



Selling your Service Station?

So...you are thinking of selling your service station. It has been suggested by your agent that you obtain an Environmental Report for the site. The following questions may come to mind:

Why do I need an Environmental Report?

An environmental report provides the buyer with information on the subsurface condition of the site. There may also be a requirement to undertake tank and line testing to assess the integrity of the petroleum infrastructure. As a seller, it is in your best interest to engage an Environmental Consultant. We would recommend a comprehensive assessment because it is our experience that too little information works against you. Data gaps enable questions to be raised concerning the condition of the site which can result in either losing the buyer or unwanted negotiation.

What does an Environmental Report cost?

A comprehensive environmental report - which includes both soil and groundwater investigation - typically ranges in cost from \$20,000 up to \$40,000, dependant on size of the site, site activities and layout of the infrastructure. Cheaper quotes can be found, however you get what you pay for.

What is the objective of the Environmental Report?

The objective of the report is to provide qualitative and scientific data which defines the contamination condition of the site. Most consultants have the same format for reporting so the reports are relatively easy to review. The report should clearly outline the scope and objective of the investigation and include maps and tables documenting sample locations and laboratory results. Lastly the report should draw some scientifically based conclusion on site contamination and the risk it may pose to public health and the environment.

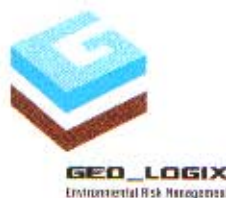
Who should you hire?

Not all consultants have the same expertise and technical ability, so there is a cross section of companies out there for selection. Our tip would be to locate a company who can provide experienced (> 5years) soil scientists, geologists or hydro-geologists to undertake the work. Inexperience can work against you during a sale. Common errors such as incorrect sampling procedures, poor sample location and subjective interpretation, can severely impact the saleability of your site.



Why is there such a variation in price between consultants who provide this service?

In most cases price variations reflect different scopes of work. One consultant may be able to assess your site and defend their interpretations in less sample locations than those who may be less experienced and require more samples to derive the same conclusion. Alternatively it may be the other way around. When trying to pick a consultant stick with experience. Request a sample location map and ask why those sample locations were selected, are there any big gaps between sample locations? And will it have an effect on the outcome? Boreholes are usually placed down-slope of petroleum infrastructure to assess for contamination.



How do I know I am hiring an experienced consultant?

Request a resume; ask for references, have they done investigations in the area before? Who will actually be doing the investigation and what is their experience? Ask the SSA who they might recommend?

Will the presence of contamination make my station unsaleable?

This is a common concern for SS owners. If I get an environmental report will I uncover contamination and then not be able to sell my site? This is where the real value of a consultant comes into play. Experienced consultants who understand chemical fate and transport and risk assessment principals will often downplay contamination other less experienced consultants may deem disastrous. They downplay the contamination because they are better skilled to assess whether the contamination is going to impact public health and/or the environment. If there is no risk then contamination is not a concern.

If you require further information or need to undertake an Environmental Investigation, feel free to contact Geo-Logix Pty Ltd on (02) 9986 0054.