



OUR CONTINUED FOCUS

2018
Annual Report

Mission Statement

WE PLEDGE TO PROVIDE THE CUSTOMERS OF SUFFOLK COUNTY WATER AUTHORITY SAFE, PURE AND CONSTANTLY TESTED DRINKING WATER AT THE LOWEST POSSIBLE COST WITH EXEMPLARY CUSTOMER SERVICE.



CONTINUED

**The Suffolk County
Water Authority**

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.

PERFORM
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Operating and Financial Summary

<i>Dollars in thousands</i>	Year ended May 31,		
	2018	2017	2016
Total Revenues	\$ 201,693	\$ 204,810	\$ 196,273
Operating and Maintenance Expense	\$ 131,619	\$ 128,231	\$ 121,792
Water Plant at Cost	\$ 1,860,074	\$ 1,805,656	\$ 1,743,298
Bonded Indebtness	\$ 831,509	\$ 837,696	\$ 853,695
Interest on Bonds and Notes	\$ 27,368	\$ 31,409	\$ 27,420
Change in Net Position	\$ (6,046)	\$ (961)	\$ (1,715)
Customers in Active Service	384,956	383,738	382,303
Miles of Water Main in Service	5,983	5,969	5,950
Fire Hydrants in Service	37,976	37,893	37,792
Water Pumped (in billions of gallons)	68.7	75.1	74.0
Employees	557	567	559

View the Suffolk County Water Authority's complete audited financial statements on line

[VIEW OUR FULL FINANCIAL STATEMENTS >>>](#)

Dear Fellow
Stakeholder,

I'M PLEASED TO PRESENT YOU WITH THE SUFFOLK COUNTY WATER AUTHORITY'S ANNUAL REPORT IN WHAT HAS BEEN **A LANDMARK YEAR** FOR OUR ORGANIZATION, PARTICULARLY WHEN IT COMES TO A TOPIC THAT HAS DOMINATED THE NEWS—**ADDRESSING EMERGING CONTAMINANTS IMPACTING OUR GROUNDWATER SUPPLY.**

As New York State prepares to adopt regulations for PFOS, PFOA and 1,4-dioxane in drinking water, SCWA has led the effort to address these contaminants in numerous ways, including:

- Developing a new test method for PFOS/PFOA recently approved by the state that is faster, less expensive and tests to a lower level of detection than the EPA-approved method;
- Helping those impacted by PFOS/PFOA in private wells hook up to safe public water in Wainscott, where SCWA partnered with the Town of East Hampton to quickly mobilize on a 45,000-foot water main extension, one of the largest water main projects in our history;
- Developing groundbreaking treatment for 1,4-dioxane that became the first approved treatment system in New York State and is currently used at one of our pump stations to destroy more than 99% of detections of the contaminant.

We're extremely proud of these achievements, as we're proud of many other aspects of our operations, including maintaining water rates recently cited by Goldman Sachs in an analysis as among the lowest in the country among large water suppliers and maintaining the highest bond ratings of any water supplier in New York State.

Of course, our primary mission is to provide drinking water that meets or surpasses some of the toughest regulations in the country, and this year once again we've tested for far more contaminants than required, tested at a greater frequency than required and maintain internal standards for water quality that are stricter than state and federal regulations.

Thanks to the great staff that has made these achievements possible, the future is bright at SCWA.



Sincerely

PATRICK G. HALPIN
CHAIRMAN

July 22, 2019

TOTAL REVENUES
IN MILLIONS

\$201.7

SUSTAINABLE GROUNDWATER EFFORTS

SCWA 2019 Conservation

For decades, the Suffolk County Water Authority has been a leader in efforts to preserve our precious groundwater resources. This year, SCWA spearheaded a massive public outreach campaign involving dozens of stakeholder organizations to encourage Long Islanders to embrace water conservation. The "Our Water Our Lives" campaign is educating the public on the steps they can take every day to preserve our sole source aquifer. It's just the latest example of our commitment to groundwater sustainability.

Comprehensive Testing

The Suffolk County Water Authority's water testing laboratory is one of the most sophisticated in the country. This year, our lab staff developed a new test for the emerging contaminants PFOS and PFOA that is faster, less expensive and tests to a lower detection level than the previous, EPA-approved test method. We also test for far more contaminants than required, test more frequently than required and maintain internal standards for water quality that are more stringent than state and federal regulations.

Treatment

When it comes to innovative solutions to challenges caused by emerging contaminants in Long Island's groundwater, the Suffolk County Water Authority leads the way. An advanced oxidation process treatment system designed by SCWA staff to address the threat of 1,4-dioxane contamination was the first such system approved by New York State. With the state poised to create the country's first regulation for 1,4-dioxane, SCWA will take the necessary steps to comply with the regulation.

384,956
Active Customers

Samples Taken **55,000**

Tests Conducted **167,000**

Chemicals Tested **400**
(251 more than required)

CONTINUED

SOLUTIONS

68.7

GALLONS
PUMPED
IN BILLIONS

Improving Our Infrastructure

When the Town of East Hampton needed quick action to address a contamination threat in Wainscott, where the emerging contaminant PFOS had been detected in a number of private wells, SCWA responded with a 45,000-foot water main installation in the hamlet that allowed local residents to quickly hook up to public water. We are constantly looking for areas where we can bring safe and reliable SCWA water to Suffolk residents, as well as constantly improving our service to our current customers.

The project was a great example of government working together to positively impact people's lives."

—Peter Van Scoyoc
Town of East Hampton Supervisor

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PROGRESS

NEW WATER MAIN
INSTALLATION

45,000^{FT}

OF WATER MAIN INSTALLED
IN WAINSCOTT



Educating the Public

One of the most important aspects of the Suffolk County Water Authority's mission is educating the public about the water cycle, Long island's sole source aquifer and how we supply constantly tested and safe drinking water to our customers. To bring these subjects to life, SCWA in 2017 opened to the public the SCWA Education Center, which is filled with fascinating, hands-on exhibits enjoyed by visitors from Huntington to the East End.

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IMPACT

Designed by Wynk Design, Inc.

Corporate Info

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

Senior Management

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

Consultants

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|----------------------------------|--|-----------------------------------|---|
| Bank of New York
Bond Trustee | Goldman, Sachs & Co.
Financial Consultant | Harris Beach PLLC
Bond Counsel | Putney, Twombly,
Hall & Hiron LLP
Labor Counsel |
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