

STATE OF MARYLAND, DEPARTMENT
OF THE ENVIRONMENT

Plaintiff,

v.

HONEYWELL INTERNATIONAL, INC.

MARYLAND PORT ADMINISTRATION

Defendants.

* IN THE CIRCUIT COURT
*
* FOR
*
* BALTIMORE COUNTY,
*
* MARYLAND

* * * * *

CONSENT DECREE

This Consent Decree is entered into among the Maryland Department of the Environment (“MDE” or “Department”), the Maryland Port Administration (formerly known as the Maryland Port Authority and hereinafter referred to as the “MPA”) and Honeywell International, Inc. (“Honeywell”), a Delaware corporation, which is a successor-in-interest to AlliedSignal, Inc. (hereinafter “Allied”) and, in turn, a successor-in-interest to Mutual Chemical Company of America (hereinafter “Mutual”).

WHEREAS the Department has filed this action against MPA and Honeywell pursuant to the authority vested in the Department by Titles 1 and 7 of the Environment Article of the Maryland Code and the Code of Maryland Regulations (“COMAR”) to regulate hazardous substances in the State of Maryland and pursuant to the authority vested in it as a “citizen” under Section 7002 (a)(1)(B) of the Resource Conservation and Recovery Act, 42 U.S.C. § 6972 (a)(1)(B), seeking relief from an alleged imminent and substantial endangerment to the environment from contamination at the Site, and the Comprehensive Environmental Response, Compensation and Liability Act 42 U.S.C. § 9601 *et seq*;

WHEREAS MPA is the owner of approximately 560 acres of land adjacent to the Patapsco River in Baltimore City and Baltimore County, Maryland and known as the Dundalk Marine Terminal ("DMT") and the MPA currently operates a marine terminal on such land; and

WHEREAS Allied previously owned a parcel of property approximately 85 acres now located within the DMT (the "Allied Parcel") upon which Allied placed chrome ore processing residue ("COPR") generated from a production facility owned and operated by Mutual until 1954 and thereafter by Allied until 1983; and

WHEREAS Allied sold the Allied Parcel to the Maryland Port Authority in 1967, and as a condition of the sale Allied was provided a right to continue to place COPR in the Allied Parcel; and

WHEREAS in 1976, Allied ceased placing COPR at DMT; and

WHEREAS the stormdrain systems at the DMT pass through the COPR; and

WHEREAS the Groundwater within the COPR contains dissolved chromium; and

WHEREAS analyses of water samples collected from the stormdrain systems at the DMT indicate that certain Stormwater contains chromium; and

WHEREAS there is reason to believe that the Groundwater at the DMT also contains chromium; and

WHEREAS there is also reason to believe that sediments in the vicinity of the DMT may contain chromium; and

WHEREAS a Consent Decree was issued and executed between MDE and the MPA in 1991 and amended in 1992, to address the release or threatened release of hazardous substances from the DMT; and

WHEREAS a Corrective Measures Implementation Project Plan ("CMIPP") was prepared by Maryland Environmental Service ("MES") on behalf of MPA in October 1992 as required by the 1992 Consent Decree and approved by MDE; and

WHEREAS catch basins and backflow preventers have been installed at the outfalls of the 14th and 15th Street stormdrains as described in the 1992 CMIPP; and

WHEREAS extraction wells have been installed along the 14th Street stormdrain lateral as recommended in the 1992 CMIPP, but have experienced unanticipated problems related to composition of the sediments;

WHEREAS a wastewater treatment plant ("WWTP") has been designed and constructed to treat water collected from the Dry-Weather Flow from the 14th and 15th Street stormdrains to reduce the offsite migration of chromium as described in the 1992 CMIPP; and

WHEREAS a NPDES Permit was issued by MDE, effective May 1, 2005, relating to the discharge of Stormwater from the stormdrains that pass through the COPR and from the effluent of the WWTP; and

WHEREAS provisions of the NPDES Permit require the quantification of hexavalent chromium in stormdrain outfalls from the 9th through 13.5th Street stormdrains; and

WHEREAS the 1992 CMIPP specified the collection and treatment of Groundwater from the 14th Street extraction wells and the collection and treatment of Dry-Weather Flow from the 14th and 15th Street stormdrain outfalls as the corrective measure to mitigate offsite transport of hexavalent chromium; and

WHEREAS MDE and MPA have determined that the 1992 Consent Decree and 1992 CMIPP should be revised in light of regulatory changes, scientific advances in data collection and interpretation, updated information regarding conditions at the Site and the effectiveness of

the corrective measures specified in the 1992 CMIPP, and to make Honeywell a Party to this Consent Decree; and

WHEREAS additional actions, beyond those contemplated by the 1992 Consent Decree and CMIPP are needed to evaluate and address the presence of chromium at the DMT, including the transport of chromium in Stormwater and Groundwater at the Site and its effect in Surface Waters and sediments of the Patapsco River; and

WHEREAS commencing in January of 1995, MPA and Honeywell have entered into certain settlement agreements to apportion costs and responsibilities for implementing the 1992 CMIPP, the NPDES Permit, and the requirements of this Consent Decree; and

