

**OUR PRIMARY MISSION  
IS TO PROVIDE DRINKING  
WATER** THAT MEETS OR  
SURPASSES SOME OF THE  
TOUGHEST REGULATIONS  
IN THE COUNTRY.



4060 Sunrise Highway  
Oakdale, NY 11769  
631-589-5200  
[www.scwa.com](http://www.scwa.com)



local  
progressive  
accountable  
sustainable  
measured  
ACTION

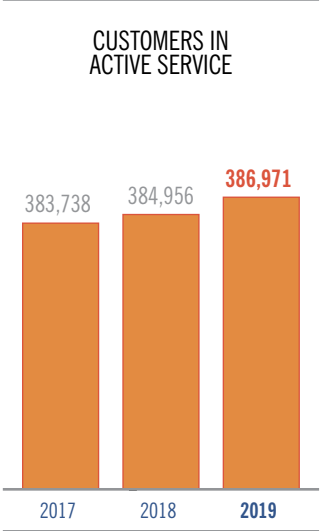
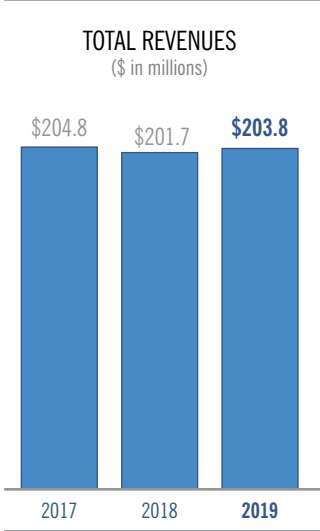


# THE SUFFOLK COUNTY WATER AUTHORITY IS AN INDEPENDENT PUBLIC-BENEFIT CORPORATION OPERATING UNDER THE AUTHORITY OF THE PUBLIC AUTHORITIES LAW OF THE STATE OF NEW YORK.

SERVING APPROXIMATELY 1.2 MILLION SUFFOLK COUNTY RESIDENTS, THE AUTHORITY, WHICH BEGAN OPERATIONS IN 1951, OPERATES WITHOUT TAXING POWER ON A NOT-FOR-PROFIT BASIS. THE AUTHORITY IS ONE OF THE LARGEST GROUNDWATER SUPPLIERS IN THE COUNTRY.

## 2019 RESULTS

	YEAR ENDED MAY 31,		
Dollars in thousands	2019	2018	2017
Total Revenues	\$ 203,799	\$ 201,693	\$ 204,810
Operating and Maintenance Expense	\$ 124,370	\$ 131,619	\$ 128,231
Water Plant at Cost	\$ 1,923,789	\$ 1,860,074	\$ 1,805,656
Bonded Indebtedness	\$ 923,378	\$ 831,509	\$ 837,696
Interest on Bonds and Notes	\$ 31,147	\$ 27,368	\$ 31,409
Change in Net Position	\$ (1,925)	\$ (6,046)	\$ (961)
Customers in Active Service	386,971	384,956	383,738
Miles of Water Main in Service	6,001	5,983	5,969
Fire Hydrants in Service	38,099	37,976	37,893
Water Pumped (in billions of gallons)	67.8	68.7	75.1
Employees	570	557	567



VIEW OUR FULL FINANCIAL STATEMENTS

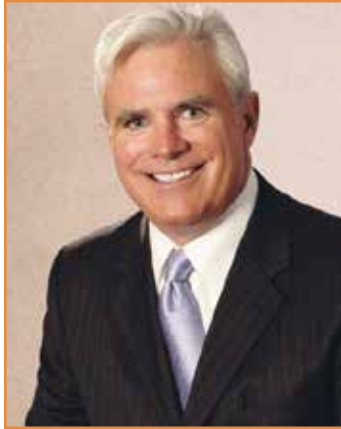


To view the Suffolk County Water Authority's complete audited financial statements, go to:  
[https://www.scwa.com/assets/1/6/aunnualfinancialreport2019-F\\_871583\\_19\\_SCWA\\_LongForm\\_FS.PDF](https://www.scwa.com/assets/1/6/aunnualfinancialreport2019-F_871583_19_SCWA_LongForm_FS.PDF)



