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EXECUTIVE REVIEW 2005

Environmental Business International Inc.

EBJ'S 2004 BUSINESS ACHIEVEMENT AWARDS

Welcome once again to the annual EBJ Business Achievement Awards, EBJ's yearly recognition of companies and executives outperforming the market. This year's categories include some additions as the nomination process was broadened, and a record number of nominations and recipients. Thanks to those that submitted nominations, thanks to our panel of judges and congratulations to the winners.

SMALL FIRMS (<\$20 MILLION)

Gold Medal: US Environmental Inc., a liquid waste transportation and disposal firm serving the Northeast, for making a successful turnaround after nearly filing for bankruptcy almost three years ago. In March 2002, Richard Weaver and James Hoff took over the firm via an employee buyout, replaced nearly all of the staff, and led the firm to profitability in 2002 on sales of \$1 million after the company had lost large sums of money in each of the prior two years. Revenues grew to \$6.2 million in 2003 and are projected to reach \$11 million for 2004. U.S. Environmental has achieved this growth in a relatively flat market and claim to be the No. 1 company in their market sector in the Northeast.

Silver Medal: Remediation contractor Panther Technologies Inc. for continued growth while expanding its technology development programs. During 2004, the company invested more than \$1 million in new field mixing equipment to support the use of its innovative chemical oxidation technology. Over the previous 12 months, the company used over one million pounds of chemical oxidants to remediate tens of thousands of pounds of contaminants on site, ranging from chlorinated organics to semi-volatile organics. Revenues were near \$14 million for 2004, marking a 160% increase over 2003 and earning the firm rankings on the 2004 *Inc. 500* list and—for the fourth consecutive year—on *Entrepreneur* magazine's list of the Top 100 fastest-growing companies in the United States.

Silver Medal: Sullivan International Group Inc. for placing seventh on the 2004

Inc. 500 list of fastest-growing private companies in the United States. During 2003, Sullivan recorded over \$16 million in revenues, representing a four-year growth rate of almost 8,000% from around \$200,000 in 1999. In addition to its top 10 on the *Inc. 500*, Sullivan International was recognized by the *San Diego Business Journal* as San Diego's fastest growing company for the second straight year and SDBJ also named the firm as the "Best Company to Work For in San Diego." Sullivan's growth in 2004 includes new offices and projects in South Carolina, Missouri, Illinois, Colorado, Nevada and California, and at various Veterans Administration hospitals throughout the country. While growth rates in 2004 were not as astronomical as in the past, Sullivan increased the amount of 'self-performed' work by 51% in 2004 to now account for 96% of revenues generated in 2004.

Bronze Medal: RJM Waste Equipment Company for bringing its annual revenue run rate to \$18 million over its three-year lifetime, a period during which the waste equipment sector has been suffering perhaps more than at any other time in its history. The sector saw its first ever "shake-out" in 2004 due in part to unprecedented increases in steel costs. During this period, several major players in the industry, and numerous smaller ones, closed their doors permanently. RJM, however, added another 20 employees during this time, bringing the number of employees to about 140 as of late 2004. RJM expects to move to the mid-size

company level next year, with revenues in excess of \$20 million.

Bronze Medal: Thermal Remediation Services Inc. for revenue growth from \$150,000 in its first year of operation (the company was launched in September 2000) to a current run rate of \$6.3 million. The firm has developed and deployed the Electrical Resistance Heating (ERH) heating technology for *in situ* thermal remediation of soil and groundwater contaminated by chlorinated solvents and petroleum hydrocarbons. During its history, Thermal Remediation has completed 12 remediation projects with a 100% OSHA safety rating and now sports an equipment fleet valued at \$2.3 million.

Bronze Medal: Sorbent Technologies Corp. for generating net income of \$500,000 in 2003 after suffering a loss of \$30,000 the year before, and for doubling revenues to \$5.5 million. Sorbent Technologies has established itself in the new market for controlling mercury emissions from power plants. With the co-sponsorship of the Department of Energy (DOE), the firm undertook a full-scale demonstration of its B-PAC sorbent achieving company achieved an average of 94% mercury removal over the 30-day trial. This feat was accomplished at a B-PAC consumption rate of only 3 pounds per million cubic feet of gas, resulting in an 80% cost reduction relative to prior technologies.

Honorable Mention: Cherokee Enterprises Inc. for recognition as the 21st fastest-growing Hispanic-owned business in the United States, as listed in the July/August

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Executive Q&As: EBJ conducts its annual executive review question & answer with the following firms: global water leader Black & Veatch (8-10); technology and IT firms Columbia Technologies, EDR, Geotech Computer Systems and ADS Environmental (10-17); C&E firms Marstel-Day, O'Brien & Gere and SCS Engineers (18-26); and HR firm RW Apple . . . 8-27

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2004 issue of *Hispanic Business* magazine. The company, which celebrated its fifth anniversary this past October, has enjoyed revenue growth from \$200,000 in 1999 to just under \$2 million in 2003, and it expects to double that revenue in 2005. Cherokee Enterprises added three major remediation contracts to its backlog in 2004, and it successfully leveraged its 8(a) small-business status to enter the federal market.

