

SCE crews at work at Baha Mar - story on page 6.

Chapter 2.

Wanta Joins as SCE President.

In November of 2018, SCE welcomed Michael Wanta as its new President of Operations. His appointment to the position represents the first time in the company's history where the role of President has

not been served by company founder, Jody Cordaro. Moving forward, Mr. Cordaro will serve as SCE's Chief Executive Officer with primary oversight of the long-term strategic growth of the company while Mr. Wanta oversees the day-to-day management of company operations.

Mike is an experienced leader with a strong record of growing business in the environmental sector. Since 2001, he has directly managed over \$300 Million in environmental service contracts for such clients as the United States Navy, EPA, GSA, USAID, World Bank, Army Corps of Engineers, the United States Army and Air Force, nationwide developers, and local public agencies and commercial companies.

Before joining SCE, Mike played key roles in many major undertakings. He led the support team serving an environmental trust group charged with over \$1 billion in engineering and remediation work spread over 400 impacted properties. His team provided environmental due diligence reviews of 29 major manufacturing sites and over 400 additional sites. The



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Michael Wanta (Continued from page 1)

effort included the management of over 100 contractors, the review of over 17,000 environmental documents, and the design and implementation of optimized solutions for the properties.

Mike also served as the lead Program/Account Manager for multiple Architect-Engineering service contracts for Naval Facilities Engineering Command valued at over \$200 Million. Projects included the full environmental process from initial due diligence through remedy implementation. His team managed the implementation of innovative remediation technologies including, which saved the client over \$30 million and earned environmental awards from the Chief of Naval Operations, Secretary of the Navy, and Department of Defense.

In addition, he has managed an environmental remediation program for worldwide properties of United Technologies Corporation, participated in the cleanup of the Anacostia River in the District of Columbia, supported landfill redevelopment for a multi-billion dollar development, and served as the trustee for the Hayden Environmental Response Trust.

Mike holds a Master of Science Degree in Civil Engineering from California State University, San Jose, and a Bachelor of Science in Civil and Environmental Engineering from the University of Wisconsin, Madison. He is a licensed Professional Civil Engineer in California and Arizona. Please join us in welcoming Mike Wanta to this exciting new opportunity. Mike's email address is MWanta@scenv.com.



Gold Shovel Certificate Renewed.

SCE has again qualified for the Gold Shovel Standard, a state of the art benchmark for safe excavation practices. The Standard was first developed in March of 2016 when PG&E, Xcel Energy, Kinder Morgan and Dominion Virginia Power joined together as foundational members to further develop and promote the use of Gold Shovel Standard throughout North America.

The standard is the first of its kind and features two key components: (a) the certification of participant excavator policies and procedures,

and (b) the publication of participant ratings, known as EICO scores, as an ongoing measure of an excavator's safety-worthiness. As reflected in the organization's documentation, "[t]he vision for Gold Shovel Standard is a safer North America where all excavators demonstrate exemplary caution around buried infrastructure and locators demonstrate exemplary performance in locating buried infrastructure and where both can be recognized and rewarded for their superior performance."

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To originally qualify for the certification, SCE submitted its operating procedures for approval and agreed (a) to follow all laws and regulations involving excavation; (b) to assure that 100% of all employees on excavation sites have met Gold Shovel Standard training requirements and to maintain records of such training; (c) to promote a "Stop Work" policy empowering all workers to speak up without fear of retribution when they observe an unsafe excavating practice; (d) to complete an incident investigation, root cause analysis and corrective action plan for any incident; and (e) to report any buried infrastructure damage within five days to the rating bureau.

At the end of the fourth quarter, SCE was advised that it remains in compliance with the requirements of the program and remains Gold Shovel Certified for 2019.

Port Authority Work Orders Continue.

Multiple Projects underway.

In the fourth quarter, SCE's crews completed a large-scale 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 earlier stages, SCE crews utilized sponge jet media to blast paint and rust off of the structure's girders. Once prepared, the girders were painted with a three-coat zinc, epoxy and polyurethane protection. In the fourth quarter, the project extended to the removal of lead-based paints from structural steel gussets. For this stage of the project, crews utilized chemical strippers and laborious hand-scraping to remove the paint surface. Overall, the project included the grinding and repainting of approximately one hundred twenty feet of girders on the north side of the station and over one hundred feet of girders on the south side. Because the station was fully operational, careful planning and execution of a safety plan to control vehicle and pedestrian traffic was paramount.



