

Minutes of a Council Workshop

Tuesday 29 April 2025
Council Chambers, 10 Gorge Road, Queenstown

Present:	Councillor/Deputy Mayor Q Smith	Councillor N Gladding*
	Councillor G Bartlett	Councillor C Tucker
	Councillor L Cocks	Councillor M White
	Councillor C Ferguson* (from 2.00pm)	Councillor E Whitehead
	Councillor M Wong	
Apologies:	Mayor G Lewers (on leave)	
	Councillor L Guy (on leave)	
In attendance:	Tony Avery	Simon Mason
	Pennie Pearce	Jesse Taylor
	Andrew Hill	Dave Wallace
	Meaghan Miller	Gareth Noble
	Ken Bailey*	Katherine Harbrow*
	Simon Leary	Anita Vanstone
	Brendan Peet*	Charlotte Robertson*
	Mary Davenport*	Alison Tomlinson*
	Carrie Williams*	Brent Pearce*
	Paddy Cribb*	Arne Burgess*
	Naell Crosby-Roe*	Jane Robertson
online	Jon Winterbottom	
Media	One member of the media	
General Public	Four members of the public	

No.	Agenda Item	Actions
1.	<p><u>Local Water Done Well Update: Assessment of the short-list of future water service delivery model options</u></p> <p>Ms Pennie Pearce (along with Jesse Taylor, Simon Mason and Tony Avery) spoke to a PowerPoint presentation. The presentation contained a summary of the various tests undertaken to compare the different water service delivery models.</p> <p>Officers provided a summary of the key differences between the two shortlisted options:</p> <ul style="list-style-type: none"> Option 1: Queenstown Lakes District Council (QLDC) optimised in house Option 2: QLDC Water Services Council Controlled Organisation (WSCCO) 	<p><u>Actions</u></p> <p>No specific actions; next steps are detailed on Slide 14 of Attachment A:</p> <ul style="list-style-type: none"> 29 May 2025 Council report re proposed model for approval and consultation

No.	Agenda Item	Actions
	<p>Officers clarified that retaining services in house did not represent the 'status quo' because many internal changes would be required. A CCO established under the Local Government (Water Services Preliminary Arrangements) Act 2024 (WSA) was different from a CCO established under the Local Government Act 2002 (LGA).</p> <p>Officers explained how each of the criteria had been scored and the sensitivity tests run over that scoring. The modelling was based on the current contents of the 2024-34 Long Term Plan.</p> <p>Discussion focused on the differences in the key areas of:</p> <ul style="list-style-type: none"> • Economic efficiency • Agility and adaptability • Costs to Consumer <p>Community interest: WSCCO is assessed as a 2 because there is no direct accountability provided for in this model. However, the Statement of Expectation (SOE) sets minimum requirements for a WSCCO to achieve and could be based on community views.</p> <p>Agility and adaptability: this measures the ability to respond to future reforms (slide 9).</p> <p>Comparison on Slide 11: In house FFO looks the same as the CCO but slightly lower (no cost of setting up CCO). By year 10 the costs per household are about the same. After that time, CCO costs reduce. Complying with the requirements of New Zealand Local Government Funding Agency (LGFA's) Free Funds From Operations (FFO) means a CCO has to charge more but there are no more costs so the increased revenue pays off debt. The CCO will have less debt at the end of 10 years.</p> <p>Noted that Slide 13 shows that of the 23 tests undertaken, the WSCCO ranked first 13 times in comparison with the other models.</p> <p>The Deputy Mayor asked all members to advise of their preferred option:</p> <ul style="list-style-type: none"> • Councillor White: Intuitively prefer an in-house model; observe that there is no obvious number one option. • Councillor Wong: Option 2 (WSCCO) • Councillor Cocks: Option 2 (WSCCO) • Councillor Gladding: Optimised status quo (Option 1) • Councillor Tucker: Option 2 (WSCCO) • Councillor Whitehead: No preference yet as have further questions 	<ul style="list-style-type: none"> • 31 July 2025 Council report re approval of final delivery model • 26 August 2025: Council report approving Water Services Development Plan

No.	Agenda Item	Actions
	<ul style="list-style-type: none"> • Councillor Ferguson: Will wait to see report recommendations. • Councillor Bartlett: CCO (Option 2) is the better option based upon scores. • Councillor Smith: Cynical about CCO models as all QLDC CCOs have eventually been brought back in house. Unable to rationalise a CCO as a way forward and favour an optimised in-house model (Option 1). <p>Attachments: <i>Attachment A: PowerPoint: Local Water Done Well – Future Delivery Models (with further attachments (i) Option description; (ii) Shortlist Assessment Results and (iii) Sensitivity Testing Results)</i></p>	
2.	<p><u>Shotover Wastewater Treatment Plant: Short-list of Disposal Options</u></p> <p>Mr Andrew Hill presented a PowerPoint that discussed eight different methodologies (the ‘long list options’) for a new wastewater disposal solution for the Shotover Wastewater Treatment Plant (WWTP), some of which were broken into sub options. Mr Hill highlighted the features of each and detailed the reasoning for shortlisting five of the options.</p> <p>Option 1: High-rate land disposal (options (a) and (b) presented. Not shortlisted.</p> <p>Option 2: Moderate rate land disposal. Options (a), (b) and (c) presented. 2(a) is shortlisted. The land required for this option may make it untenable.</p> <p>Option 3: Low Rate Land Disposal. Not shortlisted (because of distance from plant and environmental impact).</p> <p>Option 4: Land flow path to river, (a) Shotover River and (b) Kawarau River. Option 4b: Kawarau River brought back into short list although iwi did not support this option.</p> <p>Option 5: Deep well injections, (a) at Frankton and (b) at Bridesdale. Option 5(a) is shortlisted and will undertake investigative drilling to test viability. Further investigations are required to confirm there is no risk of this option destabilising the land; cultural uncertainty (not widely used in NZ) and is an expensive option. Aukaha held reservations due to direct injection to groundwater.</p> <p>Option 6(a): Shallow well injections – Discounted due to risks of flooding and iwi did not support because of discharge to water.</p>	<p><u>Actions</u></p> <p>Iwi had not indicated which option was preferred. Members asked officers to ensure that in any future reporting, the reasons for cultural unacceptability were clearly explained.</p> <p>Councillor Gladding expressed concern that Frankton or Shotover Delta were the only options identified for discharge. She suggested that investigations also include the Southern Corridor and asked for more information on why options 2(b), 2(c) and 3(a)</p>

No.	Agenda Item	Actions
	<p>Option 7: Subsurface wetlands on Delta – iwi prefer that discharge not be on the Delta. This option can be built so there is no water above so will not attract birds. Iwi did not support but open to discussing with runaka. The wetlands created will need ongoing maintenance.</p> <p>Option 8: Shallow well point injection or soak holes – Aukaha preferred this over 5(a) as discharge is not direct to groundwater. A new concept, not aware of existing use in New Zealand.</p> <p>A summary of the shortlist options is on slide 29 of Attachment B.</p> <p>Attachments <i>Attachment A. Summary of shortlist options</i> <i>Attachment B. Presentation: Shotover Disposal Field Project</i></p>	<p>had been rejected.</p>

The workshop concluded at 3.46pm.