Honorable Mention: Essentia Management Services LLC., an emerging environmental program/project management firm, for growing from a staff of three principals to 25 people since its launch in March 2002. Having won contracts with the ports of Los Angeles and Long Beach, the Los Angeles Department of Water & Power, the San Diego County Regional Airport Authority, AES Power and others, Essentia has doubled its revenues during each of its first two years.

Honorable Mention: Enviance Inc. for obtaining \$10 million in financing from an investment team lead by Enterprise Partners Venture Capital. The company provides Internet-based, on-demand systems for the management of environmental, health and safety (EHS) compliance activities. Over past year, Enviance has increased its customer base by 60%, including new agreements with American Ref-fuel, Questar and Montenay, which join the ranks of ChevronTexaco, Southern Company and DuPont.

Honorable Mention: Marstel-Day LLC, a woman-owned, HUB Zone environmental consulting firm, for increasing its size from four to fourteen employees last year and for undertaking several projects that are designed to improve conservation practices by federal agencies. For example, Marstel-Day is helping the U.S. Army develop and implement process improvements that will streamline its NEPA analyses, and the firm is working with the Office of the Secretary of Defense, the U.S. Marine Corps and local governments to develop strategies and action plans to achieve sustainable military range operations and hold back encroachment from development pressures.

Honorable Mention: Enviroquip Inc. for receiving \$19.7 million in purchase orders for its Kubots flat-plate membrane bioreactor (MBR) systems during the first 11 months of 2004. This compares with orders totaling \$4.7 million in 2003. This year, 30 facilities in 14 states have placed orders for the Kubots MBR systems.

MEDIUM FIRMS (<\$100 MILLION)

Gold Medal: Compass Environmental Inc. for increasing revenues from \$35 million in 2003 to \$95 million in 2004, thanks to a combination of business from existing and new clients and the addition of new capabilities through acquisition. Last fall, Compass acquired **Williams Environmental Services LLC** and thereby added soil stabilization/solidification, low-temperature thermal desorption, and slurry-wall engineering to its technology suite. During 2004, Compass enhanced its national presence by positioning itself in Florida, New Jersey, Georgia, Alabama and Texas while continuing to serve customers from its original locations in Illinois, Indiana and Missouri.

Silver Medal: BEM Systems Inc. for revenue growth of 194% from 2002 through 2004 while diversifying its business from a base in subsurface investigation and cleanup to the management of water supplies and other natural resources. Among the new assignments in the latter category are a series of contracts to support the Comprehensive Everglades Restoration Program (CERP) in south Florida. BEM has also enjoyed success in providing environmental management information systems to clients such as the Department of Defense (DOD) and

departments of transportation. In the transportation market, for example, BEM has developed and deployed the Property Acquisition Management System (PAECETrak) to assist agencies in managing property acquisition and asset management.

Silver Medal: Safety and Ecology Corp. for placing tenth on the ZweigWhite list of the Top 100 architectural/engineering/planning and environmental consulting firms during 2004, after growing revenues to \$51 million in 2003 from \$26 million in 2000. During 2004, the company expanded into the U.K. and European environmental markets through the acquisition of **Environmental Technology Consultants** (Newcastle upon Tyne, U.K.). Also in 2004, Safety and Ecology's SEC Closure Alliance unit was awarded a \$235-million contract from DOE to provide services in connection with the closure of the Fast Flux Test Facility at the Hanford Site in Washington. According to the company, this contract is the largest DOE has ever awarded to a small business.

Bronze Medal: Geologic Services Corp. (GSC) for achieving new milestones in productivity and profitability, increasing revenue by 20% while boosting the employee headcount by only 5%. GSC achieved this

EBJ AWARDS & ANNUAL EXECUTIVE REVIEW ISSUE

Each year EBJ solicits senior executives in the environmental industry to submit bylined articles and participate in Q&A interviews for our Executive Review issue. Opinions and assertions expressed in the content reflect those of the authors and respondents. Separately, EBJ solicited the industry via email, website and word-of-mouth for 200-word nominations for the 2004 EBJ Business Achievement Awards. Awards were determined by an internal committee and selected advisory board members. Awards will be presented to winners in attendance at the Environmental Industry Summit in Coronado, California on March 30-April 1, 2005. Congratulations to the 2004 winners and EBJ encourages all interested companies to participate next year. (*Disclaimer: Company audits were not conducted to verify information or claims submitted with nominations.*)

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goal primarily by driving fee levels to a more appropriate benchmark for its environmental program management, assessment and remediation, and legal and forensics expert services. At the same time, the company enabled its employee-owners to focus their time and efforts on client-based activities by more effectively utilizing the company's operational tools and processes, human resource systems, and extended enterprise outsourcing model—all while having no field-related OSHA recordable safety incidents.

