

14 October 2026

██████
Sent via email to ████████████████████

**Request for Official Information
LG26-0339 - SJ Allen / Project Pure sludge / Drybread**

Dear ████████,

Thank you for your request for information held by the Queenstown Lakes District Council (QLDC). On 16 September 2026 you requested the following information under the Local Government Official Information and Meetings Act 1987 (LGOIMA):

I would like to make a LGOIMA request for information relating to QLDC's arrangement with SJ Allen Holdings Ltd, or any related SJ Allen company, for the collection, transport and disposal or land application of wastewater sludge/Waste Activated Sludge (WAS) from the Wānaka Project Pure wastewater treatment plant.

I am particularly interested in how the Drybread Road/Lauder site covered by ORC resource consent RM25.407 came to be used for Project Pure WAS.

Could you please provide:

- 1. The current contract or agreement between QLDC and SJ Allen relating to the collection, cartage, transport and/or disposal of sludge/WAS from Project Pure, including any relevant schedules, specifications, extensions and variations.**
- 2. Any variation, instruction, agreement or approval relating to Project Pure WAS being transported to, disposed of or land applied at the Drybread Road/Lauder site covered by RM25.407.**
- 3. Correspondence between QLDC and SJ Allen relating to RM25.407, Drybread Road, Lauder or Omakau, including discussions about the disposal, land application, land treatment, beneficial reuse or nutrient reuse of Project Pure WAS.**
- 4. Documents showing when QLDC first became aware that Project Pure WAS was proposed to be taken to the Drybread/Lauder site and when QLDC agreed to or approved that site being used as a destination for its WAS.**
- 5. Any assessment, due diligence, risk assessment or other consideration undertaken by QLDC regarding the Drybread/Lauder site as a destination for Project Pure WAS, including any consideration of environmental effects, public health, consenting or other regulatory requirements.**
- 6. Any laboratory testing, analysis or specifications held by QLDC relating to the Project Pure WAS being supplied to SJ Allen, including E. coli/pathogens, dry solids, nitrogen and any other contaminants tested.**
- 7. Any documents or correspondence discussing how the Project Pure material or the activity at Drybread is described or classified, including terms such as sludge, waste activated**

sludge, waste disposal, sludge disposal, land application, land treatment, beneficial reuse or nutrient reuse.

8. The total amount paid by QLDC to SJ Allen for Project Pure sludge/WAS collection, cartage and disposal for each financial year from 2021/22 to the present, together with the current contract value and, where available, the rates applying to transport and disposal. If QLDC considers any detailed unit rates commercially sensitive, please provide the total annual payments and contract values and identify the basis for withholding only those specific rate components.
9. The tender/procurement documents and SJ Allen proposal relating to the current contract, particularly the parts dealing with Project Pure sludge/WAS and its intended destination or method of disposal.
10. Any internal QLDC reports, emails or correspondence where the current Drybread/Lauder arrangement was compared with, or discussed in relation to, previous proposals to dispose of or apply Project Pure sludge/WAS to farmland, including the previous Tarras/Ardgour Road proposal.

For correspondence and documents, I am mainly interested in the period 1 January 2025 to the present, except where an earlier document forms part of the current SJ Allen contract or is directly relevant to how the current arrangement came about.

I'm not looking for every general operational email relating to normal sludge cartage. I'm mainly trying to understand the agreement with SJ Allen, how Drybread became the destination for Project Pure WAS, what information QLDC had about that site and the material being taken there, and how QLDC understood the material was going to be dealt with once it arrived.

QLDC RESPONSE

In response to your request, the QLDC Property and Infrastructure Directorate was consulted, along with the relevant external consultant.

Decision to release information

1. The current contract or agreement between QLDC and SJ Allen relating to the collection, cartage, transport and/or disposal of sludge/WAS from Project Pure, including any relevant schedules, specifications, extensions and variations.
2. Any variation, instruction, agreement or approval relating to Project Pure WAS being transported to, disposed of or land applied at the Drybread Road/Lauder site covered by RM25.407.

Items 1 and 2 of your request have been addressed together.

The current [Services Agreement between QLDC and SJ Allen](#) relating to the collection, cartage, transport and/or disposal of sludge/Waste Activated Sludge (WAS) from Project Pure is attached.

Certain information within the document has been redacted, with the reasons for these redactions outlined below.

Note that the enclosed link will expire on 13 November 2026, 10:23 am (UTC+12:00) New Zealand Time.

- 3. Correspondence between QLDC and SJ Allen relating to RM25.407, Drybread Road, Lauder or Omakau, including discussions about the disposal, land application, land treatment, beneficial reuse or nutrient reuse of Project Pure WAS.**
- 4. Documents showing when QLDC first became aware that Project Pure WAS was proposed to be taken to the Drybread/Lauder site and when QLDC agreed to or approved that site being used as a destination for its WAS.**

Items 3 and 4 of your request have been addressed together, with the [four relevant emails](#) attached.