WHEREAS the entry of this Consent Decree will protect the public health and welfare and the environment by providing a final remedy addressing, treating, controlling, preventing, or mitigating the presence and/or releases or threatened releases of chromium at or from the DMT; and

WHEREAS all parties to this Consent Decree consent to the entry hereof;

NOW, THEREFORE, it is hereby ORDERED, ADJUDGED, and DECREED as follows:

I. DEFINITIONS

For purposes of this Consent Decree, the following definitions shall apply:

A. "COPR" means chrome ore processing residue.

B. "Dry-Weather Flow" means the waters that are contained within and are flowing through the subsurface storm drainage systems located within the Fill Area that constitute a baseline flow excluding storm water generated by periods of atmospheric precipitation.

C. "Fill Area" means the area within the Site that has been found, through site investigation or historical documentation, to contain COPR.

D. "Groundwater" means the water that is contained within the pore space of soil or COPR within the Fill Area.

E. "MDE" or "Department" means the Maryland Department of the Environment.

F. "MES" means Maryland Environmental Service.

G. "NPDES Permit" means NPDES Permit No. MD0066818, State Discharge Permit No. 99-DP-3060, issued by MDE to the MPA for the discharge of stormwater and treated groundwater from the DMT, including any amendments to the permit which occur after the effective date of this Consent Decree.

H. "Parties" means the MDE, MPA and Honeywell.

I. "Site" means the Dundalk Marine Terminal located at 2700 Broening Highway, bounded by Broening Highway, Colgate Creek, and the Patapsco River but also includes areas of the Patapsco River and Colgate Creek adjacent to the Dundalk Marine Terminal and impacted by chromium releases from the Dundalk Marine Terminal.

J. "Stormdrain Flow" means the waters that are contained within and are flowing through the subsurface storm drainage systems located within the Fill Area. These waters may include Stormwater from onsite or offsite sources and Groundwater that may be flowing into the storm drainage systems.

K. "Stormwater" means the water that results from atmospheric precipitation and resides at the surface of the Site until it is collected by stormwater collection systems.

L. "Surface Water" means water within the Patapsco River and/or Colgate Creek as well as water within pore spaces within the sediments of those water bodies.

II. PARTIES BOUND BY CONSENT DECREE

This Consent Decree shall be binding upon each of the Department, the MPA, and Honeywell, and their respective successors and assigns. Work performed by each Party, its successors and assigns, officers, directors, employees, agent, independent contractors, contractors, subcontractors, and consultants shall be carried out in accordance with the requirements of this Consent Decree, and each Party shall be responsible for the failure of its officers, directors, employees, agents, independent contractors, contractors, subcontractors, or consultants to do so.

III. CORRECTIVE MEASURES AND STUDIES TO BE PERFORMED

A. Revised Corrective Measures Implementation Program Plan ("CMIPP"). Within 90 days from the effective date of this Consent Decree, MPA and Honeywell shall prepare and submit to MDE for approval a revised CMIPP that includes a detailed schedule for completion of all workplans, field activities, reports, and corrective measures studies. The revised CMIPP shall supersede and replace the CMIPP for DMT dated October 1992 prepared by MES on behalf of MPA. The revised CMIPP shall specifically address the following items, as described more fully in Part B, below:

1. Interim Corrective Measures
2. Chromium Transport Study
3. Sediment and Surface Water Study
4. Surface Cover Maintenance Plan
5. COPR Investigation
6. Heave Investigation and Minimization Study
7. Human Health and Ecological Risk Assessment

8. Corrective Measures Alternatives Analysis and Implementation

9. Additional Requirements

B. The Items listed in Part A shall address the following matters:

1. Interim Corrective Measures

a. Groundwater Monitoring

i. MPA and Honeywell shall continue to implement the existing semi-annual Groundwater monitoring plan.

ii. MPA and Honeywell shall continue Groundwater monitoring from the existing monitoring well network until a revised Groundwater monitoring plan is prepared by MPA and Honeywell and approved by MDE.

b. Operation of the Waste Water Treatment Plant ("WWTP"). MPA and Honeywell shall continue to operate the existing WWTP to collect and treat Dry-Weather Flow from the 14th and 15th Street stormdrains. MPA and Honeywell shall submit for MDE approval an interim plan to operate the existing WWTP to minimize the discharge of stormwater via the 14th and 15th Street outfalls. MPA and Honeywell shall continue to operate the debris removal system at the 14th and 15th Street outfalls.

c. Extraction wells have been installed along the 14th Street stormdrain lateral as recommended in the 1992 CMIPP but have experienced unanticipated problems related to composition of the sediments. MPA and Honeywell shall evaluate the feasibility of renovating the existing 14th Street Groundwater collection system, or construction of a new system at

existing or new locations in order to improve the collection of contaminated Groundwater at the Site for treatment.