Bronze Medal: Cape Environmental for continuing its growth after graduating from the 8(a) small business program in 2003. Revenues increased by 56% to nearly \$50 million during 2004, and the firm moved up on *Engineering News Record's* (ENR's) list of the Top 200 environmental engineering firms, to 114th from 124th in 2003. Cape Environmental has undertaken new work connected with the reconstruction of Iraq's infrastructure, and leveraging the experience gained under its numerous DOD contracts, the firm has successfully made inroads into new marketplaces such as fuels facilities design and construction, force protection and homeland security, and the DOE marketplace.

Honorable Mention: SCS Engineers for its ranking as the No. 1 solid waste engineering consultant by *ENR* and its placement at 88th on the 2004 ZweigWhite Hot Firm list. Company revenues have grown by about 15% annually over the past three years, and SCS claims a commanding position in the management of landfill gas (LFG) and LFG energy recovery. The World Bank recently selected SCS to conduct feasibility studies of LFG-to-energy projects at ten landfills in five Latin American countries. The company also regards itself as a pioneer in the use of bioreactors and of micro-turbines for energy production from biogas. (See Q&A with SCS' CEO James Walsh starting on page 22.)

Honorable Mention: American Ecology Corp. for attaining the top spot on the *Environmental Benchmark & Strategist* 2004 list of the top ten environmental companies—the first time ever that a firm from the hazardous/radioactive waste management sector has been among the top ten. Measured in terms of 1) EBITDA as a percent of revenues and 2) net return on equity, American Ecology earned the top honors on the *EB&S* list through the efforts of a

new management team that, since 1991, has taken the firm out of non-core businesses, resolved a number of lawsuits—generally in the company's favor—paid down debt and substantially improved operating efficiencies to generate a much improved cash flow. (*EB&S* is published by Steve Maxwell, president of TechKNOWLEDGEy Strategic Group.)

Honorable Mention: General Environmental Management Inc. (GEM) for developing and implementing an innovative business model to achieve success in the otherwise troubled hazardous waste management sector. GEM began with a business model based on information technology and the Internet and has since put together a portfolio of waste management services around it, with an emphasis on recycling and reuse treatment options. The GEM network is built around the GEMWARE package, which streamlines customers' hazardous waste management operations through the efficient management of pickup schedules, waste routing, and selection of the appropriate treatment options. During 2004, GEM acquired a hazardous and non-hazardous waste treatment, storage, and disposal facility in Rancho Cordova, California, from **Pollution Control Industries Inc.**, and it purchased **Prime Environmental Services**, a waste services broker with offices in Seattle and El Monte, Calif.

LARGE FIRMS (>\$100 MILLION)

Gold Medal: AMEC Earth & Environmental for increasing revenues by 32% during the first nine months of 2004, and by 50% in the United States after a slowdown last year. Both revenues and profits are on track for record levels, the company reports. The company also is experiencing a strong inflow of new bookings, generating a backlog of more than \$464 million in new projects through October. Many of these bookings have completion dates in 2005 and some in 2006, positioning AMEC Earth & Environmental for continued growth in the near term. Major environmental projects launched or awarded this year include GeoMelt vitrification tests at the Hanford Nuclear Reservation and work on the Sydney Tar Ponds cleanup in Canada.

Silver Medal: SECOR International Inc. for successfully completing a recapitalization transaction with **Arlington Capital Partners** of Washington, D.C., and establishing itself as a centerpiece in Arlington Capital's expanding, \$450-million private equity fund.

2004 EBJ Business Achievement Awards

Small Firms (<\$20 Million)

Gold Medal: US Environmental Inc.

Silver Medals: Panther Technologies, Sullivan International Group

Bronze Medals: RJM Waste Equipment Co., Thermal Remediation Services Inc., Sorbent Technologies Corp.

Honorable Mention: Cherokee Enterprises Inc., Essentia Management Services LLC, Enviance Inc., Marstel-Day LLC, Enviroquip Inc.

Medium Firms (\$20-100 Million)

Gold Medal: Compass Environmental Inc.

Silver Medals: BEM Systems Inc., Safety and Ecology Corp.

Bronze Medals: Geologic Services Corp., Cape Environmental

Honorable Mention: SCS Engineers, American Ecology, General Environmental Management

Large Firms (>\$100 Million)

Gold Medal: AMEC Earth & Environmental

Silver Medal: SECOR International, PBS&J

Bronze Medals: Delta Environmental Consultants Inc., Kleinfelder Inc.

Honorable Mention: ENSR International, Golder Associates Inc., TRC Companies

Very Large Firms (>\$1 Billion)

Gold Medal: General Electric

Silver Medal: CH2M Hill

Bronze Medal: MWH Global Inc.