Certain information within the correspondence has been redacted, with the reasons for these redactions outlined below.

Note that the enclosed link will expire on 13 November 2026, 2:56 pm (UTC+12:00) New Zealand Time.

- 6. Any laboratory testing, analysis or specifications held by QLDC relating to the Project Pure WAS being supplied to SJ Allen, including E. coli/pathogens, dry solids, nitrogen and any other contaminants tested.**

Information relating to the testing, analysis and management of Project Pure wastewater sludge, including relevant testing parameters and specifications, is publicly available on Council's website. This information can be accessed via [QLDC's Managing Wastewater Sludge webpage](#).

- 7. Any documents or correspondence discussing how the Project Pure material or the activity at Drybread is described or classified, including terms such as sludge, waste activated sludge, waste disposal, sludge disposal, land application, land treatment, beneficial reuse or nutrient reuse.**

Council has not identified any specific documents or correspondence addressing the terminology listed in your request. However, the [email briefing provided to the Mayor regarding SJ Allen's proposal](#) is attached. This document outlines relevant considerations regarding the proposal and is considered to fall within the scope of this part of your request.

Certain information within this document has been redacted, with the reasons for these redactions outlined below.

Further information regarding the management and use of Project Pure wastewater sludge is publicly available at the link provided in item 6 of your request.

Note that the enclosed link will expire on 13 November 2026, 4:07 pm (UTC+12:00) New Zealand Time.

- 9. The tender/procurement documents and SJ Allen proposal relating to the current contract, particularly the parts dealing with Project Pure sludge/WAS and its intended destination or method of disposal.**

The proposal was evaluated as a Unique Unsolicited Proposal and approved under the delegated authority of the Mayor and Chief Executive. The arrangement relating to the Lauder site is a discrete contract and is separate from the haulage contract for disposal at the AB Lime landfill.

Council holds a [Procurement Plan](#) relevant to this arrangement, which is attached.

Certain information within the document has been withheld, with the reasons for withholding this information outlined below.

Note that the enclosed link will expire on 13 November 2026, 9:53 am (UTC+12:00) New Zealand Time.

Decision to withhold information – Items 1 (in part), 2 (in part), 3 (in part), 4 (in part), 8, 9 (in part)

QLDC has good reason under sections 7(2)(b)(ii) and 7(2)(f)(ii) of the LGOIMA for withholding the information requested in items 1 (in part), 2 (in part), 3 (in part), 4 (in part), 8 and 9 (in part) of your request. QLDC consider it is necessary to withhold this information on the basis of the following grounds:

- Section 7(2)(b) - the withholding of the information is necessary to protect information where the making available of the information—
 - (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.
- Section 7(2)(f) – the withholding of the information is necessary to maintain the effective conduct of public affairs through—
 - (i) the protection of such members, officers, employees, and persons from improper pressure or harassment.

Section 7(2)(b)(ii) of the LGOIMA provides for the withholding of information where its release would be likely to unreasonably prejudice the commercial position of any person or organisation. This provision recognises the need to protect commercially sensitive information, the disclosure of which could undermine competitive positions or adversely affect the ability of parties to operate effectively in the market.

- 1. The current contract or agreement between QLDC and SJ Allen relating to the collection, cartage, transport and/or disposal of sludge/WAS from Project Pure, including any relevant schedules, specifications, extensions and variations.**
- 2. Any variation, instruction, agreement or approval relating to Project Pure WAS being transported to, disposed of or land applied at the Drybread Road/Lauder site covered by RM25.407.**

Items 1 and 2 of your request have been addressed together.

The information withheld contains commercially sensitive information relating to the contractual arrangements with SJ Allen, including information from which pricing, rates or other commercial terms could be identified or inferred.

Council considers that release would be likely to unreasonably prejudice SJ Allen's commercial position by providing information that could be used in future procurement processes or commercial negotiations.

Council has considered the public interest in transparency regarding Council's procurement and expenditure, but considers this does not outweigh the need to protect SJ Allen's commercially sensitive pricing and contractual information.

- 3. Correspondence between QLDC and SJ Allen relating to RM25.407, Drybread Road, Lauder or Omakau, including discussions about the disposal, land application, land treatment, beneficial reuse or nutrient reuse of Project Pure WAS.**
- 4. Documents showing when QLDC first became aware that Project Pure WAS was proposed to be taken to the Drybread/Lauder site and when QLDC agreed to or approved that site being used as a destination for its WAS.**

Items 3 and 4 of your request have been addressed together.

The information withheld contains commercially sensitive information relating to the contractual arrangements with SJ Allen, including information from which pricing, rates or other commercial terms could be identified or inferred.