- d. Stormdrain Flow Management. MPA has previously submitted to MDE a Plan for Quantifying Chromium Transport from Stormwater Outfalls to the Patapsco River, DMT, Baltimore, MD (October 2005). MPA and Honeywell shall implement the plan upon MDE approval of the plan. The scope of work shall include an evaluation of the feasibility of managing Dry-Weather Flows from the 9th through 13.5th Street stormdrain outfalls via collection and treatment or other interim remedial measures. (“Stormdrain Flow Collection Feasibility Study”). As directed by MDE, MPA and Honeywell shall implement those interim remedial measures to manage Dry-Weather Flows from the 9th through 13.5th Street stormdrain outfalls selected in the approved feasibility evaluation set forth above.

2. Chromium Transport Study

- a. MPA and Honeywell shall submit to MDE a workplan to quantify the discharge of chromium from the Site to the Patapsco River and, if necessary, Colgate Creek. The study shall determine the quantities and valence states of chromium being transported via Stormdrain Flow, Groundwater, and tidal exchange with Groundwater and Stormdrain Flow in the stormdrain system.
- b. The workplan will include the following elements:
 - i. A plan to sample Stormdrain Flows from the 9th through 13.5th Street stormdrains in accordance with the Department-approved

Stormdrain Flow Collection Feasibility Study referenced in Paragraph III.B.1.f.

- ii. A plan to conduct a stormdrain hydraulic loading engineering analysis.
 - iii. A Groundwater investigation scope of work to delineate the shallow Groundwater table configuration, its interaction with the stormdrain systems within the Fill Area, and the impact of releases from COPR on deeper Groundwater systems.
 - iv. A plan to develop and calibrate a Groundwater flow model to simulate potential corrective measures and their influence on the hydrogeologic system and on the discharge of chromium to the Patapsco River, the sediments, and offsite Groundwater systems.
3. Sediment and Surface Water Study
- a. MPA and Honeywell shall submit to MDE a workplan for characterizing the nature and extent of chromium in the Surface Water and sediments at the Site as appropriate based on existing studies regarding the zone of impact of chromium releases at or from the Site.
 - b. The workplan will include field investigations and a fate and transport study of chromium within and between Groundwater, Surface Water, sediments and Stormwater at the Site.
 - c. The workplan shall include the following elements:

- i. A literature search for existing data regarding Surface Water and sediment chromium concentrations in the Patapsco River and Colgate Creek.
 - ii. Review of existing information regarding Surface Water flow patterns in the Patapsco River and Colgate Creek at or in the vicinity of the Site.
 - iii. Review of existing information regarding the fate and transport of chromium in sediments and/or sediment pore water in recent and ongoing studies conducted by the Technical and Regulatory Services Administration within MDE, the Johns Hopkins University's Center for Contaminant Transport, Fate and Remediation, and the University of Maryland.
 - iv. Locations of proposed sampling stations at the Site, based on the information obtained in Paragraphs i, ii, and iii, above.
 - v. Description of a field survey to collect Surface Water samples for analysis for chromium content.
 - vi. Description of the analysis that will be performed to evaluate the fate and transport of chromium in Surface Water and sediments.
4. Surface Cover Inspection and Maintenance Plan
- a. MPA and Honeywell shall submit to MDE a plan to describe measures that will be implemented to perform routine inspection and repair of surface cover materials affected by COPR within the Fill Area. (Surface Cover Area and Maintenance Plan”).

- b. MPA and Honeywell shall continue to inspect and maintain the existing 14th and 15th Street stormdrain systems.
 - c. If inspection indicates that the stormdrains have been damaged or are likely to be damaged by heaving of subgrade COPR, MPA and Honeywell shall follow the appropriate mitigation measures described in the Surface Cover Inspection and Maintenance Plan.
5. COPR Investigation
- a. MPA and Honeywell shall submit a workplan to complete the delineation of the extent of COPR in the Fill Area. The plan shall take into account all previous delineation work and shall make a recommendation regarding further delineation work, if any, to be performed.
 - b. The plan shall describe a field investigation including sampling locations, sample collection methods, laboratory analyses and other techniques that will be used to facilitate delineation and characterization of COPR within the Fill Area and that may be necessary to identify and evaluate potential corrective measures.
6. Heave Investigation and Minimization Study. MPA and Honeywell shall submit a plan to identify the nature of surface disruption by heaving and other manifestations of subgrade COPR within the Fill Area and the potential means for preventing or minimizing such surface disruption.
7. Human Health and Ecological Risk Assessment. MPA and Honeywell shall submit a plan to MDE to assess the impacts on human health and the environment of chromium at or from the Site.

8. Corrective Measures Alternatives Analysis and Implementation

- a. MPA and Honeywell shall submit to MDE a Corrective Measures Alternatives Analysis.
- b. The Corrective Measures Alternatives Analysis will include the following elements:
 - i. Identification of corrective measures objectives based on the information obtained by performance of the workplans described above.
 - ii. Identification of corrective measures that will meet the standards set forth in subparagraph 8(b)(viii). The removal of all chromium-impacted materials at the Site, including COPR and chromium-contaminated soils, shall be considered as one such possible corrective measure. One or more containment remedies shall also be considered as possible corrective measures.
 - iii. Assessment of the feasibility of preventing off-site Stormwater from entering the Fill Area via the stormdrain system and the effectiveness of the Stormwater diversion in reducing chromium transport from the Dundalk Marine Terminal.
 - iv. Screening of all identified corrective measures against the corrective measures objectives.
 - v. For each identified corrective measure that has the potential to achieve the corrective measures objectives, preparation of a detailed cost estimate.