Honorable Mention: Tetra Tech FW Inc.

EBJ Index Stock Awards

Gold Medal: MFRI Inc.

Silver Medal: Michael Baker Corp.

Bronze Medal: Duratek Inc.

Management Awards

Michael Baker, Blasland Bouck & Lee, ENVIRON, Weston Solutions

Technology Merit Awards

Pacific Northwest National Laboratory, Edenspace Systems Corp., AbTech Industries, SOIL-THERM EQUIPMENT INC, CBA Environmental Services Inc., Enzyme Technologies Inc., Environmental Science Corp., C&A Floorcoverings, Alfa Laval

Project Merit Awards

Weston Solutions Inc., SRA International, The Louis Berger Group, ENVIRON, The Shaw Group, AT&T

IT Merit Awards

Columbia Technologies, EarthSoft Inc., Environmental Software Providers, Emerge Knowledge Design, Environmental Data Resources Inc.

The recapitalization was made possible by continuous growth in market share with major petroleum and manufacturing industry partnerships, and through continuous demonstration of responsible cash management, including the retirement of more than \$20 million in debt in less than 36 months. SECOR's revenues for its 2004 fiscal year were in excess of \$112 million, representing a 14% increase over FY 2003.

Silver Medal: PBS&J for revenues reaching an all-time high of \$451 million, a 16% increase over 2003 revenues of \$389 million. The southeast-based firm with more than 60 offices at the end of 2003 (25 in Florida) has a 10-year average annual revenue growth rate of 14.5%. PBS&J provides infrastructure planning, engineering, construction management, program management and architecture services and is a regional leader in water resources. The employee-owned firm is headed by CEO John Zumwalt, who was recently also elevated to chairman, and newly appointed president Todd Kenner.

Bronze Medal: Delta Environmental Consultants Inc. for successfully integrating two acquisitions during 2004—Applied Earth Sciences Inc. and InteGreyted International—and, in the case of InteGreyted, combining two of the largest global networks of environmental, health and safety service providers. These additions helped place Delta in the large-firm category for the first time, with the highest gross and net revenues and EBIT in the company's history. Revenues increased by 12% compared with 2003, and EBIT was 35% higher than at any point in the company's lifetime.

Bronze Medal: Kleinfelder Inc. for doubling its growth in the federal markets during the past two years, with revenues increasing from \$17 million in 2002 to an estimated \$35 million for 2004. New prime contracts include work under Los Alamos National Laboratory's Deep Well Program in New Mexico, an environmental design/build project at Hill Air Force Base in Utah, and air compliance services for the Southwest Division of the U.S. Navy. Kleinfelder increased its federal business through a focused strategic plan, stressing strong task order development at the regional level and excellent client services. Additional growth has come from the success of its small business outreach program, which has led to key partnerships.

Honorable Mention: ENSR International for generating record financial results through implementation the "client alliance" initiative under its Key Account Program. By building long-term, multi-service relationships with key clients, ENSR increased "key account" sales by 24% over 2003 results, and overall bookings are at the highest level in the company's history. ENSR reports that greater project volume and predictable utilization of staff are key goals of the client alliance initiative, allowing the firm to offer client partners dedicated personnel and reduced labor rates.

Honorable Mention: Golder Associates Inc. for increasing net revenues by 15.4% during 2004; opening new offices in Palo Alto, Albuquerque, and Wixom, Mich.; and expanding its water resources and engineering practices in Seattle, Portland (Oreg.) and Coeur D'Alene, Idaho. In the West, Golder, which specializes in the development of aquifer storage and recovery programs, watershed management and water reuse, expanded its water resources consulting services by adding seven senior hydrogeologists. These additions enhance Golder's ability to provide water resources consulting in a field that has grown more complex with the advent of new technologies and heightened regulations, especially in the Northwest.

Honorable Mention: TRC Companies for growth of 17% in gross revenue in fiscal 2004 to \$369 million. Net income increased to \$13.2 million compared to \$9.8 million for fiscal 2003. TRC has expanded from less than \$100 million in 2000 through internal growth and acquisitions and was ranked number 37 on *Fortune's* 100 Fastest Growing Companies for 2003. CEO Dick Ellison said TRC has refined its strategic plan to direct resources to the Connecticut-to-Philadelphia corridor, the Texas/Louisiana/Oklahoma region; and the Far West, including California, Las Vegas, and Phoenix.