Council considers that release would be likely to unreasonably prejudice SJ Allen's commercial position by providing information that could be used in future procurement processes or commercial negotiations.

Council has considered the public interest in transparency regarding Council's procurement and expenditure, but considers this does not outweigh the need to protect SJ Allen's commercially sensitive pricing and contractual information.

- 8. The total amount paid by QLDC to SJ Allen for Project Pure sludge/WAS collection, cartage and disposal for each financial year from 2021/22 to the present, together with the current contract value and, where available, the rates applying to transport and disposal. If QLDC considers any detailed unit rates commercially sensitive, please provide the total annual payments and contract values and identify the basis for withholding only those specific rate components.**

In this case, the information withheld comprises the annual amounts paid to SJ Allen under the relevant contractual arrangements, together with information from which the applicable haulage and disposal rates could potentially be derived.

Council considers that disclosure of this information would be likely to unreasonably prejudice the commercial position of SJ Allen. In particular, disclosure of the annual expenditure could enable the rates applying under the arrangement to be calculated or inferred. This could place SJ Allen at a commercial disadvantage in future negotiations or competitive procurement processes by revealing information about its pricing.

Council has considered whether the public interest in the disclosure of this information outweighs the need to withhold it. While there is a public interest in transparency regarding Council expenditure and

the management of Project Pure sludge/WAS, Council considers that this interest does not outweigh the need to protect commercially sensitive pricing information where disclosure would be likely to prejudice the commercial position of the contractor.

Section 7(2)(f)(ii) of the LGOIMA protects individuals—such as members, officers, and employees—from improper pressure or harassment, ensuring the effective conduct of public affairs. This provision safeguards public officials from undue influence or intimidation, enabling them to perform their duties impartially and effectively.

- 1. The current contract or agreement between QLDC and SJ Allen relating to the collection, cartage, transport and/or disposal of sludge/WAS from Project Pure, including any relevant schedules, specifications, extensions and variations.**
- 2. Any variation, instruction, agreement or approval relating to Project Pure WAS being transported to, disposed of or land applied at the Drybread Road/Lauder site covered by RM25.407.**
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- 9. The tender/procurement documents and SJ Allen proposal relating to the current contract, particularly the parts dealing with Project Pure sludge/WAS and its intended destination or method of disposal.**

In this case, while the roles of individuals involved have been disclosed, names and contact details have been withheld from these records to prevent the risk of harassment. This is particularly important given the nature of the subject matter, which is of high public interest and sensitivity. The protection of these individuals from improper pressure or harassment takes precedence over the public interest in disclosing specific information. Releasing the names and contact emails could potentially lead to undue pressure or intimidation, which could undermine the effective conduct of public affairs and harm the safety and well-being of those involved.

The information is therefore withheld under sections 7(2)(b)(ii) and 7(2)(f)(ii) of the LGOIMA.

Decision to refuse information – Item 10

QLDC has good reason under section 17(e) of the LGOIMA for refusing the information requested. QLDC consider it is necessary to refuse the requested information on the basis of the following grounds:

- Section 17(e) – that the document alleged to contain the information requested does not exist or, despite reasonable efforts to locate it, cannot be found.

Section 17(e) of the LGOIMA provides that a local authority may refuse a request where the requested information is not held by the agency or, despite reasonable efforts, cannot be found. This provision recognises that agencies are not required to create new information in order to respond to a request.

Reasonable steps have been taken to identify any information within scope of your request, including consultation with relevant Council teams. However, no information has been identified within scope of your request.

4. Any assessment, due diligence, risk assessment or other consideration undertaken by QLDC regarding the Drybread/Lauder site as a destination for Project Pure WAS, including any consideration of environmental effects, public health, consenting or other regulatory requirements.

Council has not identified any assessment, due diligence, risk assessment or other specific documentation undertaken by Council regarding the Drybread/Lauder site as a destination for Project Pure WAS beyond what has been provided in correspondence and within the Procurement Plan.

The activity is subject to a Regional Council consent, and the agreement with SJ Allen includes provisions requiring compliance with the conditions of that consent. Council does not hold any further information within the scope of this part of your request.

As the request also refers to environmental effects, public health, consenting and other regulatory requirements, information held by the Otago Regional Council (ORC) may be relevant to these aspects. You may wish to contact the ORC directly for information relating to its consenting and regulatory functions.

10. Any internal QLDC reports, emails or correspondence where the current Drybread/Lauder arrangement was compared with, or discussed in relation to, previous proposals to dispose of or apply Project Pure sludge/WAS to farmland, including the previous Tarras/Ardgour Road proposal.

Council has not identified any internal reports, emails or correspondence comparing or discussing the current Drybread/Lauder arrangement in relation to previous proposals to dispose of or apply Project Pure sludge/WAS to farmland, including the previous Tarras/Ardgour Road proposal.

