**2024 ANNUAL REPORT** 

## WE ARE THE SUFFOLK COUNTY WATER AUTHORITY



4060 SUNRISE HIGHWAY OAKDALE, NEW YORK 11769 SCWA.COM Chairman Charles A. Lefkowitz Secretary Timothy H. Bishop Board Member Elizabeth Mercado Board Member John M. Porchia III Board Member John Rose



### MESSAGE TO OUR STAKEHOLDERS

#### **TO OUR STAKEHOLDERS:**

The Suffolk County Water Authority is proud to report that 2024 was a year of significant achievement and growth. This year, we raised our profile, to make sure more of our customers are aware of the outstanding work our employees do every day. SCWA continues to provide the highest quality drinking water, going above and beyond meeting both state and federal standards, all while maintaining some of the lowest rates in the state.

Through new media campaigns, we've strengthened our connection with the community and highlighted the efforts we take to ensure customer satisfaction and water quality. This year, our customer satisfaction survey, for the second year in a row, showed high customer approval of overall service, water quality and customer support—clear evidence that our message is resonating and that our customers value the service we provide.

As we look ahead, SCWA remains committed to providing exceptional service and safeguarding our water supply. The work we've done in 2024 positions us to meet future challenges head-on, ensuring that the water you rely on remains of the highest quality.



CHARLES A. LEFKOWITZ CHAIRMAN



#### **CORPORATE INFORMATION**



TOP ROW FROM LEFT: JOSEPH POKORNY, FRANK TASSONE, BOARD MEMBER JOHN PORCHIA III, DONNA MANCUSO, BOARD MEMBER TIMOTHY BISHOP, MICHAEL LITKA

BOTTOM ROW FROM LEFT: JEFFREY SZABO, CHAIRMAN CHARLES LEFKOWITZ, BOARD MEMBER JOHN ROSE, CHRISTOPHER CECCHETTO, BOARD MEMBER ELIZABETH MERCADO

#### **SENIOR MANAGEMENT**

Jeffrey W. Szabo
Chief Executive Officer

Joseph M. Pokorny, P.E.

Deputy Chief Executive

Officer for Operations

Frank Tassone

Deputy Chief Executive

Officer for Customer Service

Donna M. Mancuso
Deputy Chief Executive
Officer for Administration

John C. Milazzo

General Counsel

Christopher Cecchetto
Chief Financial Officer

Michael A. Litka
Chief Technology Officer

Thomas Schneider Director of Water Quality and Laboratory Services

Michael O'Connell

Director of Production Control

Brendan Warner

Director of Construction/

Maintenance

Timothy J. Kilcommons, P.E.

Chief Engineer & Director of Research/ Development

Tyrand Fuller rector of Strategic Initiative

Director of Strategic Initiatives & Lead Hydrogeologist

Steven Galante
Director of Information Technology

Jeffrey Kleinman

Director of General Services

Daniel Dubois

Director of Communications

& External Affairs

#### CONSULTANTS

Bank of New York Bond Trustee Goldman Sachs & Co., LLC Financial Consultant

Harris Beach PLLC Bond Counsel Bond, Schoeneck and King PPLC

Labor Counsel

# ONE OF THE LARGEST GROUNDWATER SUPPLIERS IN THE COUNTRY

#### **MISSION**

Our mission is to provide the customers of the Suffolk County Water Authority the highest quality water at the lowest possible cost with excellent customer service.

#### **ABOUT US**

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 operates without taxing power on a not-for-profit <u>basis</u>.

6, OMIZEGE WATER MAIN IN THE GROUND
39 CHEMICAL CONSTITUENTS TESTED
92, SAMPLES ANALYZED



#### **OPERATING AND FINANCIAL SUMMARY**

Dollars in Thousands	Year End May 31,		
	2024	2023	2022
TOTAL REVENUES	\$326,027	\$300,426	\$251,247
OPERATING AND MAINTENANCE EXPENSES	\$145,411	\$139,091	\$119,984
WATER PLANT AT COST	\$1,304,232	\$1,259,971	\$1,223,641
BONDED INDEBTEDNESS	\$893,456	\$919,997	\$934,821
INTEREST ON BOND AND NOTES	\$29,402	\$29,643	\$30,750
CHANGE IN NET POSITION	\$90,739	\$71,319	\$40,781
CUSTOMERS IN ACTIVE SERVICE	403,954	403,042	401,656
MILES OF WATER MAIN IN SERVICE	6,076	6,060	6,045
FIRE HYDRANTS IN SERVICE	36,315	36,221	36,121
WATER PUMPED (IN BILLIONS OF GALLONS)	68.6	74.5	68.3
EMPLOYEES	563	543	551



CUSTOMERS IN ACTIVE SERVICE FOR 2024



# RAISING THE PROFILE OF THE AUTHORITY



### NEW GRANT FUNDING TO EXPAND ACCESS

Drinking water is fundamental to a good quality of life. For those who still rely on private wells, peace of mind can be jeopardized by contamination. In 2024, SCWA continued its commitment to securing new grant funds to connect these impacted communities to clean, reliable drinking water.

We are proud to have been awarded \$1.25 million from Congress for the Old Country Road Project in Westhampton, which will significantly improve water access in the area. Additionally, \$1 million was allocated for the National Boulevard water main extension project in Medford from New York State. In East Patchogue, we secured \$600,000 from New York State for the water main extension project, further expanding our service reach. We also received \$800,000 for Phase 2 of the South River Road water main extension project in Calverton, allowing us to build on previous successes in the area.

SCWA was awarded \$21.5 million from New York State for new advanced oxidation process (AOP) and Granular Activated Carbon (GAC) treatment systems. This funding will bolster our efforts to provide the highest quality drinking water to our customers.



