

Tis the Season.

SCE and Contractor Transport spread holiday cheer.

Each year, SCE employees focus their efforts to make the Holidays more special for those less fortunate. This year was no exception. This holiday season, SCE's family has served meals at the Seven Loaves Soup Kitchen, provided a full Christmas dinner for 34 families in need, participated in a toy drive where we supported 64 children in Brooklyn, NY, sponsored 5 elderly veterans, 3 women and 2 kids from a local angel tree and gave



4 Vietnam veterans a very special Christmas this year fulfilling their wishes. Special thanks to Mariah Wheeler and Lauren Tomaino for their shopping and wrapping spree.

SCE brought a bit of the season's good cheer to an entire elementary school in Scranton. SCE team members and Santa visited every classroom in an economically challenged area of the city. Excited kids from Kindergarten through 4th grade got a chance to visit Santa and happily tore into sacks of presents from SCE. Convinced that the Christmas Spirit is alive and well, volunteers were moved by the genuine gratitude these (Continued on page 2)

Stop!

Corporate "Stop Work" Policy Applauded.

n December 30th, Jared Miller, an operations manager at Contractor Transport, (SCE's sister company providing transportation services to the oil and gas industry), made a decision that cost the company tens of thousands of dollars: based on his assessment of weather conditions, he shut down the entire night shift of trucks transporting water to gas wells in the middle of a fracking operation. He did not take the time to seek permission

of his supervisor. He simply shut down the fleet. An hour later, not satisfied that conditions were improving, he made the same unilateral decision about the day shift. Scores of trucks parked. Thousands of gallons of water sat idle.

What prompted Mr. Miller to act unilaterally with such conviction? He knew our safety culture. He had been trained on the company's Stop Work Policy. He knew his actions would not be challenged; they'd be applauded. And they were. Company President, Jody Cordaro, responded immediately upon being notified. His group email reflected his

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Tis the Season. (Continued from page 1.)



less fortunate kids showed for simple gifts of hats and gloves.

Employees at our sister company, Contractor Transport, got in the spirit too. In Wheeling, West Virginia, "Santa" dropped off winter hats, gloves, boots, beautiful winter blankets and a toy for some very special children that are living in the Helinski Shelter in Wheeling. Helinski Shelter is a co-ed

children's shelter providing emergency care for children ages 8 to 17. The shelter provides room and board, supervision and emergency stabilization services to children in need. Helinski also provides services to runaway and homeless youth and is a designated Safe Place.





Stop! (Continued from page 1.)

support: "Awesome Jared! That is TEXT BOOK what we are supposed to do. VERY WELL DONE!!!! I appreciate all of you watching out for the safety of our drivers and making sure we all stay safe. Let's continue to be vigilant and ensure each driver knows that they can STOP WORK whenever they feel it is not safe. GOOD JOB BY ALL!"

SCE and its sister, Contractor Transport, share the same Stop Work Policy. It is succinct:

If an unsafe or unrecognized situation develops at a job site, you have the Authority and Responsibility to STOP the Work if you feel :

- someone's life is in threat or danger;
- someone could be injured;
- property could be damaged; or
- the environment may sustain harm.

Safety is one of those areas where it is so easy to talk the talk. Stop Work Policies that nobody would dare invoke, "Safety First" posters strewn about the workplace, and clever slogans on t-shirts take little effort and minimal expense. Walking the safety walk, however, represents a major commitment of time, resources, effort, and expense. The culture that gave Jared the confidence to protect people and property regardless of cost requires constant training, constant reinforcement, and constant vigilance. And a pat on the back on page one of the company Newsletter drives home the point even more.

SCE Joins National Safety Council.

National Association provides a wealth of resources.

SCE has recently joined the National Safety Council, a group that advocates the constant improvement of safety and health efforts. The Organization's Mission is to eliminate preventable deaths at work, in homes and communities, and on the road through leadership, research, education and advocacy.