Accordingly, there is no information held by Council within the scope of this part of your request. The information is therefore withheld under section 17(e) of the LGOIMA.

Public interest considerations

In assessing whether to withhold information, QLDC carefully evaluates the public interest—particularly whether disclosure would enhance transparency, accountability, or informed public engagement. This assessment includes weighing those benefits against the potential harm that could result from releasing the information.

QLDC acknowledges the public interest in transparency, accountability, and good governance in local authority decision-making, and is committed to releasing information wherever possible. However, in this instance, QLDC considers that the public interest in disclosure is outweighed by the need to protect negotiating position/commercial position of any person or organisation; and to protect officers, employees, and individuals from improper pressure or harassment.

Releasing this information would be likely to unreasonably prejudice the commercial position of the party that supplied, or is the subject of, the information; and expose officers and private individuals to improper pressure or harassment.

Accordingly, QLDC has determined that sections 7(2)(b)(ii) and 7(2)(f)(ii) of the LGOIMA apply. No overriding public interest has been identified that would justify release of the withheld information.

QLDC trusts that the above information satisfactorily answers your request.

Right to review the above decision

You have the right to request an investigation and review of this decision by the Ombudsman under section 27(3) of the LGOIMA. Further information is available at www.ombudsman.parliament.nz or by calling 0800 802 602.

If you wish to discuss this decision with QLDC, please contact Rebecca.Pitts@qldc.govt.nz (Director Democracy Services).

Proactive release of LGOIMA responses

QLDC proactively publishes responses to requests made under the LGOIMA where the information is considered to be of wider public interest. As such, please be aware that a response to your request may be published on [QLDC's website](#) or otherwise made publicly available. Where this occurs, any personal information will be redacted in accordance with the [Privacy Act 2020](#) and applicable withholding grounds, to ensure individuals' privacy is protected.

Kind regards,



Democracy Services Team
Corporate Services | Queenstown Lakes District Council
P: +64 3 441 0499
E: informationrequest@qldc.govt.nz



QUEENSTOWN
LAKES DISTRICT
COUNCIL

SERVICES AGREEMENT

WANAKA WASTEWATER BYPRODUCTS CARTAGE AND DISPOSAL

CONTRACT #C-26-140

SERVICES AGREEMENT

SCHEDULE 1: CONTRACT DETAILS

PRINCIPAL	QUEENSTOWN LAKES DISTRICT COUNCIL 10 Gorge Road, Queenstown 9300 (QLDC)
SUPPLIER	SJ ALLEN HOLDINGS LIMITED (Company Number 5749368) (Supplier)
NOMINATED SUBCONTRACTOR(S)	Nominated subcontractor(s) to perform some/all services? Yes ☐ OR Not Applicable ☒
START DATE	From Date of Signing ☒
TERM	Fixed Term ☒ This Contract is for a period of 5 Years from the Start Date and shall expire at the end of the Fixed Term (Expiry Date)
RENEWAL	Not Applicable ☒
SERVICES & SERVICE LEVELS <i>See Schedule 3</i>	<i>The Services to be performed under this Contract include those as described in Schedule 3:</i>
LOCATION FOR SERVICES	<p><i>The Services shall be performed at:</i></p> <p>Supplier location:</p> <ul style="list-style-type: none"> Section 25 and Section 47 Block V Lauder Survey District, Section 20 Block V Lauder Survey District (approximately one kilometre northeast from the intersection of Muddy Creek Road and Brown Road). <p>and</p> <p>Nominated QLDC location(s):</p> <ul style="list-style-type: none"> Wānaka 'Pure' Wastewater Treatment plant, located off Stevenson Road, Wānaka
CONTRACT PRICE AND PAYMENT <i>See Schedule 4</i>	<i>The Contract Price and Payment terms applicable to the Services are listed below or are as described in Schedule 4:</i>
DISBURSEMENTS	<p><i>The Supplier shall be entitled to the following disbursements:</i></p> <p>Not Applicable ☒</p>
INSURANCE	<p><i>The Supplier shall hold as a minimum:</i></p> <p>Public Liability - \$10,000,000 Motor Vehicle - \$10,000,000 Statutory Liability - \$1,000,000</p>
INVOICES	<p><i>Invoices to be submitted to Contract Manager for approval</i></p> <p>Yes ☒ OR Not Applicable ☐</p>