VERY LARGE FIRMS (>\$1 BILLION)

Gold Medal: General Electric for adding new meaning to the firm's well-known motto, "We bring good things to life," by continuing its consolidation of various environmental and "sustainability" businesses. Following several acquisitions in the water sector over the past few years (**Glegg, Betz, Osmonics**), GE in late 2004 struck a deal to acquire \$440-million **Ionics Corp.** for about \$1.1 billion. Earlier in the year, it formed a technology alliance with **Pall Corp.** to develop systems combining reverse osmo-

sis and microfiltration/ultrafiltration technologies. Also during 2004, GE purchased the assets of solar power system maker **AstroPower** out of bankruptcy, and it acquired **BHA Group Holdings**, a provider of air-pollution control systems and services, for about \$260 million. All of these assets in water, APC equipment and solar energy go with a commanding presence in the U.S. wind energy market, achieved when it purchased **Enron's** wind power business in 2002.

Silver Medal: CH2M HILL for continued expansion of its geographic and service reach. Following the acquisition of **Lockwood Greene** in December 2003, CH2M HILL now employs more than 15,000 people, has revenues exceeding \$3 billion, and has expanded its presence in North America, South America, Europe and Southeast Asia, with strengthened capabilities in the industrial sector, power generation, and energy planning and management services.

Bronze Medal: MWH Global Inc. for reaching \$1 billion in revenues and continuing its growth and dominant position in water & wastewater markets under the leadership of Chairman Murli Tolaney and CEO Bob Uhler. MWH, a 2001 merger of Montgomery Watson and Harza Engineering, has grown from \$150 mill 10 years ago through a steady combination of internal growth and mergers. Mergers have been particularly impressive and effective as the company is strictly employee-owned and the transactions have mostly been true "mergers" with exchanges being primarily stock-for-stock, rather than large cash outlays.

Honorable Mention: Tetra Tech FW Inc. for generating 2004 gross revenues in excess of budgeted amounts by 17.5%, net revenues at 12.5% over budget, and operating income at 32% over budget through a continuing focus on effective project management. New project awards during 2004 reached a record \$672 million, an increase of 43% over 2003. Parent company **Tetra Tech Inc.** grew gross revenues to \$1.44 billion from \$1.13 billion in 2003, but operating income fell to \$49 million from \$93 million in 2003 as "we did not act quickly enough to manage downturns in civil infrastructure and communications," said CEO Li-San Hwang in releasing annual results. Hwang vowed that "strength will continue" for the "resource management and new systems support & security businesses" that account for 70% of Tetra Tech revenues.

MANAGEMENT AWARDS

A new category for this year, EBJ's Management Achievement awards were selected by EBJ and editorial board members to recognize firms and executives that merit special recognition for leadership, turnaround and company performance.

Michael Baker for the firm's significant turnaround under the leadership of CEO Don Fusilli. Baker has won some big FEMA and other government contracts, they've significantly added to their bottom line, and their stock price has reflected that success by almost doubling in 2004 to reach historical highs.

Blasland Bouck & Lee for another strong year and approaching \$100 million in revenues. BBL is "one of the best run firms in the industry," says editorial board member and financial consultant Paul Zofnass and BBL's CEO "Bob Goldman, is an extremely articulate and thoughtful leader." BBL is recognized for both conventional and leading edge environmental engineering—with a particular strength in the area of sediments and pollution of major waterways like the Hudson and Connecticut Rivers.

ENVIRON for continuing its growth trajectory, particularly outside of the U.S., and with its emphasis on risk analysis and litigation. Environ bought themselves back from a public company about five years ago, paid down their debt, and have grown consistently. "Joe Highland has been the CEO for many years, and done a great job at navigating them through these transitions," said Zofnass.

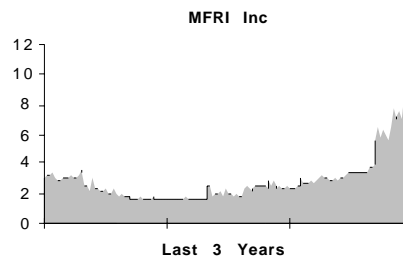
Weston Solutions for its turnaround after years of marginal profitability and stock market doldrums. New management initially under Bill Robertson, and now his successor, Pat McCann, have lead the dramatic turnaround. They bought themselves back from the public and from the Weston family via use of an ESOP and a venture capital group, improved profits and asset management, and then bought out the venture capitalist this past year. Weston Solution is now 100% employee owned, growing and performing very well.

TECHNOLOGY MERIT AWARDS

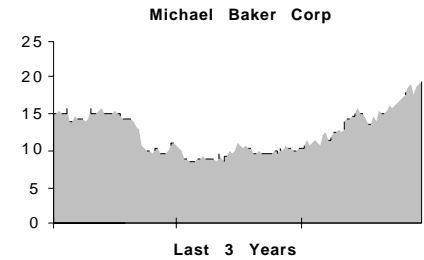
Pacific Northwest National Laboratory (PNNL) for a series of environment-related research developments, including an environmentally sensitive design for marine docks at the Northwest Maritime Center, and the thiol-SAMMS (Self-Assembled

2004 EBJ INDEX STOCK MARKET AWARDS

Gold: MFRI Inc. (MFRI; Niles, Ill.), enjoyed a 2004 stock price increase of 325% from \$2.61 per share on January 1, 2004 to \$11.10 at year end. MFRI, a maker of air filtration products, piping systems and industrial cooling equipment, saw share value basically double in the first three quarters and then double again in the fourth quarter when it increased by 108% from \$5.34 to \$11.10 per share. Net sales for the first half of the year were up 15% to \$70 million from \$61 million the prior year. Net sales of \$109.9 million for the first nine months of 2004 were 17% better than the performance for 2003, and net profits for the third quarter of 2004 totaled \$1.6 million, compared with a loss of \$126,000.