Membership in the NSC demonstrates to our employees, clients, and the industry we serve that safety is of paramount importance. NSC acts as a partner in helping to establish a culture of safety and providing resources to enable SCE's safety team to make the best safety decisions. Training materials and programs are extensive and include topics such as Employee Training, Supervisor Safety, Safety Certification, Emergency Preparedness, OSHA 10 and 30, and specific topics such as Forklift Training, Slips, Trips and Falls, Work Zone Safety, Defensive Driving, and First Aid.

In addition to training materials, member benefits also include free Membership News Alerts; downloadable safety talks, posters, and PowerPoint presentations; downloadable webinars presented by safety experts; free use of NSC Library & Information Services; and

free access to the Congress Audio Library featuring state-of-the-art safety seminars.

Port Authority of New York and New Jersey.

PATH Project completes.

In the fourth quarter, SCE's crews completed a largescale lead based paint abatement project at a Port

Authority Trans-Hudson (PATH) Train Platform in New York. This work was completed under SCE's existing multi-year Port Authority of NY and NJ Contract.

In addition, SCE will begin work early in the first quarter of 2018 on the abatement of lead-based paint from the Port Authority superstruc-

ture at the Harrison PATH Station in Harrison, NJ. SCE crews will utilize sponge jet media to blast paint and rust off of the structure's girders. Once prepared, the girders will be painted with a three-coat zinc, ep-

oxy and polyurethane protection. Work is to be completed in the second quarter of 2018.



PATH is a rapid transit railroad serving Newark, Harrison, Hoboken, and Jersey City in metropolitan northern New Jersey and Manhattan in New York City. Under the terms of this contract, SCE provides asbestos, lead and universal waste abatement for the Authority's PATH rail system. Existing contracts for similar activities

are in place for the World Trade Center in New York City, and for the Authority's substantial marine terminals in New Jersey.

Airport Near Completion.

Multi-million dollar project winds down.

By the end of the fourth quarter, SCE crews were nearly complete with work under a Two Million Dollar contract with the Port Authority for Remediation System Upgrades to the Bulk Fuel Farm and Satellite Fuel Farm at John F. Kennedy International Airport in Queens, NY. The work under the contract includes the replacement or modification of the existing dual-phase extraction system and related piping; modifications to well manifolds; and modifications to mechanical and electrical

equipment at the facility.

In addition, SCE has been advised that it is the apparent low

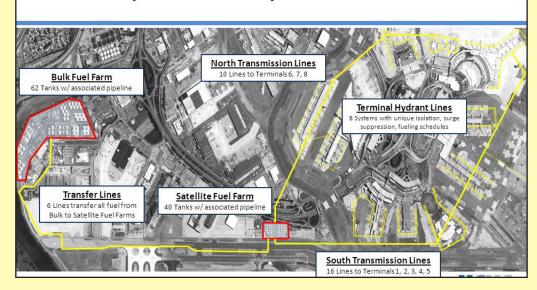


bidder on a contract for the Operation and Maintenance of the same Bulk Fuel Farm. This multi-year contract calls for remediation services for jet fuel release at both fuel farms as well as maintenance of pumping equipment at the site. The contract is not SCE's

first effort at JFK Airport. In 2015, SCE completed a very successful three-year contract serving as the Prime Contractor for the same O&M work at the facility.

Performed at major transportation hubs and public facilities representing some of the highest profile properties in the world, Port Authority contracts require the utmost in safety and security compliance within secure operational facilities.

JFK Airport Fuel System-Overview



Hurricane Response Effort Continues.

Florida and Puerto Rico still recovering.



Following a very active hurricane season during the third quarter of 2017, SCE crews remained in south Florida and Puerto Rico during the fourth quarter to complete storm emergency response. Work included debris removal, tub grinding, debris hauling, utility work, demolition and debris management throughout eight counties in Florida and four counties in Puerto Rico.