- vi. Identification and description of any laboratory, field, or pilot-scale testing that is required to verify the feasibility of implementing any of the identified corrective measures.
- vii. For each corrective measure that is not screened out, preparation of a schedule for the design, construction, and implementation of the corrective measure.
- viii. A recommended corrective measure(s) approach based on a cost-effectiveness evaluation of the candidate corrective measures that have the potential to achieve the corrective measures objectives. In assessing alternative corrective measures, MPA and Honeywell shall, at a minimum, consider the following criteria:
 - (a) Overall protectiveness of human health and the environment;
 - (b) Compliance with applicable or relevant and appropriate requirements under federal and State of Maryland environmental laws and regulations;
 - (c) the long-term effectiveness and permanence of the remedy;
 - (d) the potential for the reduction of toxicity, mobility, or volume;
 - (e) the short-term effectiveness of the remedy, including the short-term risks and impacts associated with implementing the remedy;
 - (f) the ease or difficulty of implementing the remedy;
 - (g) the cost-effectiveness of the remedy; and

- (h) the degree to which a remedy will interfere with the ongoing business operations of the MPA, its tenants, clients, and customers.
 - c. Upon MDE's approval of one or more corrective measures, MPA and Honeywell shall submit a scope of work describing the engineering design, construction, and implementation of the approved corrective measure(s). The scope of the workplans shall include a preliminary design report, a final design report, and a final construction report.
 - d. The scope of workplans shall include post-implementation assessments of the effectiveness of the selected corrective measure(s), as well as a plan for termination of any interim measures that are being replaced by the corrective measure(s).
 - e. MPA and Honeywell shall implement corrective measures in accordance with the schedule described in the approved scope of work (as amended in the final engineering design report and any schedule set forth therein).
 - f. If MPA or Honeywell disagree, in whole or in part, with the recommended corrective measure(s) approach selected or approved by the Department, the dispute shall be resolved in accordance with Section XIII herein.
9. Additional Requirements
- a. MPA and Honeywell shall inform MDE of environmental research projects, test programs, and any other environmentally-related assessments conducted by or on behalf of any Party at the Site, that are not included in this Consent Decree.

- b. All hazardous wastes generated at the Site during work performed under this Decree shall be managed in accordance with the requirements of Title 7 of the Environment Article of the Maryland Code and COMAR 26.13.
- c. MPA and Honeywell shall submit a Site drinking water monitoring plan that will ensure that chromium-contaminated materials are not adversely impacting the Dundalk Marine Terminal's drinking water.
- d. MPA and Honeywell shall submit a health and safety plan that addresses all chromium-related work projects at the Site.

10. Schedule.

- a. MPA and Honeywell shall submit the following workplans and studies as described in Paragraphs III.B.1 through III.B.9 to MDE in accordance with the following schedule. All specified submittal periods become effective when the Secretary of MDE signs this Consent Decree:
 - i. A plan for interim operation of the WWTP (Section III.B.1.b.) within 120 days of the effective date of this Consent Decree.
 - ii. A Plan to evaluate the feasibility of renovating and operating the 14th Street Groundwater collection system (Section III.B.1.c) within 60 days of the effective date of this Consent Decree.
 - iii. A Chromium Transport Study (Section III.B.2) within 90 days of the effective date of this Consent Decree.
 - iv. A Sediment and Surface Water Study (Section III.B.3) within 270 days of the effective date of this Consent Decree.

- v. A Surface Cover Inspection and Maintenance Plan (Section III.B.4) within 180 days of the effective date of this Consent Decree.
 - vi. A COPR Investigation (Section III.B.5) within 120 days of the effective date of this Consent Decree
 - vii. A Heave Investigation and Minimization Study (Section III.B.6) within 120 days of the effective date of this Consent Decree.
 - viii. A Human Health and Ecological Risk Assessment (Section III.B.7) within 180 days of the effective date of this Consent Decree.
 - ix. A Corrective Measures Alternatives Analysis Plan (Section III.B.8) within 180 days of approval by MDE of reports describing the work accomplished pursuant to the approved workplans specified in Sections i through vii, above.
 - x. A Site Drinking Water Monitoring Plan (Section III.B.9.c) within 90 days of the effective date of this Consent Decree.
 - xi. A Project Health and Safety Plan (Section III.B.9.d) within 60 days of the effective date of this Consent Decree.
- b. Each workplan shall include a detailed schedule that describes the time requirements necessary to complete the proposed work.
 - c. Any changes or modifications to any of the deliverables required by this Consent Decree that may be requested by MDE shall be resubmitted to MDE within the time specified by MDE, which shall be at least 30 days but no more than 90 days after MPA's and Honeywell's receipt of MDE's request.

