

Honeywell
101 Columbia Rd
Morristown, NJ 07962

October 24, 2011

Bob Hass
Engineering/Construction Leader
PSE&G Transmission
4000 Hadley Road, MC 429
South Plainfield, NJ 07080

**Subject: Utilities on Study Area 5, Site 079 Ciasulli Property
Block 1291, Lot 76; Block 1292, Lots 1F
540 Route 440, Jersey City, New Jersey**

Dear Mr. Hass:

Honeywell is providing this annual notice update regarding site conditions and activities at the Ciasulli Property (Site), in accordance with Paragraph 81 of the Consent Decree Regarding Sites 79 and 153 South (Consent Decree). Under the Consent Decree, Honeywell must provide annual update notice regarding site conditions and activities to New Jersey One Call and any other underground alert hotlines. Based on our review, New Jersey One Call is the appropriate underground utility hotline in New Jersey. We are, in addition, sending annual notification letters to the individual utility companies in the area of the Study Area 5 sites as an additional measure to comply with the Consent Decree requirements for utility notification. Initial notice was provided by Honeywell in a letter dated October 28, 2010. This letter provides an update on the remediation activities that have occurred at the Site since our last notice.

Honeywell completed remediation of chromium impacted soil at the Ciasulli Property during 2010. The remedial actions included in-situ treatment in one part of the Site and limited excavation in another area. Information on the property is provided below. Honeywell has also implemented remedial actions at the Morris Canal which have been detailed in prior notice letters pertaining to the Morris Canal and New Jersey City University.

The Ciasulli Property

The Ciasulli Property, operating as a Metro Honda, is an automobile dealership that encompasses approximately three acres along Route 440 between Carbon Place and Fisk Street (see the attached map). The property consists of two parcels: the main car dealership facility (designated as Lot 76) and a separate vehicle parking lot (designated as Lot 1F), located east of the main facility. Various utility lines are located on the Site. Prior to remedial actions, soils present on portions of the Site contained hexavalent chromium above New Jersey's most stringent residential soil guideline of 20 mg/kg.

During 2010 Honeywell conducted a focused excavation on part of the Site along the sidewalk area near the corner of Fisk Street and Mortorano Way. In addition, Honeywell implemented in-situ treatment of soils in the part of the Site between the car dealership building and Route 440. The area that was treated is west of the dealership building. The area is covered with asphalt paving which effectively prevents exposure to contaminants which may remain in soils. Under the Consent Decree, Honeywell will maintain this paved area, which encompasses the majority of the Site, as an engineering control.

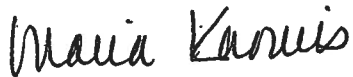
October 24, 2011
Bob Hass, PSE&G Transmission
Utilities on Study Area 5 Site 079 - Ciasulli Property
Page 2 of 2

Honeywell has placed a deed restriction on the Site which requires us to maintain these remedial measures. Honeywell is committed to maintaining the integrity of the cap in compliance with New Jersey law and its obligations under the Consent Decree.

If you are planning to conduct any work on or near the subject property (as shown on attached map), it is imperative that you notify Honeywell at least 10 business days in advance by calling 973-455-3302.

As always, we appreciate your cooperation. If you have any questions or would like additional information, please feel free to call me at the above number.

Sincerely,



Maria Kaouris
Remediation Manager

Attachment: Aerial Location Map

MK:eg/sg

cc: Joseph Clifford – Amec
Michael Daneker – Arnold & Porter LLP
Jeremy Karpatkin – Arnold & Porter, LLP (electronic copy)
William Hague – Honeywell
John Morris – Honeywell
Resa Drasin - Woehling and Freeman
Robert Woehling - Woehling and Freeman