### MANAGING WATER DEMAND

Despite one of the hottest summers on record, water demand never exceeded 520,000 gallons per minute and rarely surpassed 510,000 gallons per minute—significantly lower than in previous years.

These numbers strongly suggest that customers are embracing key conservation measures, such as the odd/even lawn watering schedule, smart sprinkler controllers and other watersaving technologies. Our media campaign and direct customer outreach are effectively spreading the message, showing that individual actions can make a difference.

While rainfall patterns do influence demand, it's clear that our community's conservation efforts are having a lasting impact. By using water wisely, we're protecting the aquifer, reducing infrastructure strain and keeping water rates low.

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# SCWA'S SUCCESS IN LEAD SERVICE LINE IDENTIFICATION

This year highlighted a national push to eliminate lead pipes from drinking water systems. The U.S. Environmental Protection Agency introduced new regulations requiring all lead service lines to be replaced within the next decade—a critical step toward protecting public health. As part of this effort, water providers across the country were required to complete an inventory of their systems by October to identify any service lines containing lead. SCWA completed its identification of all 400,000 of its customer connections and found only 15 lead lines, a result that shows that lead is not a significant concern in our service territory.

Suffolk County's development took place largely after the 1950s, when lead pipes were no longer in regular use. SCWA has long made this issue a priority, conducting rigorous lead testing since the early 1990s and consistently staying well below allowable limits. Additionally, we employ strict corrosion control practices so that in an instance where lead might be present in household plumbing it is not likely to leach into drinking water.

For the few customers impacted by lead service lines, SCWA went above and beyond what is required. Every lead line was replaced at no cost to homeowners. This proactive approach reflects SCWA's unwavering commitment to public health. Ensuring that our customers have complete confidence in the safety and quality of their drinking water remains at the heart of everything we do.



In 2024, the Suffolk County Water Authority took a significant step forward by launching its first-ever commercial campaign—a rare move in the public drinking water industry. This initiative was driven by feedback from our customer satisfaction survey, which, despite showing strong approval ratings, highlighted that some customers were unaware of the extraordinary efforts we take to provide high-quality drinking water. We also recognized that bottled water companies and other actors often exploit this lack of understanding to create unwarranted distrust in public water systems. Addressing this issue became a top priority for us.

The commercials, featuring real SCWA employees, provided a firsthand look at the extensive work that goes into delivering safe, reliable water. They highlighted our water testing protocols, advanced treatment technologies, regular maintenance of the distribution system, swift main break responses and customer service efforts. By giving customers a behind-the-scenes view, we aimed to build trust and show the care that goes into ensuring high-quality water at the turn of a tap.

In today's fragmented media landscape, it's more challenging than ever to get people's attention. To address this, we made sure our campaign reached people where they are—on television, radio, social media and streaming platforms. Importantly, we wanted to reach not just account holders, but everyone who uses our water, including tenants, tourists and visitors to local bars and restaurants. This comprehensive approach ensured a wider audience could see that SCWA truly lives up to its slogan: "Water you can trust, service you can rely on."

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# PREPARING FOR THE FUTURE OF DRINKING WATER

We proudly tested for approximately 390 chemical constituents in 2024, 240 more than regulations mandate, demonstrating our unwavering commitment to water quality excellence. While this achievement is substantial, it represents only a portion of our dedication. Our internal standards for water quality surpass both state and federal requirements, as we conduct around-the-clock testing far more frequently than required. Furthermore, we continually invest in advanced technology to elevate our cutting-edge water quality testing facilities. One of the most significant projects this fiscal year was the expansion of

our laboratory. This expansion further enhances our capabilities and reinforces our status as one of the premier water testing laboratories in the nation.

In 2024, the U.S. Environmental Protection Agency (EPA) finalized new standards for certain PFAS compounds. SCWA is well positioned to meet these standards by the time the rules become enforceable in 2029. We are accelerating the installation of Granular Activated Carbon treatment systems, as well as piloting other treatment options to effectively remove PFAS. We are on track to meet new EPA standards for PFAS, ensuring compliance, and safeguarding public health.

Our commitment to serving the highest quality drinking water will continue in 2025 and into the future.



## EXPANDING OUR INFRASTRUCTURE

The Suffolk County Water Authority continued to make major strides in expanding access to public water and enhancing our treatment infrastructure to meet highest standards of drinking water.

Residents in Manorville who have long awaited access to public drinking water saw their years of advocacy come to fruition. The project, which was broken up into two phases, is now largely completed. In the Brookhaven portion of the community, SCWA connected over 90% of homes in the area, based on residents' requests. In the Riverhead section, we installed the water main and began connecting homes to public water. We expect this process to be substantially completed in early 2025, bringing access to high quality water to more families. In nearby Calverton, we are preparing to break ground on Phase 1 of the South River Road project, laying the groundwork for public water access in the area.

On the other side of Suffolk County, in the waterfront community of Oak Beach, SCWA completed a major project to create a new public drinking water system. That included the drilling of new wells, jointly building a new chemical treatment plant with the Town of Babylon, installing an iron removal system and an entire distribution network. Homes were connected in 2024, and the community finally has the peace of mind that their drinking water is safe.







Customers of SCWA can rely on us to deliver high quality drinking water because we employ the most advanced water treatment systems. SCWA now operates 17 advanced oxidation process (AOP) systems, the most of any water provider in New York. Eight of these systems were placed into service in 2024, marking a monumental achievement in our efforts to treat 1,4-dioxane.

As we reflect on a year of significant advancements, we remain dedicated to building an infrastructure that serves our customers now and prepares us for future challenges.

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