	IMPORTANT NOTE: All invoices must be emailed to POInvoicing@qldc.govt.nz when approved											
NOMINATED PERSONNEL	Nominated Personnel apply? Yes ☐ OR Not Applicable ☒											
CONTRACT MANAGER DETAILS	Complete as applicable: <table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">QLDC</th><th style="width: 50%;">SUPPLIER</th></tr> </thead> <tbody> <tr> <td>Name: [REDACTED]</td><td>Name: [REDACTED]</td></tr> <tr> <td>Position: Operations and Contracts Manager</td><td>Position: Director</td></tr> <tr> <td>Email: [REDACTED]</td><td>Email: [REDACTED]</td></tr> <tr> <td>Phone: [REDACTED]</td><td>Phone: [REDACTED]</td></tr> </tbody> </table>		QLDC	SUPPLIER	Name: [REDACTED]	Name: [REDACTED]	Position: Operations and Contracts Manager	Position: Director	Email: [REDACTED]	Email: [REDACTED]	Phone: [REDACTED]	Phone: [REDACTED]
QLDC	SUPPLIER											
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Position: Operations and Contracts Manager	Position: Director											
Email: [REDACTED]	Email: [REDACTED]											
Phone: [REDACTED]	Phone: [REDACTED]											
ADDRESS FOR NOTICES	Complete as applicable. Important Note: An address for notice must be a standard email address that is always monitored. <table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">QLDC</th><th style="width: 50%;">SUPPLIER</th></tr> </thead> <tbody> <tr> <td>Attention: [REDACTED]</td><td>Attention: [REDACTED]</td></tr> <tr> <td>Position: Operations and Contracts Manager</td><td>Position: Director</td></tr> <tr> <td>Email: [REDACTED]</td><td>Email: [REDACTED]</td></tr> <tr> <td>Postal Address: 10 Gorge Road, Queenstown</td><td>Postal Address: 34 Margaret Place, Frankton</td></tr> </tbody> </table>		QLDC	SUPPLIER	Attention: [REDACTED]	Attention: [REDACTED]	Position: Operations and Contracts Manager	Position: Director	Email: [REDACTED]	Email: [REDACTED]	Postal Address: 10 Gorge Road, Queenstown	Postal Address: 34 Margaret Place, Frankton
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Postal Address: 10 Gorge Road, Queenstown	Postal Address: 34 Margaret Place, Frankton											
SPECIAL TERMS	Special Terms apply to this Contract: Yes ☒ OR Not Applicable ☐ If Yes, the following special terms are agreed in addition to the Standard Terms and Conditions of Service at Schedule 1: <table border="1" style="width: 100%; margin-top: 10px;"> <tr> <td style="width: 20%;">Special Term 1:</td><td>The Supplier must hold Sitewise Green (or better) Health & Safety Prequalification</td></tr> </table>		Special Term 1:	The Supplier must hold Sitewise Green (or better) Health & Safety Prequalification								
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EXECUTION

SIGNED FOR AND ON
BEHALF OF
**QUEENSTOWN LAKES
DISTRICT COUNCIL** by its
authorised signatory
**Name of Authorised
Signatory**

Position

Date _____

**Signature of
Authorised Signatory**

SIGNED FOR
AND ON
BEHALF OF **THE
SUPPLIER** by
its authorised
signatory
**Name of
Authorised
Signatory**

**Signature of Authorised
Signatory**

Position

Date

SCHEDULE 2: STANDARD TERMS

DEFINITIONS

The following words and expressions shall have the meanings set out below:

Business Day means a day on which banks are ordinarily open and excludes a Saturday, Sunday or public holiday or any day falling within the period from 24 December to 5 January (both inclusive), irrespective of the days on which work is carried out. Any other reference to a 'day' shall mean a calendar day.

Charges means all and any fees, costs and expenses payable to the Supplier in connection with this Contract.

Confidential Information means all information which is written, verbal or electronic that is disclosed by either of the Parties to the other. It includes information that is stated as being 'confidential', 'in confidence', 'restricted' or 'commercial in confidence', and also information that is "Personal Information" (as such term is defined by the Privacy Act).

Conflict of Interest means a situation where the Supplier's personal or business interest or obligations do or could conflict or be perceived to conflict with its obligations under this Contract. It means that the Supplier's independence, objectivity or impartiality can be called into question. A Conflict of Interest may be:

- a. actual, where the conflict currently exists;
- b. potential, where the conflict is about to happen or could happen; or
- c. perceived, where other people may reasonably think that the Supplier is compromised.

Consulting Materials means materials (including software, drawings, designs, reports and data) supplied or developed by the Supplier (or its contractors or personnel) in connection with the Services.

Contract has the meaning given at clause 1.

Contract Price means the fees payable by QLDC to the Supplier specified in the Schedules to this Contract.

Deliverables means an output resulting from the delivery of the Services. A Deliverable includes, but is not limited to, any Consulting Materials, installation of equipment, performance of a service, supply of information or data stored by any means.

Disbursements means any disbursements:

- a. specified in the Contract Details set out Schedule 1; and/or
- b. otherwise approved in writing by QLDC before being incurred.

