



Mobilized.

SCE Starts Major New Project.

During the third quarter, SCE mobilized to an Exxon-Mobil remediation project in Brooklyn, New York. The property includes a warehouse with numerous active clients and four Areas of Concern for petroleum impacted soils. Working around the active facility and within the confines of a major area of concern abutting a creek, SCE crews face daunting challenges in the effort.

Because the project requires supportive excavation with digging depths in excess of thirty feet below grade, the project falls within the purview of the New York City Department of Buildings. Additionally, the depth of the dig requires an extensive slide rail system for stabilization.

Dewatering is a particular challenge at the site because of the proximity to Newtown Creek. The excavation requires the exposure of the bulkhead abutting the creek. While SCE crews seal the exposed bulkhead at levels above the low tide mark, a crew of divers seal the area of the bulkhead below that level and down to muck. The effort also includes pressure relief wells. All water removed from the dig is passed through a series of carbon filter tanks



Newtown Creek meets the East River.

and then to an on-site treatment facility before being transported off site.

An estimated 4,000 cubic yards of contaminated materials will be removed from the site by project completion in the first quarter of 2020. Upon completion of excavation efforts, SCE will restore the ground and pave designated portions of the site.

During the third quarter, SCE crews installed temporary fencing, constructed a rock entrance, and mobilized weir tanks and frac tanks to the site as part of SCE's dewatering pre-treatment system, cleared trees along the creek bulkhead, and built soil staging areas

Continued on page 2.

Continued from page 1.

and a decon pad.

The current project in Brooklyn marks SCE's return to the same site from a similar hot-spot remediation two years ago. The scope of work at that project included three hot spot excavations and the disposal of approximately 7,300 cubic yards of soil from various locations.

As with the current project, SCE completed excavation and stockpiling of soils per plans, and installed a slide rail shoring system for four of the areas throughout the total project. For dewatering, all water was pumped into two 20,000 gallon water tanks and allowed time for suspended solids to settle out before the water was pumped into an onsite treatment system. Crews utilized a Rusmar Foaming Unit to control odors and VOCs from leaving the site. Ultimately, SCE restored the site with clean RCA, crushed quarry stone, and paving.



Upon completion of SCE's original effort at the site two years ago, Exxon's Global SSH&E Manager performed a safety audit at the remediation project and found SCE's effort "stellar".

Work at Fort Hamilton draws to close.

Possible additional work for 2020.

SCЕ's multi-year rehab of military housing at the Ft. Hamilton military base in New York City is nearing completion. The Fort remains the last active duty military post in New York City, and is the home of the Army Corps of Engineers, the 1179th Transportation Brigade, the 722nd Aeronautical Staging Squadron, as well as the Army Reserve and the New York National Guard.

By the close of the third quarter, SCE had completed exterior surface renovation work. For the duration of 2019, SCE will complete the restoration of exterior stairways. The project has featured the complete remediation and restoration of exterior surfaces ravaged by the environment of lower Manhattan.



Although work draws to a close on currently contracted buildings, SCE has been advised by its client that additional buildings may be scheduled in 2020.

SCE Begins Residential Remediation Effort.

Defective Home Heating Filters Cause Damage.

During the third quarter, SCE completed the first in a long series of emergency response efforts involving residential home oil heating systems. At the heart of the effort are leaks caused by defective oil filters in the system that have led to contamination of homes and the contamination of soil impacted by the heating oil.

SCE's role in the process will be to provide containment and remediation as necessary and to provide services ranging from simple clean up to the installation of complete AS/SVE remediation systems. Although the contract is open ended, SCE anticipates numerous work orders during the fourth quarter and into 2020.

Long Term Projects Continue.

In the Bahamas and Northeastern PA, Crews continue prior quarter efforts.

In the third quarter, SCE's work at the renovation and conversion of the former Scranton Lace Company continued. The effort is part of the repurposing of the century-old facility from lace manufacturing to a mixed use residential, artisan, entertainment and shopping venue. The project, known as "Laceworks Village", is valued at more than \$50 Million.

SCE's presence at the Baha Mar Resort in New Providence, Bahamas concluded in the third quarter with the completion of a remediation effort begun at the start of the year. During the first quarter, SCE installed a remediation system composed of fifteen Air Sparge wells and four LNAPL recovery trenches with draw down submersible pumps and skimmer pumps recovering the LNAPL, and one infiltration trench with an aerator. During the second quarter, an SCE crew remained on site to maintain and monitor the system.



With remediation complete, SCE returned in the third quarter to expose and disassemble the system and to restore the impacted area. Pipe networks and pumps were removed and preserved for future applications. Trenches were backfilled, parking lot asphalt repaired, and fences reinstalled. In addition, abandoned wells were filled with compacted sand and capped with concrete twelve inches below grade. After a general cleanup of the site, SCE crews demobilized.

SCE Backlog Grows.

As Major Awards Materialize, 2020 Workload Fills.