IV. SCHEDULE FOR COMPLETION OF CORRECTIVE MEASURES

The corrective measure(s) selected pursuant to the Corrective Measures Alternatives Analysis specified in Part III.B.8 shall be fully implemented within 17 years of the effective date of this Consent Decree. MDE may approve a revised schedule (shorter or longer) based on the evaluation of the corrective measure(s) set forth in the Corrective Measures Alternatives Analysis or for other good cause shown. "Good cause" for the purposes of this Section shall include, but not be limited to, the development of additional data or engineering analysis in the studies conducted under this Consent Decree, the Corrective Measures Alternatives Analysis, or remedial design, shortages of material supplies or labor, force majeure events, or other reasonably unanticipated developments. For purposes of this Section, MDE shall promptly provide written confirmation to MPA and Honeywell that a corrective measure has been "fully implemented" when (a) Honeywell and MPA have submitted a final construction report with respect to the corrective measure and (b) that final construction report demonstrates that all construction has been completed and all controls described in the final design work plan for the corrective measure have been put in place. For the purposes of this Section, "full implementation" shall not include any ongoing treatment or maintenance required for the particular corrective measure (e.g., ongoing operation of the WWTP) and any post-implementation monitoring to evaluate the effectiveness of the selected corrective measure.

V. PROJECT COORDINATORS

A. Within two (2) weeks after the effective date of this Consent Decree, MPA, Honeywell and MDE shall each designate a Project Coordinator. MPA, Honeywell and MDE shall each notify the others, in writing of the Project Coordinator it has selected. Each Project Coordinator shall be responsible for overseeing the implementation of this Consent Decree. The

MDE Project Coordinator will be the primary designated representative for its agency at the Site. All communications between or among MPA, Honeywell and MDE and all documents, reports, approvals and other correspondence concerning the activities performed pursuant to the terms and conditions of this Consent Decree, shall be directed through the Project Coordinators.

B. The Parties agree to provide at least one week written notice prior to changing Project Coordinators.

C. If the MDE Project Coordinator determines that activities undertaken pursuant to this Consent Decree have caused or may cause a release or threatened release of hazardous wastes or hazardous waste constituents which threaten or may pose a threat to the public health or to the environment, the MDE Project Coordinator may direct MPA and Honeywell to stop further implementation of this Consent Decree for such period of time as may be needed to abate any such release or threatened release or to undertake any action which MDE determines is necessary to abate such release or threatened release.

D. If the Work is delayed by direction of the MDE Project Coordinator, the schedule for completion of the work shall be extended by the time period of the delay, provided, however, if the MDE Project Coordinator suspends the work and the reasons are due to the negligent or willful acts or omissions of MPA, Honeywell, or their contractor(s), then any extension of the schedule of completion shall be at the discretion of MDE.

E. Minor technical modifications in the studies, techniques, procedures or designs utilized in carrying out this Consent Decree ("Minor Technical Modifications"), which do not alter or affect in any way the substance of this Decree, and which are consistent with the objectives of this Decree and necessary to the completion of the project, may be made by mutual agreement of the Project Coordinators. Such Minor Technical Modifications shall be made by

letter by the Project Coordinators and shall have as an effective date the date on which the MDE Project Coordinator signs the letter. Any Minor Technical Modifications approved shall be deemed incorporated into and part of this Decree.

F. The absence of the MDE Project Coordinator from the Facility shall not be cause for the stoppage of work.

VI. ACCESS TO THE SITE

A. MDE and any authorized representatives of MDE, including contractors, are authorized to enter and freely move about the Site, subject to the rights of quiet enjoyment held by any tenants on the Site, at all reasonable times for the purposes of, *inter alia*, interviewing each Party's personnel or contractors performing work under this Consent Decree, inspecting non-privileged records related to work performed hereunder, reviewing the progress of the Parties in carrying out the terms of this Consent Decree, conducting such tests, sampling or monitoring as MDE deems necessary, using a camera, sound recording or other documentary-type equipment, and verifying reports and data submitted to MDE by any Party. The Parties shall permit such representatives of MDE to inspect and copy non-privileged records, files, photographs, documents, and other writings, including sampling and monitoring data, that pertain to the work undertaken pursuant to this Consent Decree. Nothing herein shall be interpreted as limiting the inspection authority of MDE under Maryland law. MDE agrees that it and its representatives will comply with all applicable laws, regulations, ordinances, or procedures related to access to the Site, including, but not limited to, all security laws, regulations, and procedures, and any Site-related health and safety protocols and procedures established by the Parties while on the Site.

B. To the extent that work required by this Consent Decree, or any plans submitted hereunder, must be conducted on property that is not owned by one of the Parties, Honeywell and MPA shall use their reasonable best efforts to obtain access agreements from the present owner(s) and/or lessee(s), as appropriate, of such property within 30 days of receipt of notice of MDE approval of any plan submitted hereunder requiring such work. "Reasonable best efforts," as used in this Section shall include, at a minimum, but shall not be limited to, Honeywell and MPA sending a certified letter to the present owner(s) and/or lessees of such property requesting access agreements to permit Honeywell, MPA, and MDE and their authorized representatives to enter such property. Honeywell and MPA are not required, pursuant to this Section, to initiate or pursue legal action or to purchase access rights, nor shall "reasonable best efforts" include MPA's exercise of eminent domain.

