicable law. When government or other official agency requests are received, the Authority will ascertain if compliance is required, and if so, will release the appropriate documents. Unless prohibited from doing so, the Authority will attempt to notify the individual when such a record request is made.

SUFFOLK COUNTY WATER AUTHORITY
Oakdale, Long Island, New York

I N T E R O F F I C E C O R R E S P O N D E N C E

DATE: October 21, 2026

TO: Jeffrey Szabo, Chief Executive Officer

FROM: Brian Seevers, Director of Human Resources BS

SUBJECT: Revising Policy 501- Business Travel

Suffolk County Water Authority ("SCWA") last updated Policy No 501- Business Travel on February 23rd, 2023. This policy outlines the way the Authority reimburses employees for expenses incurred while traveling on Authority business or conducting business outside the normal work setting.

Policy 501- provides steps utilized by employees to document business expenses for which they are requesting reimbursement. The current expense report includes a review and approval from SCWA internal audit staff. As of January 2026, SCWA has not had an internal auditor on staff and has recently looked to outsource this role. As such, the recommendation is to remove the internal audit step and replace it with the Accounting Manager or Chief Financial Officer prior to sending it to the Chief Executive Officer for final approval.

Attached you will find a draft of the update policy as well as an updated expense report as well.

SUFFOLK COUNTY WATER AUTHORITY

POLICIES AND PROCEDURES

SUBJECT: BUSINESS TRAVEL AND MEAL EXPENSES

FILE UNDER SECTION NO.:5

EFFECTIVE DATE: February 23, 2023

POLICY NO.: 501

SUPERSEDES: July 18, 2016

APPROVED:

POLICY

Periodically, employees may be required to incur certain expenses when traveling on Authority business or conducting business outside of the normal work setting. It is the Authority's policy to reimburse such expenses when the expenses are reasonable and customary and conform to the guidelines established by this policy. Employees may incur expenses with personal funds or may use an Authority purchasing card in accordance with the guidelines indicated.

PROCEDURE

The following expenses are permitted:

TRANSPORTATION

1. Transportation of an employee authorized to travel on Authority business:

   A. Travel by rail or air will be reimbursed on the basis of actual expenses incurred for fares and reasonable baggage charges. Air travel shall be tourist class.

   B. Auto rental is reimbursable only if the nature of the trip or the location of the place of business to be visited is such that the use of local transportation is not practical or would be more expensive. Intermediate cars should be rented. Collision damage and personal accident insurance options offered with rental agreements should be taken.

2. The Authority will reimburse employees for the use of their personal cars (i.e. a car owned by an employee or spouse or both) in the conduct of Authority business at the current IRS rate per mile, plus tolls and parking fees. Receipts for tolls and parking should be obtained.

   The Authority does not encourage the use of personal cars on Authority business but recognizes that under certain circumstances this becomes the most practical means of transportation. However, automobile damages are the responsibility of the employee, not the Authority, and each employee should be certain that their vehicles have sufficient and proper insurance coverage.

   Employees should not use their personal cars for business purposes except for local transportation, i.e., travel to and from an airport, without prior approval by their department

heads. The use of personal cars for business travel should be kept to a minimum. When conducting business locally, employees are expected to use an Authority vehicle. Personal automobiles should only be used when an Authority vehicle is not available or if use of an Authority vehicle is not viable.

3. Local transportation will be reimbursed for actual expense, including bus, taxi, subway or streetcar or all or any of these means. Scheduled bus or group limousine, Uber, Lyft,) transportation to and from airports should be used except where it will be to the Authority's advantage to use a taxi or other means of transportation. Long term parking of an employee's car is permissible.

ACCOMMODATIONS

A. HOTELS

When traveling outside the home area or when an unusual assignment, such as an off-site meeting, requires the use of a hotel room in the home office area (subject to Director level approval), the hotel expense is reimbursable. It is expected that both the type of hotel and the room chosen will be consistent with reasonable living standards and the best interests of the Authority.

B. MEALS

Away From Home Area

Actual cost of meals, including tips, while away from the home office area on overnight business is reimbursable. An adequate tip is considered fifteen (15%) of the meal cost. Meal expenses should be reasonable and customary for the location visited. IRS per diem rates may be used as a guideline for reasonableness.