Expiry Date means the earlier of the date this Contract is due to end as specified in the Contract Details set out in Schedule 1, as may be extended under this Contract, or the date of termination as set out in a Notice of termination served under this Contract, or any other date agreed between the Parties as the date this Contract is to end.

Force Majeure Event means an event that is beyond the reasonable control of the Party immediately affected by the event including, without limitation, delays by the other party, fire or other casualty, act of God, strike or labour dispute, war or other violence, and/or any law, order or requirement of any governmental agency or authority.

Good Industry Practice means the standard of practice generally expected from an experienced, reasonable and prudent contractor or service provider operating in the Supplier's industry in the same or similar circumstances.

Industry Standards means, where applicable, all published industry standards relevant to the performance of the Services or any supporting or ancillary activity, being standards that are

mandatory as a matter of law and/or generally accepted in the Supplier's industry defining or reflecting relevant aspects of Good Industry Practice.

Intellectual Property Rights means all intellectual property rights whether conferred by statute, at common law or in equity, including, but not limited to, copyright, trademarks, designs and/or patents.

New Intellectual Property Rights means Intellectual Property Rights developed under this Contract or as part of the performance of the Services.

Parties means the parties to this Contract and **Party** means either one of them.

Personnel means all individuals engaged by either Party in relation to this Contract or the delivery of Services and includes, but is not limited to, the owner of the Supplier, its directors, employees, subcontractors, agents, external consultants and co-opted or seconded staff.

Pre-existing Intellectual Property Rights means Intellectual Property Rights developed before the date of, or independently from, the Start Date and this Contract.

Privacy Act means the Privacy Act 2020 and includes any codes or regulations issued under that Act.

Privacy Breach means any:

- a. unauthorised or accidental access to or use of, or disclosure, alteration, loss, or destruction of any "Personal Information" (as such term is defined by the Privacy Act); and/or
- b. any action that prevents QLDC from accessing "Personal Information" (as such term is defined by the Privacy Act) on either a temporary or permanent basis,

whether or not caused by a person inside or outside of the Supplier or attributable in whole or in part to any action by the Supplier, or ongoing.

Protective Security Incident means a security incident that is:

- a. a breach of protective security requirements policy and/or procedures; and/or
- b. an approach from anybody seeking unauthorised access to officials or official information; and/or
- c. any other event that harms, or may harm, the security of QLDC and/or QLDC's Confidential Information.

Regulatory Requirements means all applicable rules of common law, principles of equity, national and local laws, statutes, rules, regulations, proclamations, ordinances and by-laws, and any codes created under any of the foregoing; in each case to the extent relevant to any Services to be performed under this Contract, or to the Supplier or its Personnel or activities in connection with the Services and includes, without limitation and as applicable, the Health and Safety at Work Act 2015 and all associated regulations, instruments, directions, safe work instruments, codes and approved codes of practice.

Schedule means any schedule attached to this Contract including any attachments, appendices and referenced documents to such schedule.

Supplier means the natural or incorporated person providing the Services and includes their permitted assigns, transferees, representatives, contractors, and as specified in the Contract Details set out in Schedule 1.

Nominated Personnel means the nominated Personnel of the Supplier specified in the Contract Details set out in Schedule 1.

Nominated Subcontractor means a person, business, company or organisation contracted by the Supplier to deliver or perform part of the Supplier's obligations under this Contract, and as specified in the Contract Details set out in Schedule 1.

CONTRACT DOCUMENTS

1. These Standard Terms accompany the Contract Details set out in Schedule 1 and any other Schedules, and together these

documents form the contract between the Parties (**Contract**).

2. In the event of any conflict between any of the documents forming part of this Contract, the following order of precedence will apply:

- 2.1. Any Special Terms detailed in the Contract Details set out in Schedule 1;
- 2.2. These Standard Terms set out in Schedule 2;
- 2.3. The other Contract Details set out in Schedule 1; and
- 2.4. The remaining Schedules to this Contract.

ACCEPTANCE OF TERMS

3. These Standard Terms shall apply on acceptance of this Contract by any one of the following:
 - 3.1. Signing this Contract; or
 - 3.2. Issuance of a Purchase Order by QLDC to the Supplier to confirm Services are to commence under this Contract; or
 - 3.3. Acceptance of the Supplier or any of its Nominated Subcontractors onto any QLDC site or location to perform Services.

INTERPRETATION

4. In this Contract, unless the context requires otherwise:
 - 4.1. a reference to any monetary amount is to New Zealand currency;
 - 4.2. a reference to time is to New Zealand time;
 - 4.3. a reference to “includes” is to “includes without limitation” and references to “included” and “including” shall be construed accordingly;

- 4.4. a reference to a Party includes that Party’s personal representatives, successors and permitted assigns;
- 4.5. a reference to a person includes a corporation sole and a body of persons, whether corporate or unincorporated;
- 4.6. a reference to a document, statute or regulation includes a reference to that document, statute or regulation as amended or replaced from time to time; and
- 4.7. headings will not be used in the interpretation of this Contract.