SCE is frequently engaged in weather-related emergency response. In addition to Hurricanes Harvey and Irma this Quarter, over the years SCE has worked in the aftermath of Hurricanes Charley, Jeannie, Ivan, Katrina, and Sandy as well as Tropical Storm Lee with

crews exceeding 100 people. SCE has completed debris collection, demolition, asbestos abatement, fuel tank management, blue tarp services, hauling, and site services on both large and small scale projects.

Around the Company - Quarter 4

Second Contract with FAA in 2017

SCE environmental technician Jude Sookbersingh carefully cuts a catch basin lid during an oil water separator installation project in Loyalsock, PA. The project calls for the remediation of eight large catch basins with stainless steel liners and the installation of bleach injectors. Jude has been a outstanding employee with SCE for over 3 years and has won numerous awards including Rookie of the Year in 2015.





SCE crews are on-site crushing over 34,000 CY of concrete and rock on this project in Pennsylvania. SCE workers have amassed over 41,275 accident-free man hours on this project and continue to work safe.

Water treat-



a Pennsylvania-based SCE project. Twenty-five thousand gallons per day of water are being collected, treated and discharged through a series of frac tanks and a portable water treatment system.

SCE Awarded Airport Contract

Second Contract with FAA in 2017

At the close of 2017, SCE signed an agreement with the Federal Aviation Administration for the abatement of asbestos, demolition and site remediation of a Customs and Border Protection radio tower and associated build-

ing located in Malone, New York. Asbestos Containing pipe insulation, joint compounds, sheetrock, and roofing materials must all be abated by licensed technicians prior to ultimate demolition of the facility. Work is to begin and be completed in the first quarter of 2018.

The contract comes on the heels of a similar but larger undertaking for the FAA in which SCE crews completed the abatement of hazardous materials and demolition of a radar facility at the Air Route Surveillance Site located at Guantanamo Bay Military Base. That project mobilized last June and was completed in September.



"SCE Cares."

Seven Loaves Commitment Completed.



Lauren Tomaino, Mariah Wheeler and Bill Drazdowski serve dinner as Sophia and Sam Cordaro provide bread and hutter

At the close of 2017, SCE's team completed a commitment to the Seven Loaves Soup Kitchen in Tunkhannock, PA by serving a Christmas dinner for the less fortunate who rely on the facility for a nourishing meal and social interaction. Over the past 18 months, SCE employees donated to various fund and food raising events and a team of volunteers cooked and served meals on a monthly basis. The Seven Loaves Soup Kitchen's mission has been to enhance the health and quality of life of the unfortunate and elderly in our community by providing regular hot, hearty, nutritious, well-balanced meals five days a week at no cost.

What an incredible humbling experience it has been for our team! Special thanks to Mariah Wheeler and Lauren Tomaino for orchestrating the effort and always being there to rally the troops to cook and serve some truly grateful people.

Demolition and Site Prep Contract Enters Latest Phase.

Multiple phases over six years.

In a project extended from one phase to another over six years, SCE has been involved in the extensive remediation and demolition of a 1,000,000 square foot former picture tube manufacturing facility in Pittston, PA. Throughout the fourth quarter of 2017, SCE continued with the next phases of the project: site preparation for future development.

At the project's inception in 2012, SCE was the prime contractor on the large scale demolition of the "Hot End" of the plant. Work included the demolition of three large furnace structures, head houses, batch houses, precipitators, cat walks, furnace canals, furnace checkers, and areas of select demolition; decontamination of 150' high smokestacks; recycling of over 3,500 tons of steel; and the disposal of over 1,000 tons of numerous chemicals. Also part of the initial phase, SCE performed excavation, handling, management and solidification of over 21,000 tons of impacted soil for offsite disposal, and handled over 7,000 ton of radiological material including segregation and off-site disposal.

In December of 2014, SCE began phase II of the project with the implosion of the twin silos decontaminated during phase I. During this phase, SCE would complete the demolition of the facility. Safety required particular attention to the significant in-place utilities including dual live 69 kV substations, 12" water and sewer mains, and gas service.