2019: A Year of Action

## To *Our* FELLOW STAKEHOLDERS



IT HAS BEEN ANOTHER BANNER YEAR AT THE SUFFOLK COUNTY WATER AUTHORITY, AND AS ITS CHAIRMAN, I'M PROUD TO OFFER OUR ANNUAL REPORT SUMMARIZING MANY OF OUR SIGNIFICANT ACHIEVEMENTS.

As you'll see, a primary focus was on protecting our ratepayers in a variety of ways, including fighting for reimbursement from the federal government for groundwater pollution it caused in Westhampton Beach, lobbying successfully for a new state law holding polluters accountable and establishing a conservation rate structure to protect the vast majority of our ratepayers. Our superior fiscal management is most evident in our AAA bond ratings from multiple agencies, the highest of any public water supplier in the country.

We also launched a major water conservation campaign involving stakeholders from all over Long Island; undertook massive infrastructure projects to bolster supply on the South Fork; and continued to lead the way in addressing 1,4-dioxane contamination by beginning construction on new advanced oxidation process treatment systems, the prototype of which was the first such system approved for use in New York State.

The expertise of our talented staff was best exemplified by the New York State Department of Health approving a test method developed by an SCWA chemist that detects PFOS and PFOA at lower levels than the U.S. EPA-approved method—and saves time and money as well.

These achievements, and many more that you will read about in this report, are the reason we received this year the highest award offered by the Association of Municipal Water Agencies: the Sustainable Water Utility Management Award.

And they are the reason I am so proud of the work we do here at SCWA.

Patrick G. Halpin  
Chairman

July 22, 2020



### BOLSTERING SUPPLY THROUGH INFRASTRUCTURE INVESTMENT

SCWA undertook two substantial projects on the South Fork designed to bolster water supply when most needed: during the spring and summer, when lawn watering hits its peak. In Amagansett, construction began on a 900,000 gallon tank on Cross Highway and a 14,000-foot water main was installed on Speonk-Riverhead Road to bring as much as two million gallons of pure water per day to the Westhampton area from the heart of the Central Pine Barrens.