LENGTH OF CONTRACT AND RENEWAL

5. The Contract starts on the Start Date specified in the Contract Details set out in Schedule 1.
6. This Contract ends on the Expiry Date, unless terminated earlier in accordance with the termination provisions in this Contract.
7. QLDC may renew this Contract the number of times, and for the period, specified in the Contract Details set out in Schedule 1 by giving the Supplier notice of renewal before the then-current Expiry Date.
8. If QLDC:
 - 8.1. gives notice to the Supplier in accordance with clause 7;
 - 8.2. issues a new Purchase Order in relation to the Services for a period exceeding the Expiry Date; or
 - 8.3. otherwise continues to accept the performance of the Services and pay the Charges after the Expiry Date,

the Contract will be continued for, as applicable, the specified renewal period, the term of any new Purchase Order, or for the period that QLDC continues to accept the performance of the Services on the same

terms and conditions under this Contract, unless the Parties otherwise agree to a variation.

9. If this Contract is not continued or renewed in accordance with clause 8, the parties acknowledge and agree that it will come to an end in accordance with clause 6 (without notice of termination being required to be given by either party).

SUPPLIER OBLIGATIONS

10. **Contract Manager** The Supplier's Contract Manager named in the Contract Details set out in Schedule 1 must manage the relationship with QLDC, oversee implementation of the Contract and act as a first point of contact for issues that may arise.
11. **Standards** The Supplier must supply the Services with due care, skill and diligence and in accordance with Good Industry Practice as would be expected from a leading supplier in the same industry, and in accordance with all relevant Regulatory Requirements.
12. **Skills** The Supplier must ensure that its Personnel have the necessary skills, experience, training and resources to deliver the Services.
13. **Nominated Personnel** The Supplier must procure that the Nominated Personnel (if specified) are responsible for, and available for, the performance of the Supplier's obligations.
14. **Timeliness** The Services must be performed on time except where a delay is caused by QLDC.
15. **Service Levels** All Services shall be performed by the Supplier in accordance with any Service Levels stated in a Schedule to this Contract.
16. **Location for Services** All Services shall be performed by the Supplier at the location(s)

for Services specified in Schedule 1 to this Contract.

17. **Equipment and Resources** Unless otherwise specified by QLDC, the Supplier must provide all equipment and resources necessary to deliver the Services.
18. **Policies and procedures** The Supplier must comply with QLDC's reasonable and lawful directions and its policies and procedures, including, for example (but without limitation), QLDC's Social Media Guidelines (which may be varied or updated by QLDC from time to time).

HEALTH AND SAFETY

19. **QLDC Policies** If the Supplier is performing Services at QLDC locations/premises, it must observe the QLDC policies and procedures, including those relating to health and safety, and security requirements, as provided to the Supplier.
20. **Consult, cooperate and coordinate** The Supplier must liaise with QLDC regarding the Parties' overlapping obligations under the Health and Safety at Work Act 2015 as it relates to, or affects, the Contract.
21. **Compliance** The Supplier must ensure it and its Personnel and Nominated Subcontractors comply with their obligations under the Health and Safety at Work Act 2015 as it relates to, or affects, the Services to be performed under this Contract.
22. **Reporting** The Supplier must report any of the following that applies, or relates to or affects the Contract:
 - 22.1. notifiable injury, illness, incident or event, or any notice issued under the Health and Safety at Work Act 2015 or any other health and safety legislation, and
 - 22.2. any Protective Security Incident.

NOMINATED SUBCONTRACTORS

23. Approval The Supplier may not subcontract any of the Services unless to the Nominated Subcontractors named in the Contract Details set out in Schedule 1.

24. Standards All and any Nominated Subcontractors shall perform the Services to the same standards and requirements as specified in this Contract and in accordance with Good Industry Practice, and in accordance with all relevant Regulatory Requirements..

25. Changes to Nominated Subcontractors The Supplier must obtain written consent from QLDC in advance if it intends to change any Nominated Subcontractor.

26. Supplier Responsible for Subcontractors The entry by the Supplier into a subcontract will not relieve the Supplier from liability for the performance of any of its obligations under this Contract. The Supplier will be fully liable for the acts and omissions of any Subcontractor as if they were the acts and omissions of the Supplier.

QLDC OBLIGATIONS

27. Contract Manager QLDC's Contract Manager named in the Contract Details set out in Schedule 1 must manage the relationship with the Supplier, oversee implementation of the Contract and act as a first point of contact for issues that may arise.

28. Timely Information QLDC must ensure that it provides information required by the Supplier in a timely manner.

29. Decisions QLDC must make decisions and give approvals reasonably required by the Supplier to enable delivery of the Services, within reasonable timeframes.