In November of 2015, Engineering News-Record Magazine presented SCE with a Safety Award as part of the magazine's "Best Projects" contest - an annual juried competition fea-



turing entries from across the country and across the construction industry. All SCE crew members were cer-

tified in OSHA 40 and LPS. Throughout the project duration, an SCE site safety officer constantly monitored crew activities and site conditions to make sure safety remained at the forefront. Every day, all on site personnel attended three safety related meetings. Each day started with a mandatory morning Tailgate meeting. In addition, mandatory meetings at 2:00pm ("two minutes at 2:00") and 5:00 pm ("five minutes at 5:00"), provided constant reminders of job hazards and safety procedures and reinforced open communications on safety throughout the project. As a result, after more than 35,000 crew hours, and a grueling winter, the project had

zero OSHA recordable incidents.



Throughout 2016, SCE remained on site to complete a string of change orders and site restoration.

Throughout 2017, SCE has undertaken yet another phase. This phase consists of footer, foundation, pier cap and sub slab removal from over 25 acres. Material have been removed, processed, crushed and placed on the site for final backfill activities. Work is expected to continue into the first quarter of 2018.

Contractor Transport Update.

Growth continues at impressive rate.



Growth at SCE's sister company, Contractor Transport remains at a remarkable pace. With new equipment arriving almost daily, and opportunities presenting themselves throughout the Marcellus/Utica gas play, the company is penetrating into new mar-

kets and expanding its base in existing markets.

The growth is not without challenges. A critical key to the company's success is the continued acquisition of talented, experienced, and safe drivers to pilot the growing fleet. With most demand for the company's trucks occurring in the sparsely populated areas, the pool of qualified drivers is limited and Contractor Transport is always striving to get the cream of the crop. Recruiting efforts and a generous pay scale and benefits program are the keys to the thus far successful effort.

In the fourth quarter, Contractor Transport also launched its Hotshot service. "Hotshot" refers to full service flatbed trucks that specialize in transportation of equipment and materials to rig locations, storage yards and job sites both on and off-highway. Contractor Transport has initiated the service with the acquisition of a modified Dodge Ram 5500 and specialized low-boy trailer. In addition, the company awaits delivery of a significantly larger power unit in the form of a Peterbilt with in excess of 500 horse power, and a 55 ton low-boy trailer with the ability to provide heavy hauling services.

With the newly acquired equipment, Contractor Transport is now able to transport any oilfield equipment or supplies including casing, tubing and line pipe as well as production equipment, engines, skid units, tanks or exploration and development equipment. The company's team works directly with repair facilities,

tool coordinators, directional drillers, and company men to ensure tool delivery to rigs in the field with NO rig down time waiting on trucks.



Last Thoughts ...





I'm a big fan of the Holidays. Whether it is the Christmas tradition that my family follows, or Hanukkah for the Jewish community, or Diwali for Hindus worldwide, we humans have

this need to hit the reset button; to rekindle the human connection.

At a time when days are the coldest and nights are the longest, we curse the cold and pierce the darkness with the warmth of giving and the festival of lights. It is, I believe, cathartic. We NEED this experience as much as we need food and water. We need this to survive. We need this to be human.

I see people who barely have enough for themselves generously giving to others; people who fight their own physical infirmities to volunteer for those with even more challenges; people who work hard all day and still find a way to volunteer their free time for goodwill to their fellow men and women. And I am proud to say that I see some of the finest examples right here on my own team.

SCE employees this year, as usual, rose to the occasion. Working at food shelters, collecting gifts and food for the less fortunate, shopping sprees of gifts needed to fulfill angel lists, and handing out hats, gloves, and other gifts were just a few of the ways our team collectively pulled together this season.

As the year comes to a close, and as we again take the time to count our blessings and share of ourselves, I want to thank each and every one of our clients, our business partners, and the people with whom I have the privilege of working every day for the blessings you have shared with me and my family. I wish each of you the very happiest of Holiday seasons and a healthy and prosperous new year.

Happy Holidays!

Jody Cordaro, President

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