SCE has been advised that it is the apparent low bidder in a contract for the cleaning, dismantling, transportation, and disposal of four 20,000-gallon underground storage tanks from a site formerly occupied by a commercial bakery that utilized relatively large quantities of No. 6 fuel oil for their baking operations. The Site is currently part of the Chelsea Market in New York City and contains numerous retail stores and restaurants on the cellar and first floor levels, as well as commercial space on the upper floors. SCE has been notified of the likely award by a national engineering firm retained by the project's high profile owner.



The tanks are located under a sidewalk and additionally will require the closure of a lane of traffic to facilitate the necessary excavation. Due to the structural concrete vault lids and structural cross-members being tied into the existing building foundation, the tanks will be removed through a series of holes cut through the sidewalk and vault lid. Once removal of the concrete and sand layers that overlie the tanks is complete, each tank will be cleaned both inside and outside using pressurized steam cleaning equipment. After each tank has been thoroughly cleaned including the inside and outside surfaces, braces, supports, and baffles, it shall be mechanically or manually dismantled, removed from the vault through the various access holes, and disposed as scrap metal.



After removal of the tanks, each respective vault shall be cleaned using pressurized, steam cleaning equipment. Cleaning of the vaults shall include removal, decontamination, and proper disposal of all out-of-service tank-related piping, trash, and other miscellaneous debris present within the vaults. Each vault shall then be backfilled with controlled low strength material. Finally, all existing sidewalk slabs overlying the vaults, utility pit, and approximately 10 feet east and west of the work area shall be removed and replaced.

The nature of the site as a commercial operation catering to the public requires extensive planning in order to allow for the safe movement of people and vehicles and the least disruption of ongoing retail operations. Odor and dust control

procedures including tarping, odor suppressant misting, and water misting are required to avoid dust, odors, or vapors from creating a hazard for on-Site workers, passersby, and the surrounding community.

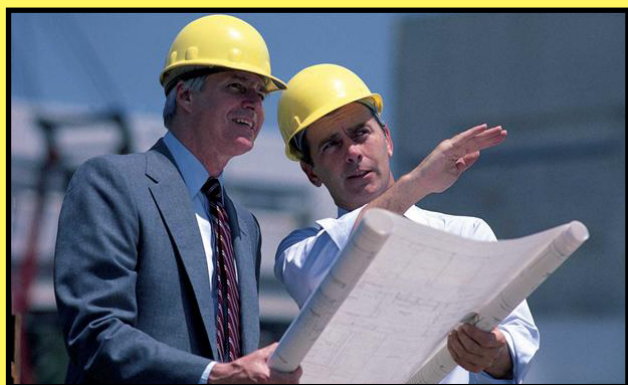
The nature and location of the project bring it under the regulatory authority of the New York City Department of Buildings and the New York City Department of Transportation. As part of that regulatory environment, SCE will prepare a Maintenance of Protection and Traffic plan and shall be subject to regular sampling requirements and inspections throughout the project.

SCE anticipates an award of the contract in the fourth quarter and mobilization early in 2020.

Staffing Makes Headway In Third Quarter.

Major MSA in the works.

SCE's Personnel Support Division made great strides in the third quarter. Designed to assist other companies and contractors in meeting the staffing challenges of a dynamic workforce marketplace, the program has been evaluated by a national engineering firm and has completed an extensive vetting process.



In the fourth quarter, SCE anticipates the execution of a five-year nationwide MSA for staffing work in the company's core areas of remediation, demolition and excavation. The financially substantial rollout is expected in 2020.

SCE's Personnel Support Division is designed with the flexibility clients need to maintain proper staffing levels in light of fluctuating work loads, multiple service locations, seasonal demands, and emergency responses. SCE is one of the few staffing

companies dedicated specifically to the environmental and construction markets. Our laborers and specialists have the education, licenses, training, certifications, experience and work ethic necessary to meet or exceed client's employee expectations. And SCE workers can be dispatched to project locations around the world on short notice.

In addition to the environmental and construction markets, SCE offers staffing solutions to the old and gas industry as well. Spanning over 10 years and working with all of the major petroleum companies throughout the world, SCE has a proven track record in the petroleum market. We understand the oil and gas production process from exploration and production to transportation and delivery.



A Busy Third Quarter.

SCE Crews dispatched to numerous jobsites.

Wilkes-Barre, Pennsylvania. SCE crews joined a team of contractors at the Geisinger Wyoming Valley Hospital on a project to expand the facility's Cyberknife Unit. SCE's role on the team was to perform interior and exterior demolition on a section of the existing hospital in preparation for the construction efforts of other contractors. In addition, SCE crews cut and excavated a trench in the hallway of the existing facility to prepare for new sanitary lines.



SCE's scope of work included the interior demolition of multiple rooms, removal of flooring tiles, removal of ceilings, and the exterior demolition of walls, footers, and steel columns. To trench the interior hallway, SCE crews utilized walk-behind saws, jackhammers, hand digging and small excavators. Dust control was a major portion of the effort because the functional hospital was directly connected to the worksite.