C. In the event that access agreements cannot be obtained within the time period set forth in Paragraph V.B, Honeywell and MPA shall promptly notify MDE in writing, indicating all efforts made to obtain such agreements, and MDE may, consistent with its legal authority, assist Honeywell and MPA in obtaining access. In the event that MDE obtains such access, Honeywell and MPA shall be obligated to reimburse MDE for any costs judicially awarded or reasonably incurred in the exercise of its authority. If MDE does not provide such access, the approved scope of work or plan shall be modified by mutual agreement among MDE, Honeywell, and MPA to take account of the lack of such access.

VII. SAMPLING

A. MPA and Honeywell shall submit to MDE the results of all sampling and/or tests or other data generated by, or on behalf of MPA and/or Honeywell pursuant to work performed at the Site.

B. MPA and/or Honeywell shall notify MDE at least seven (7) days before engaging in any field activities related to sampling at the Site, such as well drilling, installation of equipment or sampling, unless an emergency makes advance notice impracticable. Submission of a monthly, quarterly, or annual calendar showing dates on which samples will be taken will serve as notice for all samples taken in accordance with the calendar. At the request of MDE, MPA and Honeywell shall provide, or allow MDE or its authorized representatives to take, split or duplicate samples of any samples collected by MPA or Honeywell. Similarly, at the request of either MPA or Honeywell, MDE shall allow either MPA or Honeywell, as the case may be, to take split or duplicate samples of any samples collected by MDE. MDE shall notify MPA and Honeywell at least seven (7) days before conducting any sampling, unless an emergency makes advance notice impracticable.

C. Nothing herein shall be interpreted as limiting the sampling authority of MDE under any federal or state law.

VIII. REIMBURSEMENT OF OVERSIGHT AND RESPONSE COSTS

A. In accordance with COMAR §26.14.01.04, MPA and Honeywell agree to reimburse MDE for response and oversight costs incurred by MDE or its authorized representatives to the extent that (a) such costs are incurred in direct oversight of MPA and/or Honeywell's performance of work under this Consent Decree from the time of execution of the Consent Decree until completion of the work thereunder; (b) such costs do not exceed fifty thousand dollars (\$50,000.00) in any given State of Maryland fiscal year; and (c) such costs are not inconsistent with Maryland law or with the National Contingency Plan, 40 C.F.R. Pt. 300.

B. MDE will annually submit to Honeywell and MPA an accounting of all response and oversight costs incurred by MDE and its authorized representatives with respect to this

Consent Decree. Failure to submit an accounting in one fiscal year does not prevent MDE from submitting an accounting for that year in a subsequent fiscal year. MPA and Honeywell shall, within thirty (30) days of receipt of each accounting, remit payment to MDE for any undisputed costs.

C. Honeywell and MPA agree to limit any disputes concerning MDE response and oversight costs to (i) accounting errors; (ii) the inclusion of costs outside the scope of this Consent Decree; (iii) costs in excess of fifty thousand dollars (\$50,000.00) in any given State of Maryland fiscal year; or (iv) costs inconsistent with Maryland law or with the National Contingency Plan. MPA and Honeywell shall identify any contested costs and the basis of their objections and shall submit the same in writing to MDE within thirty (30) days of receipt of any accounting from MDE. Upon MDE's receipt of notice of disputed costs, the Parties shall engage in good faith negotiations for a period of thirty (30) days before any Party may invoke the Dispute Resolution Section of this Consent Decree.

IX. STIPULATED PENALTIES

A. Unless there has been a written modification of a requirement of this Consent Decree by MDE, or excusable delay as defined in Section IX of this Consent Decree, MPA and Honeywell shall be liable for the following stipulated penalties upon notice by MDE of a violation of this Consent Decree and failure to correct such violation within the time period specified by MDE: \$500 per day for the first 1 to 7 days of noncompliance; \$1,000 per day for each day of noncompliance for 8 to 120 days; and \$5,000 per day for each day of noncompliance thereafter.

B. All penalties shall begin to accrue on the date that complete performance is due or a violation occurs, and shall continue to accrue through the final day of noncompliance. Nothing

herein shall prevent the simultaneous accrual of separate stipulated penalties for separate violations of this Consent Decree, except that MPA and Honeywell shall not be subject to stipulated penalties if the delay in submitting a deliverable is based on a lack of action by MDE in response to a prior submission which requires MDE approval before MPA and Honeywell can proceed.

C. All penalties owed to MDE under this Section shall be due within thirty (30) days after receipt of a notification of noncompliance from MDE. Such notification shall describe the noncompliance and shall indicate the amount of penalties due. Stipulated penalties shall be paid by check made payable to "Maryland Hazardous Substance Control Fund," c/o Administrator, Hazardous Waste Program, 1800 Washington Blvd., Baltimore, MD 21230, and shall reference the caption of this Consent Decree.