Local Travel

Reasonable and customary meal expenses for single day and local trips, such as for training or seminar attendance, will be reimbursed by the Authority.

C. Telephone

The cost of all necessary business calls and messages are reimbursable. Brief personal calls from home to the employee's family are permissible during extended trips.

D. Travel With Spouse or Other Members of Family

Spouses or other members of employees' families may accompany employees traveling on Authority business provided that all expenses attributable to such accompaniment are paid and/or reimbursed to the Authority by the employee.

E. Travel Arrangements

Employees will make their own travel arrangements after receiving approval by resolution of the Board Members or Chief Executive Officer as appropriate. Employees are expected to book flights at the lowest cost and take advantage of discounts available.

F. BUSINESS MEALS

Meals With Business Guests

1. Reasonable expenditures for dining with persons outside the Authority who are

involved in or have an influence on Authority business activities are allowable.

2. Board Members, the CEO, Deputy CEO's, and CFO may conduct lunch or dinner meetings with Authority staff, on site or off site, when such meetings are expedient and costs are reasonable and customary.

3. Cost of meals, including tips, for employees as well as their business guests, is allowable. The cost of other Authority personnel included in the group is also allowable.

4. In all cases, the names and affiliations of all guests and the names of Authority personnel included should be clearly indicated on the credit card receipt and/or expense accounts as well as the business purpose of the meeting.

CREDIT CARDS AND PURCHASING CARDS

CREDIT CARDS

All charges incurred through the use of an Authority-furnished credit card, other than gasoline charges, will be recorded on monthly expense reports and substantiated by receipts. The CEO will approve Authority charged expense receipts (in lieu of an expense report). Such receipts must comply with section F (4) of this policy. Gasoline charges, regardless of the Authority credit card used, must indicate vehicle mileage.

PURCHASING CARDS

The Authority will provide employees attending pre-approved conferences or seminars with Authority-issued purchasing cards. Several purchasing cards will be maintained by the CEO's office and distributed to employees upon approval of attendance. The employee acknowledges responsibility for any expenses incurred on the card. Upon return from the conference or seminar the employee will prepare a Purchasing Card Expense Report and detail all expenses incurred. This report should be submitted to Internal Audit within one week of travel. If any expenses are determined to be improper, the Authority will seek reimbursement from the employee and future use of the purchasing card may be prohibited.

EXPENSE REPORTS

All employees are required to submit a completed expense report for business expenses incurred for which they are requesting reimbursement. Expense reports should be completed once a month, signed by the appropriate Director and Deputy CEO and Accounting Manager or CFO. The report should be forwarded to and approved by the Chief Executive Officer prior to forwarding to Accounts Payable.

Receipts for hotel bills, meals, transportation tickets, automobile rentals, valet services, tolls, parking, fuel and other expenses should be attached to expense account reports to support each expenditure listed.

SUFFOLK COUNTY WATER AUTHORITY

EXPENSE ACCOUNT

Name _____ Emp ID# _____ Date _____

Address for Reimbursement Check _____ Period from _____ to _____

							Personal Mileage Reimbursement			
Date	Description	Fees	Hotels	Meals	Travel	Other	Miles	Rate**	Total Mil.	Total
								0.67	0	$ -
								0.67	0	$ -
								0.67	0	$ -
								0.67	0	$ -
								0.67	0	$ -
								0.67	0	$ -
								0.67	-	$ -
								0.67	-	$ -
								0.67	-	$ -
								0.67	-	$ -
								0.67	-	$ -
								0.67	-	$ -
								0.67	-	$ -
								0.67	-	$ -
								0.67	-	$ -
Total		0	0	0	0	0	0	0.67	0	$ -

The employee certifies that the above reimbursement request is valid and compliant with policy.