Work underway at the Cross Highway tank in Amagansett

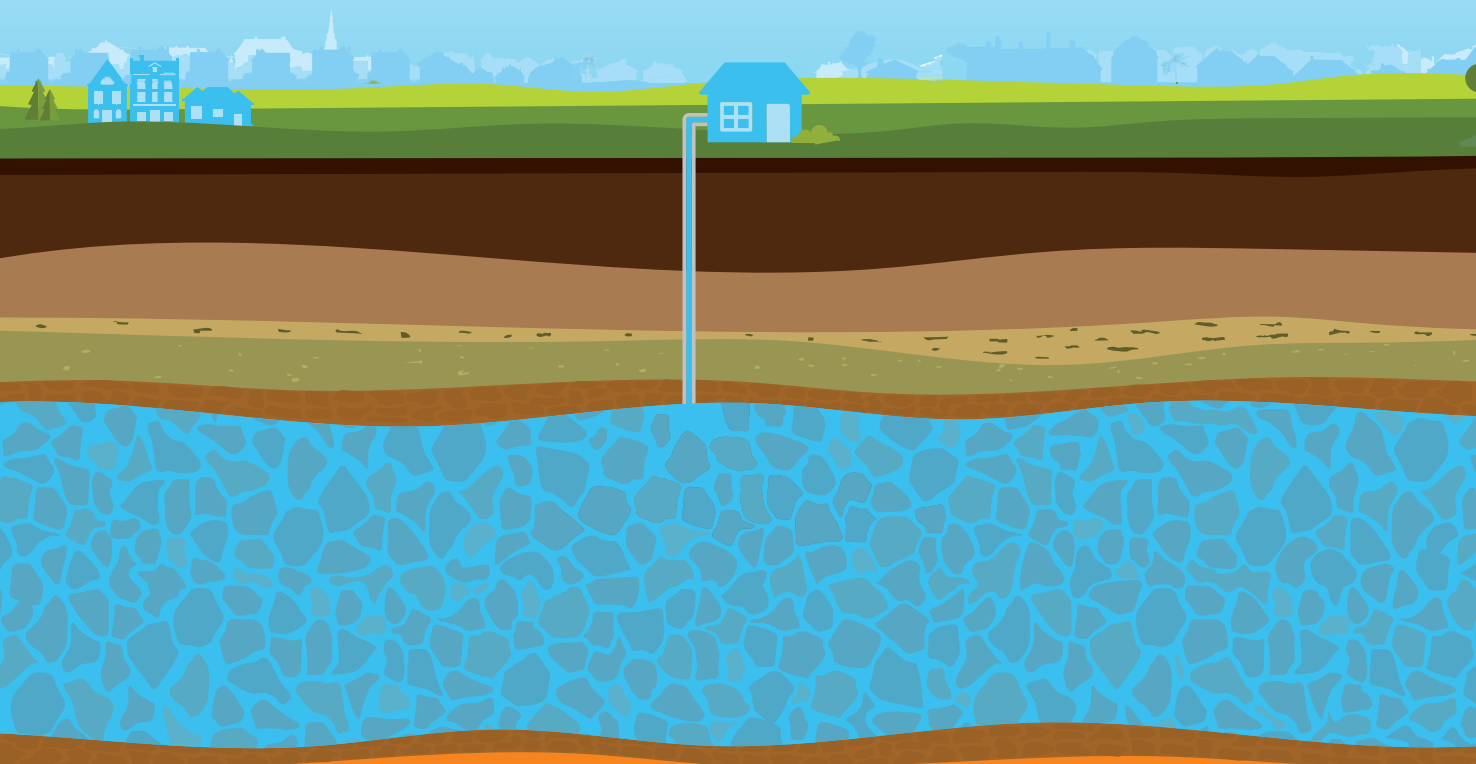


# progressive ACTION

## CREATING A CAMPAIGN TO CONSERVE WATER RESOURCES

SCWA staff led the way in the creation of the “Our Water Our Lives” campaign, a long-term effort under the Long Island Commission for Aquifer Protection (LICAP) to educate the public about the importance of conserving groundwater resources. The effort, involving dozens of stakeholder organizations from all over Long Island, encourages Long Islanders to adopt everyday water-saving measures to preserve the sole source aquifer that provides 100% of our drinking water.

**OUR WATER  
OUR LIVES**  
SAVE LONG ISLAND'S ONLY  
DRINKING WATER SOURCE



# accountable ACTION



## FIGHTING FOR RATEPAYERS

No one does more to keep water rates down and protect its ratepayers than SCWA. With the assistance of Senator Charles Schumer, SCWA fought for the reimbursement of treatment costs to clean up PFOS/PFOA pollution in public supply wells near Gabreski Airport in Westhampton Beach, where the federal government for decades used firefighting foams containing PFOS for training exercises. SCWA also led the way in a successful lobbying effort for a new state law to make it easier to hold groundwater polluters accountable and adopted a conservation rate structure to reward the vast majority of SCWA customers who use water judiciously.

SCWA maintains AAA bond ratings from two agencies; no public water supplier in the country can top that. High bond ratings bring low borrowing costs, which benefit ratepayers.

# sustainable ACTION



## EMBRACING SUSTAINABILITY

SCWA received the highest honor offered by the Association of Municipal Water Agencies, the Sustainable Utility Management Award. The award recognizes utilities that have made a commitment to innovative economic, social and environmental management. It is the third AMWA management award SCWA has won in the past eight years.