X. NO ADMISSIONS OR WAIVERS

This Consent Decree is understood and intended by the parties to be without any admission of liability or fact, and nothing in this Consent Decree shall be considered as an admission by any Party in these proceedings. Nothing contained herein shall constitute a waiver of the rights of the Department to proceed in an administrative or judicial civil action for violations of the terms of this Consent Decree, any terms or conditions of the NPDES Permit, or of applicable statutes or regulations. The Department may bring any action authorized by law to enforce this Consent Decree.

XI. NO THIRD PARTY BENEFICIARIES

This Consent Decree does not and is not intended to create any rights or benefits for any third party. No third party shall have any legally enforceable rights or benefits under this Consent Decree, nor shall any third party (other than the Maryland Attorney General acting on

behalf of the Maryland Department of the Environment) have any rights to enforce the terms of this Consent Decree.

XII. NOTIFICATION

Unless otherwise specified, all workplans, reports, correspondence, approvals, notices, or other submissions required by or relating to this Consent Decree shall be in writing and shall be sent by any of the following methods: (a) hand delivery; (b) first class mail; (c) facsimile; (d) e-mail; or (e) overnight mail by private courier. If any such communication is sent by facsimile or email, it shall also be sent by one of the other methods set forth in this Section. Notice shall be deemed delivered on the day on which it was received by the last recipient to which notice was addressed. Notice shall be sent to the following:

If to MDE:

Harold L. Dye, Program Administrator
Hazardous Waste Division
Maryland Department of the Environment
1800 Washington Blvd
Baltimore, MD 21230
410-537-3343 (telephone)
410-537-4133 (fax)
bdye@mde.state.md.us

and

Matthew Zimmerman
Assistant Attorney General
Maryland Department of the Environment
1800 Washington Blvd.
Baltimore, MD 21230
410-537-3452 (telephone)
410-537-3943 (fax)
mzimmerman@mde.state.md.us

If to MPA:

Mr. Doug Matzke
Director of Engineering
Maryland Port Administration

Maritime Center II
2300 Broening Highway
Baltimore, MD 21224
410-631-1150 (telephone)
410-631-1140 (fax)
dmatzke@mdot.state.md.us

and

Robert Munroe
Deputy Counsel
Maryland Port Administration
The World Trade Center Baltimore
Baltimore, MD 21202-3041
410-385-4430 (telephone)
410-333-4533 (fax)
bmunroe@mdot.state.md.us

If to Honeywell:

Mr. Chris French
Honeywell International Inc.
101 Columbia Road
Morristown, NJ 07962
973-455-4003 (telephone)
973-455-3082 (fax)
chris.french@honeywell.com

and

Mr. Michael Daneker
Arnold & Porter
555 12th Street, N.W.
Washington, DC 20004
202-942-5000 (telephone)
202-942-5999 (fax)
michael_daneker@aporter.com

XIII. FORCE MAJEURE AND EXCUSABLE DELAYS

A. MPA and Honeywell shall perform the requirements of this Consent Decree in the manner and within the time limits set forth herein, unless the performance is delayed by events or circumstances arising from causes not reasonably foreseeable and beyond the reasonable control of MPA and Honeywell, which cannot be avoided or overcome by due diligence and

which delays or prevents performance in the manner or by a date required by this Consent Decree.

B. Circumstances beyond the reasonable control of MPA and Honeywell include, without limitation, earthquake, flood, hurricane, severe weather or other act of God; war; riot; injunction; fire; labor stoppage; freight embargo; material shortages, appropriation of funding by the Maryland General Assembly, and compliance with any law, rule, or Decree of any governmental body either existing now or hereafter created that conflicts with the requirements or obligations of this Consent Decree. Such circumstances do not include increased costs of performance, changed economic circumstances, normal inclement weather, or failure to obtain federal, state, or local permits, unless MPA and Honeywell have made timely and complete application for such permits.

C. Within ten (10) working days after becoming aware that an event that MPA and Honeywell believe constitutes an unforeseeable event or circumstance beyond their reasonable control that may prevent or delay performance of an obligation under this Consent Decree, MPA and/or Honeywell shall notify the Department of such event.

D. If the Department determines that the event or anticipated event which has caused or will cause the delay constitutes an unforeseeable event or circumstance beyond the control of MPA and Honeywell, the time for performance hereunder shall be extended for an appropriate period of time as determined by the Department, but not less than a period of time substantially equal to the length of the necessary delay, and any stipulated penalty shall not accrue. The Department shall inform MPA and Honeywell in writing of its approval.

E. In the event that MPA, Honeywell, and the Department cannot agree that any delay or failure has been or will be caused by unforeseeable events or circumstances beyond the

control of MPA and Honeywell, or if there is no agreement on the length of the extension, the dispute shall be resolved in accordance with Section XIII herein.

