



Mt Hotham Alpine Resort
Management Board
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22th January 2004

Dear Head Lessee

Re: Disused underground petroleum storage system removal program.(UPSS)

In response to my letter and quote dated 14/9/03 several issues have been raised by site holders . These include

- Costs to be incurred by site holders
- The need for compliance with various Acts and government policies .
- Site holder interest in utilising their own resources to remove underground tanks.

The RMB is encouraging site holders to be part of the program and is therefore prepared to initiate options that will promote broader participation.

The regulations pertaining to underground fuel storage systems are found in the *Environment Protection Act 1970* and the *Dangerous Goods Act 1985*. Section 27a (2) and section 419(d) and 420(a) (1) respectively. The relevant resort policy is also found in *Mt Hotham Alpine Resort-Environmental Management Plan* section 2.2.9.

As indicated previously the majority of remaining fuel has been removed from the tanks. Small amounts of fuel still remain in the tanks therefore the tanks integrity requires confirmation for full compliance with Acts and policies. To expedite this issue tank removal is the most suitable option.

The RMB has recently called for tenders to submit quotes for the UPSS removal on Mt Hotham. Four quotes were sought from companies who are all members of the Australian Institute of Petroleum. To date one contractor has shown interest. This contractor will be decommissioning tanks at three lodge sites in early February. These lodges have successfully presented their hire agreements to BP Australia.

The RMB supports the preference of site holders to utilise their own work force in the tank removal process. The RMB is offering item services which site holders would prefer not to or are unable to undertake. Please see services and costing table attached.

www.mthotham.com.au

If a site holder intends to undertake the work “in house” the RMB will require that the pro forma be completed and returned to the RMB .This document is available from the RMB by contacting Roger Packham at the above address or via our website www.mthotham.com.au .The works plan covers the following aspects.

- **commencement and completion dates**
- **facets of removal process to be undertaken by site holders or RMB staff**
- **tank disposal method.**
- **site environmental management plan.**

For this more flexible method to work successfully the works plan will require **strict** compliance.

Costs for services supplied by Mt Hotham Alpine Resort Management Board

Excavator (per hour) External contractor.	\$140.00 incl GST
RMB Labour per person	\$35.00 per hour incl GST
Revegetation and site stabilisation works	\$50.00 sq/m incl GST
Site Soil Analysis (if tank leakage detected)	\$1400.00 GST not incl.
Transport and certified disposal of tank/s	\$250.00 incl GST

The costs associated with soil analysis are an estimate. The cost was based on a schedule of five sites per visit.

Costs for remedial works if required would be determined on an individual site basis.

All services provided at the discretion of the Mt Hotham Alpine Resort Management Board .

If your committees preference is to utilize services provided by the RMB contact me and I will send the relevant documentation. This will need to be completed and returned to me at the address above.

Alternatively I shall visit your tank site and compile an individualized quotation.

I believe these options will encourage all tank owners to participate in the tank removal program

Please contact me if you have any enquiries regarding UPSS removal issues.

Project Co-ordinator

Roger Packham