Business Purpose and Resolution Number (when applicable):

Preparer:

Director/Manager:

Date	Purpose & Accounting	Number	Center	ISO	Amount
					$0.00

Deputy CEO/General Counsel:

Accounting Manager/ Chieif Financial Officer

Chief Executive Officer:

*** Mileage Rate Changes Annually in Accordance with the IRS Allowable Rate.*

SUFFOLK COUNTY WATER AUTHORITY

INTEROFFICE CORRESPONDENCE

TO: Jeffrey W. Szabo, CEO

FROM: John C. Milazzo, General Counsel

RE: Code of Ethics and Conflict of Interest and Disclosure Policy Adoption

DATE: October 22, 2026

The Authority is required by the Public Authorities and Accountability Act (the PAAA) to adopt a Code of Ethics to govern the conduct of its Members and employees. (See PAL §2824). The Act requires that the Code that a minimum includes the standards establised in Section 74-a of the Public Officers Law.

The enclosed policy contains a Code that satisfies the requirements of the PAAA and consolidates existing Authority concerning conflicts of interests and disclosures. New provisions are those found in the standards that the Authority is required to adopt. All of the others are existing policy and the scope of the existing policy has not been broadened or constrained, and while they are codified in one Policy, their application remains unchanged.

If this meets with your approval, please have the Board consider it at its next meeting.

Authority Code of Ethics and
Conflict of Interest and Disclosure Policy

The Authority adopts the following Code of Ethics to govern the conduct of its Members and Employees. Violations of the Code may subject a Member or Employee to discipline under the Authority's Corrective Action Policy or other appropriate civil or criminal proceeding as otherwise authorized by law. This policy is promulgated pursuant to the Public Authority Accountability Act, the "Act" (Public Authorities Law §2824).

The Code contains two parts. The first are the standards that Authority Members and Employees must following under the provision of the Act (*See,* PAL §2824). The second is the Authority's Conflict of Interest and Disclosure Policy (*See*, Authority Policy 202) and applies as provided therein. In the event of a conflict between the two, the stricter shall apply unless an employee is specifically exempt from the stricter provision.

I. Definitions

A. Authority means the Suffolk County Water Authority.

B. Employee means any person employed by the Authority and includes Interns, Temporary Employees, and Seasonal Employees.

C. Member means the persons appointed by the Suffolk County Legislature to the Authority Board.

II. Standards.

A. No Authority Member or Employee may:

1. Accept other employment which will impair his or her independence of judgment in the exercise of his or her Authority duties.

2. Accept employment or engage in any business or professional activity which will require him or her to disclose confidential information which he or she has gained by reason of his or her Authority employment.

B. No Authority Member and Employee should:

1. Disclose confidential information acquired by him or her in the course of his or her official duties nor use such information to further his or her personal interests.

2. Use or attempt to use his or her official position to secure unwarranted

privileges or exemptions for himself or herself or others, including but not limited to, the misappropriation to himself, herself or to others of the property, services or other resources of Authority for private business or other compensated non-Authority purposes.

3. Engage in any transaction as representative or agent of the Authority with any business entity in which he or she has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his or her Authority duties.

4. By his or her conduct give reasonable basis for the impression that any person can improperly influence him or her or unduly enjoy his or her favor in the performance of his or her Authority duties, or that he or she is affected by the kinship, rank, position or influence of any party or person.

C. Each Authority Member and Employee should:

1. Abstain from making personnel investments in enterprises which he or she has reason to believe may be directly involved in decisions to be made by him or her in his or her Authority duties, or which will otherwise create substantial conflict between his or her Authority duties and his or her private interest.

2. Endeavor to pursue a course of conduct in his or her Authority duties which will not raise suspicion among the public that he or she is likely to be engaged in acts that are in violation of his or her trust.

D. No Authority Member or Employee, nor any firm or association of which such Member or Employee is a member, nor corporation a substantial portion of the stock of which is owned or controlled directly or indirectly by such such Authority Member or Employee, should sell goods or services to the Authority.

III. Conflict of Interest and Disclosure Policy Policy

As a public benefit corporation, the Authority must conduct its operations in a professional manner. The Authority expects all officers, directors and employees to adopt a high ethical standard of conduct in the performance of their duties, observe all laws and regulations governing business transactions, and use Authority funds and resources only for legitimate and ethical purposes.

A. Prohibited Conduct

1. Interests in contracts are prohibited pursuant to Public Authorities Law

1087, as follows: “It shall be a misdemeanor for any of the Members of the Authority, or any officer, agent, servant, or employee thereof, employed or appointed by them to be in any way or manner interested directly or indirectly in the furnishing of work, materials, supplies or labor, or in any contract thereof which the Authority is empowered by this title to make.”