Sustainability is at the heart of every major initiative at SCWA, and we're proud to be recognized as an industry leader in sustainable management.



# measured ACTION

## PROTECTING WATER QUALITY

There is no greater priority at SCWA than providing a high quality and reliable drinking water supply to 1.2 million Suffolk residents. This year, SCWA began work on new advanced oxidation process treatment systems to continue our groundbreaking efforts to address 1,4-dioxane pollution. Efforts to transition more residents from private wells polluted by PFOS and PFOA to safe SCWA water also continued with a major water main extension project in East Quogue that added more than 100 new customers.



LED BY OUR STAFF OF EXPERTS

The backbone of SCWA is its expert staff. This year, our state-of-the-art laboratory received New York State Health Department approval for a method developed in-house to test for emerging contaminants PFOS and PFOA. The method, developed by Assistant Supervising Chemist Amanda Comando (pictured conducting the test), not only tests to a lower level than the U.S. EPA-developed testing method, but is also faster and less expensive.

deliberate  
ACTION



CORPORATE INFO

SENIOR MANAGEMENT

- |  |  |   |
|--|--|---|
| <b>Jeffrey W. Szabo</b><br><i>Chief Executive Officer</i>                              | <b>Kevin Durk</b><br><i>Director of Water Quality and Laboratory Services</i>                    | <b>Steven Galante</b><br><i>Director of Information Technology</i>    |
| <b>Joseph M. Pokorny, P.E.</b><br><i>Deputy Chief Executive Officer for Operations</i> | <b>John Milazzo</b><br><i>General Counsel</i>  | <b>Christopher Cecchetto</b><br><i>Deputy Chief Financial Officer</i> |
| <b>Janice E. Tinsley</b><br><i>Deputy Chief Executive Officer for Customer Service</i> | <b>Michael O'Connell</b><br><i>Director of Production Control</i>                                | <b>Richard Reinfrank</b><br><i>Director of Field Service</i>          |
| <b>Timothy J. Hopkins, Esq.</b><br><i>Chief Legal Officer</i>                          | <b>Paul J. Kuzman</b><br><i>Director of Construction/Maintenance</i>                             | <b>Tim Motz</b><br><i>Director of Communications</i>                  |
| <b>Elizabeth K. Vassallo</b><br><i>Chief Financial Officer</i>                         | <b>Timothy J. Kilcommons, P.E.</b><br><i>Chief Engineer/Director of Research and Development</i> | <b>Marlon Torres</b><br><i>Director of Purchasing</i>                 |
| <b>Michael A. Litka</b><br><i>Chief Technology Officer</i>                             | <b>Tyrand Fuller</b><br><i>Director of Strategic Initiatives/Lead Hydrogeologist</i>             | <b>Chas Finello</b><br><i>Director of Risk Management</i>             |
| <b>Donna M. Mancuso</b><br><i>Chief Human Resources Officer</i>                        |  | <b>Debra Lyon</b><br><i>Customer Service Manager</i>                  |

CONSULTANTS

- |   |   |  |  |
|---|---|--|--|
| <b>Bank of New York</b><br>Bond Trustee | <b>Goldman, Sachs &amp; Co.</b><br>Financial Consultant | <b>Harris Beach PLLC</b><br>Bond Counsel | <b>Putney, Twombly, Hall &amp; Hirson LLP</b><br>Labor Counsel |
|---|---|--|--|

SCWA BOARD AND CHIEF EXECUTIVE OFFICER



From left: Board Member Mario R. Mattera, Board Member Elizabeth Mercado, Chief Executive Officer Jeffrey W. Szabo, Board Chairman Patrick G. Halpin, Board Secretary Jane R. Devine and Board Member Timothy H. Bishop

Designed by Wynk Design, Inc.