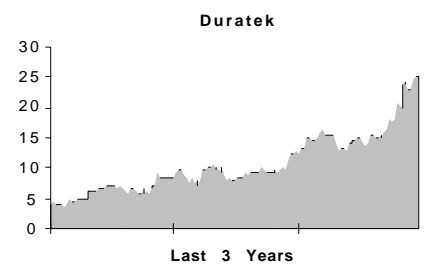


Silver: The stock of **Michael Baker Corp.** (BKR; Moon Township, Penn.) soared by 89% in 2004, rising from \$10.35 to \$19.60. Count Baker among those engineering firms that are attracting a second, favorable look from Wall Street, which in the wake of the dot.com bust is gaining an appetite for the steady performance and profitability of the engineering sector. In September, Baker announced the establishment of a \$60-million revolving credit facility through a consortium of Pennsylvania and Ohio financial institutions. Through the first nine months of 2004, Baker recorded \$396 million in revenues, up nearly 28% over revenues for the first nine months of 2003. Net income rose a whopping 850%, from nearly \$1.2 million to approximately \$10 million. President and CEO Donald Fusilli, Jr. attributed the gains to successes in both the engineering and energy sectors of the business. "On the engineering side, the federal market remains strong, and the eight-month extension of TEA-21 has allowed our state transportation department clients to award some limited projects for next year," he remarked in announcing the financial results on Novem-



ber 3. "In energy, we are well positioned to capitalize on the opportunities being offered by our customers as they increase capital investments due to the higher commodity prices for oil and gas."

Bronze: Duratek Inc. (DRTK; Columbia, Md.) was up 91% in 2004 from \$13.04 to \$24.91 per share. Contract awards rained throughout the year on Duratek, which frequently worked with joint-venture partners on DOE contracts. In January, DOE awarded Duratek and partners **Burns and Roe Enterprises** and **Nuclear Fuel Services** a three-phase, cost-plus-fixed-fee contract to down-blend enriched Uranium-233 stored at the Oak Ridge National Lab and extract isotopes for sale to the medical industry. If all options are exercised, that contract could generate revenues of \$128 million. DOE also awarded Duratek a prime indefinite-delivery/indefinite-quality contract, valued at a maximum of \$800 million, to clean up and close Environmental Management sites nationwide. Other contracts of note for Duratek included a sub-contract from **Conti Environment & Infrastructure**, which is performing Rapid Response/Immediate Response services for the Army Corps of Engineers under a contract with a ceiling of \$115 million. Duratek is also decommissioning the Yankee Rowe nuclear power plant in Massachusetts under a \$4.8-million contract. Strong performance led to earnings growth—\$18 million for the first nine months of 2004, compared to \$12.4 million for 2003.



Monolayers on Mesoporous Silica) process for absorbing mercury from complex waste systems. During the past year, PNNL also developed an innovative underwater acoustic system to track the behavior and fate of Chinook salmon as they pass through Columbia River hydropower systems—critical information for developing policies that balance ecosystem and economic needs.

Edenspace Systems Corp. for successfully deploying arsenic-hyperaccumulating ferns in the first known use of operational arsenic phytoremediation. Under a contract with the Army Corps of Engineers, Edenspace planted nearly 2,800 of its proprietary edenferns at three residential sites in Washington, D.C.'s Spring Valley area, where arsenic from a variety of sources, including munitions testing activities, had contaminated the soil. Excavation was judged to be an unattractive option at these sites because of the expense and because of the local homeowners' desire to preserve old trees that could be injured through damage to tree roots. Soil arsenic concentrations were reduced at each site, with 9 of 14 plots requiring no further remedial action after a single treatment season. The Army Corps of Engineers plans to expand the program next year.

AbTech Industries, a developer of stormwater management technologies, for obtaining a U.S. patent for the Smart Sponge Plus, a non-toxic, fully recyclable filtration system that destroys bacteria at the street level. Officials in Scarborough Beach, Rhode Island, selected the Smart Sponge Plus as the key technology element in an effort to improve local water quality by diverting the flow from five stormwater outfalls through a filtering system consisting of new drainage piping filled with the Smart Sponge Plus antimicrobial material, which effectively treated *Enterococcus*, *E. Coli*, and fecal coliform.