2. The Authority respects the rights of personnel in their activities outside their employment that are private in nature and which in no way conflict with or reflect upon the Authority. However, personnel must avoid conflicts of interest. A conflict of interest arises when the private interests of an employee (including Board Members and all full time, part time and temporary employees) of the Suffolk County Water Authority clash with their responsibilities as employees of the Authority.

3. Receipt, by a Member or an Employee or a member of the Member’s or Employee’s family (defined as related by blood, marriage, or domestic bond), of gifts, entertainment, discounts, services, loans or anything of value from suppliers, customers, or other persons with whom the Authority does business. Gifts must be returned to the donor with the explanation that Authority policy will not permit acceptance of the gift. The Authority will reimburse the expense of returning gifts.

4. Speculation or dealing in equipment, supplies, or materials normally purchased by the Authority.

5. Borrowing money from suppliers, customers, individuals or firms with whom the Authority does business loans or mortgages from banks or individuals doing business with the Authority are exempted if the terms are at current rates and the customary collateral for such transactions is provided.

6. Acquiring an interest in real estate in which it is known the Authority also has an interest, or which may improve in value because of the Authority’s activities in the vicinity of such property.

7. Misusing information to which individuals have access by reason of their position – such as by: disclosing confidential information (e.g., confidential information of a technical, financial, or business nature or other “inside information”) to others outside or inside the business (whether or not a consideration is received), or using such information for their own or family’s (as previously defined) benefit.

8. Soliciting funds or other items of value from Authority vendors, suppliers

or consultants for oneself or to benefit any other organization, club or person, be the organization, club or person charitable, religious, profit-making, etc.

9. Providing or being in any way or manner interested directly or indirectly in the provision of work, materials, supplies, labor or information for any off-duty plumbing or other services that require Authority inspection and/or approval (including but not limited to installing private service lines, installing backflow prevention devices and expediting water supply applications) to existing or future Authority customers.

B. Disclosure Procedure

All conflict of interest situations must be reported to the Chief Executive Officer. If there is any doubt as to whether a particular situation may give rise to a conflict of interest, the Member or Employee should consult with Human Resources. If in the opinion of Human Resources a conflict of interest may exist, the Chief Executive Officer shall present the case to the Authority Board Members. The following situations are some, but not all, of those situations that must be disclosed:

1. Holding more than one percent financial interest, directly or indirectly (as an owner, stockholder, securities holder in a publicly owned corporation, partner, joint ventures, creditor, guarantor, director, trustee, or beneficiary of a trust) in a firm that provides services or supplies materials or equipment to the Authority, or in a firm to which the Authority makes sales or provides services, or engaging in such activities with the Authority as an individual.

2. Serving as an employee, owner or consultant of another organization providing goods and/or services to the Authority or its customers or functioning individually and providing said services to the Authority or its customers.

3. Receiving compensation for services rendered to other employees (e.g., plumbing work, electrical work, legal services, accounting and tax services, etc).

4. Membership on or employment by any governmental or political board, commission, committee, council or other body that has jurisdiction within the area serviced by the Authority.

5. Membership on or employment with any entity where such employment,

service or Membership is incompatible with the proper discharge of official duties or would impair independent judgment or action in the performance of official duties.

6. Selling goods, services or other items of value to Authority vendors, suppliers or consultants for oneself, or to benefit any other organization, club or person be the organization club or person charitable, religious or profit making, etc.

C. Anti-Nepotism Provision

The Authority shall not employ relatives of employees as defined to mean an employee's spouse, child, stepchild, stepparent or direct descendant of grandparents of the employee as defined in the New York State General Municipal Law 810.

D. Prohibition on Management Holding Political Party Leadership Provision

An Employee in a position, other than one listed in the Authority's Collective Bargaining Agreements, may not hold political party leadership in Village, Town, County, State or Federal political organizations.

E. Annual Conflict of Interest and Disclosure Statement

Pursuant to Authority Policy 202, the Authority shall annually distribute the Conflict Policy and collect a completed Disclosure Statement from each Authority Member and Employee.