In Hoboken, SCE crews were called upon to remove and dispose of lead-based paint from the walls, ceilings and floor of the Signal Relays Room at the Christopher Street PATH Station. The paint removal process was a two-step process. Using chemical strippers, the SCE team removed the top layer of paint and revealed a more resistant epoxy coating. The epoxy coating was them removed using an array of mechanical abrasive means.

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. SCE has enjoyed numerous contract opportunities with the Port Authority including a series of multi-year oncall abatement contracts whereby SCE provides asbestos, lead and universal waste abatement for the Authority's PATH rail system, the World Trade Center in New York City, and for the Authority's substantial marine terminals in New Jersey.

Santa Comes to Bancroft Elementary



Santa and his helpers visit grades K through 4. From left, Jody Cordaro, Hank O'Donnell, Mike Wanta, Santa, Ralph Hromisin, Gene Talerico and Nate Butler.

SCE Cares.

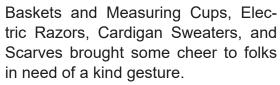
A year in review.

Each year, SCE employees focus their efforts to make the Holidays more special for those less fortunate. Over the years, SCE's family has served meals at soup kitchens, provided full Christmas dinners for families in need, participated in numerous toy drives, and sponsored many angel trees for the elderly, veterans, and families in need.

For seven years running, SCE has sent a bit of the season's good cheer to an entire elementary school in Scranton, PA. This year again, SCE team members and Santa visited every classroom in an economically challenged area of the city. Hundreds of excited kids from Kindergarten through 4th grade got a chance to visit Santa and happily tore into sacks of presents from SCE.

For their part, two of Santa's helpers, Mariah Wheeler and Lauren Tomaino, organized Christmas contributions from their fellow employees, and used their personal time to purchase and wrap gifts for angel trees at the Scranton Women's Resource Center, the Gino Merli Veterans' Hospital, and the Little Sisters of the Poor in Lackawanna County, Pennsylvania. Gifts as simple as Laundry





In the first quarter of 2018, SCE was proud to be the Platinum sponsor of the Night to Shine event this year in northeastern Pennsylvania. Night to Shine is an unforgettable prom night experience for people with special needs ages 14 and older.



Every guest of Night to Shine entered their prom on a red carpet complete with welcoming friendly paparazzi. Once inside guests received VIP treatment including hair and makeup stations, shoe shining stations, corsages and boutonnières, a karaoke room and of course, dancing!

Two hundred thirty three honored guests from our friends in the special needs community were crowned kings and queens of the prom, and they had the time of their life.



In the spring, SCE sponsored the Second Annual Equines For Freedom (EFF) Sporting Clays Tournament at Rock Mountain Sporting Clays in Springville, PA. Equines for Freedom (EFF) is a nonprofit organization that treats active and former military personnel who are experiencing symptoms of Post Traumatic Stress Disorder (PTSD), no matter the source of the trauma. This therapy combines a licensed mental health professional, a certified equine specialist, and a therapy horse to create a research-based treatment model which strives to resolve emotional difficulties caused by disturbing, difficult, or frightening life experiences.

All in all, it was another great year of giving and SCE's team was proud to be part of each effort.

SCE Awarded new Bahamas Contract.

Caribbean Project is a Return to MegaResort.

SCE was notified in the fourth quarter that it has been awarded a contract for environmental work on Cable Beach, New Providence, Bahamas. The contract represents SCE's return to the same resort where, several years ago, SCE was contracted to perform all field work associated with the cleanup of a 500,000 gallon fuel oil release that occurred on the future



home of the \$3.5 Billion Baha Mar MegaResort. At the time, it was the largest environmental cleanup ever to be completed in the Bahamas.

The current contract represents the latest in series of international contracts.