SOIL-THERM EQUIPMENT INC. for implementing advances in its Jet-Therm combustion burner process technology that allow the process to destroy the methyl tertiary butyl ether (MTBE) contaminants recovered in groundwater treated by soil-vapor extraction and multi-phase extraction. By injecting MTBE-contaminated groundwater into a specially modified Jet-Therm burner, the highly turbulent process flame quickly "flash oxidizes" water to a gaseous phase, resulting in the direct flame destruction of MTBE and VOC constituents. The new SOIL-THERM "Flash-OX" technology

is currently patent pending.

CBA Environmental Services Inc. for successfully deploying its Mobile Injection Treatment Unit (MITU), a technology designed to remediate sites contaminated by organic and inorganic pollutants through *in situ* thermal desorption. Recent applications involve the use of the MITU-LVR (Large Volume Remediator) model to clean up pesticide-contaminated sites. The system can treat up to 5,000 cubic yards a day at a cost of \$2 per yard. CBA is now operating three MITU-LVR units across the United States and has successfully remediated over 300 acres of former pesticide contaminated sites.

Enzyme Technologies Inc. for advancing the use of its Super-Ox technology through the establishment of strategic alliances with companies like Mitsubishi International Corp. Approximately 100 Super-Ox systems have been deployed throughout the United States. These systems use a specialized oxygen mixing process to dissolve oxygen in water at concentrations greater than 40 mg/L. This oxygenated water is then injected into the subsurface to maintain high concentrations of available dissolved oxygen for microbial uptake, which speeds the remediation process. Enzyme Technologies is currently pursuing a patent for the technology.

Environmental Science Corp. (ESC) for developing a process that is designed to reduce solvent emissions during laboratory testing procedures. The firm is using the Buchi Syncore process to concentrate Dichloromethane and other solvents used for semi-volatile extractions. The small-footprint, high-throughput Syncore design includes a cold zone at the bottom of the concentration tube that prevents concentration to complete dryness and allows for unattended operation. The Syncore units recover greater than 90% of the solvent. Currently, ESC is selling recovered solvent to an adhesive manufacturer, and it is developing equipment to clean up recovered solvent for reuse.

C&A Floorcoverings for introducing the Ethos carpet backing, a substitute for polyvinyl chloride (PVC), ethylene vinyl acetate (EVA), polyurethane and polyolefin as a backing for carpet installation. Ethos, which C&A claims is as durable as PVC, is made from an abundant waste source—the polyvinyl butyral (PVB) film that is recovered when automotive windshields are recycled. Until now, there has been no commercial

use for this material, which accounts for millions of pounds of landfill waste. Ethos has been recognized as one of the top ten environmental products of 2004 by both *Environmental Building News* and *Architectural Record*.

Alfa Laval for demonstrating the effectiveness of centrifugal separation in treating oily wastewater and oil mists in diesel engine emissions. The IMO-certified EcoStream system uses fully automated, single-stage centrifugal separation for highly efficient treatment up to 1,320 gallons of oily wastewater per hour. The Oil Mist Separator can reduce diesel-engine crankcase emissions more than 98% without the need for frequent maintenance or storage of large spare parts.

PROJECT MERIT AWARDS

Weston Solutions Inc. for leading the redevelopment of Fort Sam Houston in San Antonio, Texas. Using the first Enhanced Use Leasing agreement between the U.S. Army and a private developer, Weston brought together a team consisting of the Army, a local developer, a real estate brokerage and a historic-preservation architect to restore and preserve a historic site in a key location and thriving market. Weston and its partner, Orion Partners, developed a business and lease plan and obtained \$40 million in financing for rehabilitation, preservation and environmental restoration. Today, buildings once contaminated by lead, asbestos, PCBs, and mercury are clean and over 90% occupied. The Army reduced operating costs, secured funds for potential infrastructure upgrades, preserved historic assets, and created the opportunity to receive new installation missions.

SRA International for building EPA's iSTAR database, an enterprise information management system that will help the Climate Protection Partnership Division collect, manage and disseminate mission-critical information to stakeholders for the ENERGY STAR program. SRA also redesigned the www.energystar.gov Web site, which communicates the program's values and ideals, reports the status of key initiatives, guides consumers, participants and partners through diverse content and information resources, and serves to bolster and support through formal agreements and voluntary participation. The Web site was redesigned around a single visual style, and much of the content was re-written.

The Louis Berger Group for providing an environmental management plan for Tonle Sap Lake in Cambodia, under a contract with the Asian Development Bank. Expanding population and over-fishing threaten this productive but complex and fragile water body, where houses on towers stand six meters above the lake level during the dry season but seem to float on the lake when the Tonle Sap River reverses course during the rainy season. Under the \$10-million contract, Louis Berger will create maps of the area around the lake and develop extensive databases of the reserve. It will also work with government officials to draft laws designed to preserve the area and to develop extensive public outreach programs for educating local communities about the balance between area's environmental and economic needs.

