

23 December 2009 Project No. 43217997

Costco Wholesale Australia Pty Ltd Ground Floor 82 Waterloo Road North Ryde, NSW 2113

Attention: Patrick Noone

Managing Director

Dear Patrick

Subject: Fill/Soil Management – 15-21 Parramatta Road, Lidcombe, NSW

URS Australia Pty Ltd (URS) was commissioned by Costco Wholesale (Australia) Pty Ltd (Costco) to undertake a Phase 1 and Limited Phase 2 Environmental Site Assessment (ESA) of the property located at 17-21 Parramatta Road, Lidcombe, New South Wales (NSW), Australia.

The Limited Phase 2 ESA field investigations were restricted by site operations (liquor warehousing), nevertheless, soil investigations were undertaken at 26 locations across the site. It is planned to undertake further soil investigations at approximately twelve additional locations when full access to the site and the existing warehouse building is available, as well as groundwater quality assessments.

In relation to management of the issues identified in the ESA completed to date, URS would make the following comments:

Based on the preliminary environmental investigations, laboratory results indicate that the concentrations of chemicals of potential concern (COPC) in soils are below adopted investigation levels appropriate to an ongoing commercial/industrial land use exposure scenario. Therefore in relation to chemical contamination, the investigation did not indicate a requirement to undertake remediation of soils for an ongoing commercial/industrial land use.

The finding of fragments of asbestos containing materials (ACM) (broken ACM cement sheeting) in fill at one investigation location warrants development of an asbestos management plan prior to site redevelopment work. It is possible that other incidental finds of buried ACM sheeting will occur during excavations as part of the redevelopment and the asbestos management plan would appropriately be part of the civil contractor's Environmental and Waste Management Plans for undertaking bulk earthworks. Depending on the nature and extent of ACM finds, management may require the use of an appropriately licensed (e.g WorkCover, NSW AS1 licensed) contractor and/or a competent occupational hygienist. Investigations completed to date indicate that the management of ACM is unlikely to be an onerous task and is routinely addressed in the redevelopment of industrial/commercial sites located in the older neighbourhoods of Sydney.

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¹ Outline requirements are presented in the WorkCover, NSW publication: "Working with Asbestos Guide, 2008".



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Although the fill materials underneath the site have not be identified as requiring remediation, excess fill materials which are to be disposed off-site as part of the redevelopment would require assessment and classification in accordance with DECCW, NSW (2009) Waste Classification Guidelines, Part 1 Classifying Wastes. On the basis of currently available soil/fill data an in-situ classification for surplus fill materials is General Solid Waste (non putrescible). This classification excludes any surplus materials impacted with asbestos (ACM and/or fibres). Asbestos impacted materials would be classified as Special Waste. Following assessment and classification surplus spoil wastes would be required to be handled, transported and treated or disposal of in accordance with the Protection of the Environment and Operations Act 1997 and associated regulations. These works could be undertaken by a civil contractor, with use (as necessary) of appropriately licensed subcontractors and treatment and/or landfill facility.

In relation to acid sulphate soil investigations, the soils within the former Haslams Creek alignment have an acid generating potential. The volume of acid sulphate soils which may be disturbed during redevelopment will dependent on the details of the proposed construction. An Acid Sulphate Soils Management Plan could be developed by the civil contractor to appropriately treat/manage soils during the installation of piles and excavation of soils in the former Haslams Creek alignment. The plan would need to be developed in accordance with the Acid Sulphate Soil Manual² (1998).

It is understood that Costco will engage a DECCW NSW Accredited Auditor to review the environmental site investigations. In consultation with the Auditor, a decision could be made as to whether the development of a Remediation Action Plan (RAP) is warranted. On the basis of the current information the site could be redeveloped utilising management plans and controls normally employed for construction in similar areas. An alternative to a RAP may be the development of a Contamination Management Plan to be implemented by the civil contractor in conjunction with site excavation. The plan would include procedures for the management of fill to be disposed off-site and acid sulphate soils, as well as contingencies should previously unidentified contamination be found.

Please do not hesitate to contact me if you have any questions.

Yours sincerely URS Australia Pty Ltd

Seth Molinari Senior Principal

² ASSMAC (1998) Acid Sulfate Soils Manual Acid Sulfate Soil management Advisory Committee.