In Togo, West Africa, SCE was awarded a contract for the decontamination and tank cleaning of 34 above ground storage tanks ranging in size from 25,000 to 500,000 USG, and the fluid elimination of over 462,000 gallons of product. This brownfield remediation was the first step in development, construction and operation of a 100 MW thermal power plant in Lome'. This Project represented the first substantial foreign investment in Togo in over a decade and is one of the most significant investments in the West African power sector in over twenty years.

In the US Virgin Islands, SCE was awarded a series of contracts for the assessment, tank

cleaning, abatement, decontamination and demolition at the ESSO facility at the Henry E. Rholsen International Airport, St. Croix. SCE completed asbestos abatement, tank cleaning and demolition of 25 above ground storage tanks at the abandoned facility. The scope of work also included tank shearing, foundation removal and scrap transfer back to the US.

Tanks were accessed via cold-cutting techniques. A mobile sludge removal unit was placed inside of the vessels to eliminate the need for personnel entry. The main unit extracted sludge, performed sludge separation,



and gross decontaminated the tanks. A three phase centrifuge further separated removed sludge after the main unit process. The use of this system reduced disposal material by a factor of ten. Previously disposed hydrocarbons were returned to the customer. Over 60 confined space entries were made by the SCE crew and over 3,930 man-hours were worked without incident.

In Ceiba, Puerto Rico, SCE crews performed remedial actions at Solid Waste Management Unit (SWMU) 9 at the United States Navy's NAPR at Roosevelt Roads Naval Station. As part of the Navy's Base Realignment and Closure (BRAC) Program, this property is to be converted into a civilian airport. The scope of work included the cleaning and removal of two 50,000 gallon and four 250,000 gallon pre-stressed concrete petroleum storage tanks along with three fiberglass petroleum underground storage tanks. In a first for the company, safety dictated an onsite beekeeper to minimize crew exposure to Africanized honey bees.



In Barbados, SCE crews performed remediation at major industrial facility. SCE utilized a Piranha dredge system to clean large vessels. The system floated on top of the product and pumped the emulsified product out to a holding tank. Cutter agents were injected via a series of injection points into the sludge to allow penetration and the breakup of the sludge. The recirculation of the heated cutting agent was utilized during the cleaning process. A centrifuge was utilized to process the sludge and provide hydrocarbon recovery.



Over the course of only a few weeks, SCE bid upon, was awarded, and mobilized on an asbestos and demolition effort in the Cayman Islands. The fast-track project featured the environmental abatement and demolition of a portion of the John Gray High School in George Town, Grand Cayman, as the first phase of a project with a critical construction deadline later in the year. The bidding process was unique and included a reverse auction online bidding process whereby a select group of contractors was allowed to bid in a live auction that saw the project contract price progressively decline. In the end, SCE was awarded the project. Mobilization almost immediately followed the award.

In Cuba, SCE's 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. In only three months, the entire facility had been demolished, the land restored, and the team demobilized. The project was completed ahead of schedule with over 3,100 safe man-hours worked.

Last Thoughts ...





The Fourth Quarter of 2018 brought not only the close of a very successful year, but also the opening of a new era at SCE Environmental. Since the company's inception in 2000, my

role has been largely unchanged: to manage the day to day operation of a company that I challenged to become a dominant player in its market niche; to take the company I started nearly 20 years ago and to make it the safest and most cost effective solution to our clients' environmental needs. I'm proud of the team I've assembled, the progress we've made, and the enviable market position in which we find ourselves.

Having said that, I am also acutely aware that my highest and best role in this company is not to manage day to day operations, but instead to focus on the more strategic opportunities that we now pursue en route to our ambitious goals for the future. To that end, we have bifurcated my position into the roles of Chief Executive Officer - a role which I shall retain, and President - a role I am most happy to entrust to our extremely talented new addition to the management team, Michael Wanta.

To be clear, my role has evolved but my involvement has decreased not a scintilla. I have full confidence in the team I've assembled to meet the daily operations of SCE Environmental and my finger remains on the pulse of the company at all times. But I simply cannot put into words the incredible rush I feel knowing that I am now free to pursue the opportunities to make SCE the company I always knew it would become.

Jody Cordaro, CEO

SCE Environmental Group, Inc. 1380 Mt. Cobb Road Jefferson Township, PA 18436 (570)383-4151 (570)687-9524 (fax)