ENVIRON for winning the U.K. Surface Engineering Industry's (SEA's) Outstanding Achievement Award for 2004. ENVIRON developed a streamlined approach that surface treatment facilities can use to obtain Integrated Pollution Prevention Control (IPPC) permits. These permits are required for facilities where the aggregate volume of treatment vats is over 30 cubic meters; permit application and preparation costs can range from 14,000 to 40,000 British pounds sterling. SEA and ENVIRON used a model IPPC application and a series of structured workshops to reduce those costs to about 4,200 pounds sterling.

The Shaw Group for obtaining Leadership in Energy and Environmental Design (LEED) certification for the South Rim Maintenance and Warehouse Facility at Grand Canyon National Park. The project, which was designed and constructed by the Shaw Group subsidiary **Shaw Beneco Inc.**, consisted of the design and construction of five new buildings, including an office building, a vehicle maintenance facility, a warehouse, enclosed vehicle storage and covered storage on a 15-acre campus with access roads, parking, a storage yard, a utility corridor and areas designated for future expansion. Renewable, recyclable and reusable materials were used extensively in the project, which incorporated several environmentally friendly specialty systems, including a system to use re-claimed water for sewage disposal and a natural gas re-fueling station for vehicles.

Startech Environmental Corp. for continuing its successful penetration of overseas markets for its Plasma Waste Converter (PWC) system for treating hazardous wastes. Early in the year, Startech received a \$34-million order from Italy's FP Immobiliare for the delivery and startup of two PWC systems for treating electronic and "special" wastes. In May, the company received two contracts, valued at about \$140 million combined, to install PWC units in Poland. Under one of the contracts, **Eco Group of America Inc.** and Warsaw-based **Conseil Development Alpha Ltd.** acquired a 300-ton-per-day unit to process municipal solid waste, hazardous waste, tires, and medical waste at a facility in Skierbieszow. Under the other contract, Eco Group and **Petro Nova Ltd.** of Karlino, Poland, ordered a 300-ton-per-day system to process similar wastes at a facility in Karlino.

A special mention for a member of the regulated community, telecommunications technology giant **AT&T**, for numerous programs to improve environmental performance, including the following: implementing electronic equipment recycling and reuse programs through take-back agreements with suppliers; encouraging suppliers to purchase environmentally friendly products and services, and to incorporate "design for environment" principles in their product development; using resources more efficiently, as in the conversion of published materials from paper to web-based sources; increasing energy efficiency and reducing greenhouse-gas emissions through such initiatives as demand-side management, centralized billing and aggressive energy auditing; and reducing the environmental impacts of commuting by encouraging 60% of all managers to "telework."

IT MERIT AWARDS

Columbia Technologies for advancing the use of its SmartDataSolutions (SDS) site characterization software. SDS is helping clients implement EPA's TRIAD approach to site characterization and assessment at several sites. SDS captures thousands of sample points in a matter of days, converts them into 3D images, and allows collaborative on-line review by project participants regardless of location. Recent R&D investments have expanded the range of contaminants, including explosives, that SDS can address, and have dramatically improved turn-around time for 3D visualization and on-line delivery.

EarthSoft Inc. for the release of the EQUIS 5 package of environmental data management software. The EQUIS 5 Enterprise application includes server-side components for high-end workflow automation, for both importing and exporting data that automatically checks, qualifies and loads millions of data submissions into the EQUIS database. The EQUIS 5 Professional supports data modeling, allowing the user to perform calculations that include advanced filtering, aggregation and custom algorithms for risk analysis or data verification. New clients for EarthSoft over the past year include Kerr-McGee, British Petroleum, regulatory agencies such as EPA Region 5 and the San Bernardino Valley Municipal Water District, and numerous consulting firms.

Environmental Software Providers (ESP) for bringing its enterprise environmental software to the European market. ESP touts itself as the world's first company to introduce software that ties financial and environmental performance together in a multi-billion dollar emissions credit market. ESP has developed user interfaces in seven languages and, by the end of 2004, had deployed its software in 40 nations.

Emerge Knowledge Design for developing Re-TRAC, a software application for tracking, analysis and reporting on the economic and environmental performance of solid waste management programs. According to the company, which has also developed a Web-enabled solution for design and implementation of ISO 14001 environmental management systems, state and county governments from Wisconsin to Florida are adopting and implementing Re-TRAC.

Environmental Data Resources Inc. (EDR) for serving as a catalyst in informing consultants, lenders and others in the affected community about EPA's forthcoming All Appropriate Inquiries (AAI) regulation regarding the conduct of Phase I environmental site assessments. The AAI rule differs from current industry standards—notably the ASTM E 1527 standard—in several key areas, and yet many people were unaware or confused about the proposed changes, according to EDR. The company published and sent free of charge to consultants a 12-page bulletin on the rule, published articles in several industry publications, and conducted numerous AAI workshops. ■