XIV. DISPUTE RESOLUTION

A. The dispute resolution procedures of this Section shall be the exclusive mechanism for MPA and Honeywell to raise and resolve disputes arising under or with respect to this Consent Decree. Nothing herein shall be construed to prohibit the Department from exercising any other remedy available at law or in equity to enforce the terms of this Consent Decree.

B. Any dispute which arises under or with respect to this Consent Decree shall in the first instance be the subject of informal negotiations between the Department and MPA and Honeywell in an attempt to resolve the dispute in a good faith and expeditious manner. A dispute shall be considered to have arisen when one party sends all other parties a written Notice of Dispute.

C. The parties shall have thirty (30) days following receipt of a Notice of Dispute to reach agreement. MPA and Honeywell shall be entitled to jointly meet with the Department during this thirty (30) day period. If the parties cannot reach agreement on the disputed issue, the Department shall serve on MPA and Honeywell a written statement setting forth its proposed resolution of the dispute within fifteen (15) days after the expiration of the thirty (30) day period. The dispute shall be resolved in accordance with the Department's proposed resolution unless, within 30 days after receipt of such proposed resolution, MPA and/or Honeywell files a petition for resolution of the dispute with the Court. Any such petition shall describe the nature of the dispute and the petitioner(s)' proposal for resolution of the dispute. The Department shall have 30 days after service of such petition to file a response to the petition.

D. This Court shall have exclusive jurisdiction to issue any Decree or resolve any dispute arising between or among the parties with respect to matters within the scope of this Consent Decree. With respect to the resolution of any dispute pursuant to a petition to the Court, the Court shall resolve the dispute in accordance with applicable law, deciding for itself the extent to which it should defer to any administrative determination by the Department with respect to any matters of fact or law, but in no event shall the Court be precluded from holding evidentiary hearings, considering testimony, or otherwise making determinations of fact if it deems such to be appropriate.

XV. RESERVATION OF RIGHTS

A. The signing of this Consent Decree and each Party's consent to comply shall not limit or otherwise preclude MDE from taking additional action pursuant to the powers granted to it under the Environment Article of the Maryland Code and the Code of Maryland Regulations or the Department's authority to enforce its hazardous waste program in lieu of federal enforcement under the Resource Conservation and Recovery Act, 42 U.S.C. §6901 *et seq.* (a) to address violations of laws or regulations not otherwise addressed by this Consent Decree; or (b) to reduce or eliminate risks to public health or the environment that were not known to MDE at the time of approval of this Consent Decree or at the time of approval of work to be performed hereunder.

B. This Consent Decree shall not be interpreted to relieve MPA or Honeywell of any obligation to comply with any federal or State environmental statute, the regulations promulgated thereunder, or any applicable permits issued thereunder, including the NPDES Permit. This Consent Decree shall not be interpreted to be a permit or a modification of any existing permit.

IT IS SO DECREED this ____ day of _____, 2006:

Judge

IT IS SO AGREED AND CONSENTED TO:

STATE OF MARYLAND
DEPARTMENT OF THE ENVIRONMENT

April 5, 2006
Date

Kendal P. Philbrick

KENDL P. PHILBRICK
Secretary
Maryland Department of the Environment
1800 Washington Boulevard, Ste. 745
Baltimore, MD 21230

April 5, 2006
Date

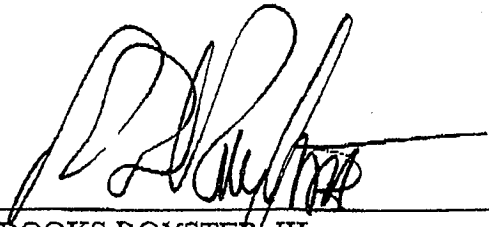
Matthew Zimmerman

MATTHEW ZIMMERMAN, Esq.
Assistant Attorney General
Maryland Department of the Environment
1800 Washington Boulevard, Ste. 6048
Baltimore, MD 21230

IT IS SO AGREED AND CONSENTED TO:

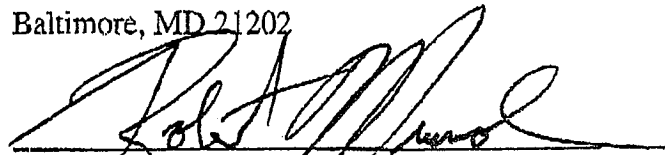
MARYLAND PORT ADMINISTRATION

4/5/06
Date



F. BROOKS ROYSTER, III
Executive Director
Maryland Port Administration
The World Trade Center
401 East Pratt Street
Baltimore, MD 21202

4/5/06
Date




ROBERT MUNROE, Esq.
Deputy Counsel
Maryland Port Administration
The World Trade Center
401 East Pratt Street
Baltimore, MD 21202


IT IS SO AGREED AND CONSENTED TO:

HONEYWELL INTERNATIONAL INC.

4/4/06
Date


PETER M. KREINDLER
Senior Vice President & General Counsel
Honeywell International Inc.
101 Columbia Road
Morristown, NJ 07962

4/4/06
Date


MICHAEL DANEKER, Esq.
Arnold & Porter, LLP
555 12th Street, NW
Washington, DC 20004