Manhattan, New York City. SCE crews were on site renovating and replacing a section of sidewalk running along a busy city street. The sidewalk covered eight abandoned well heads and vaults. The project required permits from the New York City Department of Buildings and New York City Department of Transportation. Crews jackhammered eight existing flags, removed existing well heads to a depth of one foot below grade, and replaced the flags with new concrete pours. To control pedestrian traffic, each section of the sidewalk was sectioned so that demolition occurred on one half while pedestrians used the other. Sidewalks excavated in the morning were poured before the end of the day. Adding to the challenge, the street remained active and cars continued to park at the curb running adjacent to the sidewalk.



Jersey City, New Jersey. SCE crews completed a remediation effort requiring the excavation and removal of soil and concrete impacted by hazardous and non-hazardous materials. The site is the former location of Alpha Metals.

Prior to SCE's arrival on site, four thousand cubic yards of impacted concrete had been stockpiled by the demolition contractor. SCE's team additionally excavated six thousand cubic yards of impacted soil. SCE crews then segregated the stockpiles into numerous waste streams and loaded out and disposed of each waste stream. As part of the process, SCE

performed post-excavation sampling to assure that all impacted soils had been removed. Upon completion of the removal effort, SCE installed a demarcation fabric over the excavation and then crushed a stockpile of clean concrete to backfill the excavation. The project extended over the course of three weeks in September and was completed ahead of schedule.

Carlisle, PA. SCE crews continued on the restoration of military housing. With the original contract scope of work nearly complete on two residential quarters, efforts for the fourth quarter turn towards additional change orders necessitated by unknown deteriorated conditions and by squirrel damage in concealed areas. The project is expected to wrap up by the end of 2019.



New York City. SCE is wrapping up a soil remediation effort at a former gas station. High levels of petroleum impacted soil required excavation to depths of thirteen feet and the nature of the dig required a slide rail system to stabilize the soil. When SCE has completed remediation at the site, it will again be developed as a retail gas station.

Lyndhurst, New Jersey. In August, SCE was awarded a contract in Lyndhurst, New Jersey for the capping of an old landfill. The project calls for the clearing of scrub and small trees from the property and the delivery of a top soil and vegetative cap to a small portion of the property not constituting a landfill, as well as the placement of a stone cap on the bulk of the property that was used as a landfill. For the landfill portion of the project, SCE will install a GeoTextile layer and then cap it with one foot of clean stone fill. The project is expected to complete in the fourth quarter.

West Point Military Academy. SCE returned to the West Point Military Academy in New York during the third quarter. The scope of work calls for the remediation of mold within housing units at the Academy. During the month of September, four homes were completed with ten more to be completed during the fourth quarter. SCE has been advised that as many as 80 homes may be impacted and require remediation. This additional work would be slated for 2020 completion. The plan of action for each home is dictated by a mold report that identifies areas such as attics, basements, bathrooms and HVAC systems. SCE then develops and executes a mold remediation plan.

Jersey City, New Jersey. SCE was dispatched to a PPG paint facility to conduct remediation, repair and replacement of pipes associated with the facility's sanitary system. Crews found that many pipes contained chromium contaminated water which had to be properly collected and disposed prior to removal of the pipes. Work included the removal or repair of numerous pipe systems located across seven locations. Many installations required the use of HDPE piping and double-walled pipe fusion welding. Each system was then pressure tested. Crews also installed a temporary overhead pipe system to cross a street from above while other contractors removed an old system from beneath the road.

Last Thoughts ...



Much like baseball's seventh-inning stretch, the end of the third quarter is a great time to collectively catch our breath after a so-far exhilarating 2019. Much has changed at SCE in 2019 but one thing has not: the pace. In the field, our crews tackle challenging schedules, difficult conditions, and demanding work. They perform with great skill and with safety paramount. In the office, our teams keep the wheels moving, find new opportunities, and bring in additional work.

In many ways, SCE still reflects its nearly twenty year heritage of grit and determination. In other ways, there is little doubt this is a transformed SCE. New team members appear across the company. In the field, we've added to our talented pool of operators, technicians, and site managers. In Operations, new faces broaden the collective experience and effectiveness of the department. In Estimating, seasoned estimators and fresh talent join the already impressive team to add much-needed breadth and capacity. In Finance, new systems, new personnel, and new offices streamline the department and disseminate vital management information. Across the board, our team is stronger, leaner, and more effective.

Our backlog of work to be completed in 2019 and extending into 2020 remains enviable in our industry. We've witnessed a shift in awards to the longer term and higher volume - a trend that portends more stable and rewarding workloads. And we never lose sight of the tremendous confidence of our existing clients and the tremendous trust of our new clients. It is humbling.

The cogs are all falling into place as SCE hits the fourth quarter with great momentum, great energy, and great enthusiasm. I'm looking forward to the last two innings of 2019!

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