30. Scope Changes QLDC must notify the Supplier of any scope changes to the Services and/or change to QLDC Requirements as soon as practicably reasonable.

31. Policies and procedures QLDC will publish its policies and procedures, as may be updated from time-to-time, on its website.

CONTRACT PRICE, INVOICES AND PAYMENT

32. Contract Price In consideration for its provision of the Services, QLDC will pay to the Supplier the Contract Price.

33. Valid Invoice The Supplier shall supply a valid invoice for the Contract Price to QLDC at the agreed frequency and amount specified under this Contract. Where no frequency has been specified, invoices shall be submitted no later than the 5th day of the month in arrears.

34. Disbursements QLDC will reimburse the Supplier for all Disbursements reasonably incurred by the Supplier in performing the Services, provided that the Supplier produces all relevant receipts and other ancillary documentation to QLDC in respect of such Disbursements.

35. Invoice Payment Dates QLDC shall pay the Supplier's invoice for the Contract Price, together with all Disbursements properly incurred by the Supplier under clause 34, by the 20th day of the same month if the invoice is received no later than 4pm of the 5th day of the month. Payment will otherwise not be made to the Supplier until the following month, unless expressly agreed otherwise.

36. Invoice Frequency The Supplier may only invoice QLDC at the agreed frequency specified in the Contract Details set out in Schedule 1 or as set out in a Schedule to this Contract, this being one of the following:

36.1. on a specific frequency (e.g. fortnightly or monthly) for actual hours and materials incurred at agreed rates or via a schedule of rates; or

36.2. at an agreed frequency or interval for specified milestones or stages of the Services; or

36.3. in specified percentages at specific dates; and/or

36.4. at agreed daily rates.

37. Invoice Disputes If QLDC receives an invoice and it considers it owes the Supplier a lesser amount than the sum stated as the amount due, it will inform the Supplier within **five (5) Business Days** of receiving the applicable invoice and the following shall apply:

37.1. QLDC must pay the portion of the invoice that is not in dispute; and

37.2. QLDC may withhold payment of the disputed portion until the dispute is resolved.

SUSPENSION AND TERMINATION OF SERVICES

38. Suspension of Services for Health and Safety Breaches If QLDC, acting reasonably, considers there to be an immediate health and safety risk related to the Supplier's performance of the Services and such default cannot be immediately remedied or, where notice can be given, continues unremedied for a period of **(7) Seven Business Days** or more then QLDC shall be entitled to immediately suspend the Services without notice.

39. Termination of Services for Default Without prejudice to a Party's other remedies at law, each Party has the right to terminate this Contract by written notice with immediate effect (which includes any part the Services that remain unfulfilled) and shall not be liable to the other Party for any delay, loss or damage suffered by it due to the exercise of its rights under this clause, if one or more of the circumstances listed below occurs:

39.1. the other Party is in breach of this Contract and such breach is:

39.1.1. not remediable; or

39.1.2. is remediable, but continues and remains unremedied after the expiry of the notice period set out in a default notice, which must be given by the non-defaulting party to the defaulting party, and provide the defaulting party with a reasonable time period to remedy the breach; and/or

39.2. the other Party becomes insolvent or bankrupt, convenes a meeting with its creditors or make an assignment for the benefit of its creditors or a receiver, manager, or liquidator (provisional or otherwise) or similar person is appointed in respect of the Supplier, its business or its assets; and/or

39.3. the other Party has or will breach the relevant safety requirements under applicable health and safety legislation or, in the case of breach by the Supplier, QLDC's health and safety policies, and such breach cannot or will not be remedied by the Party in breach; and/or

39.4. a Conflict of Interest arises which affects the Supplier's ability to provide the Services or perform its obligations under this Contract and QLDC considers, in its sole discretion, that it cannot be appropriately managed.

40. Amounts Owed up to Termination QLDC must pay the Contract Price and Charges up to the date of termination provided that QLDC may recover from the Supplier or set off against sums due to the Supplier, any Charges paid in advance for Services or Deliverables that have not been provided.

41. Accrued Rights The termination or expiry of this Contract does not affect any rights of a

Party which arose prior to the Expiry Date or relate to any breach of this Contract that arose prior to the Expiry Date.

FORCE MAJEURE

42. No liability Neither Party will be liable to the other for any failure to perform its obligations under this Contract to the extent the failure is due to a Force Majeure Event.

43. Obligations of affected Party Where the performance by a Party of its obligations is affected by a Force Majeure Event, that Party must notify the other Party as soon as reasonably possible. The notice must state:

43.1. the nature of the circumstances giving rise to the Force Majeure Event; and

43.2. the extent of that Party's inability to perform under this Contract; and

43.3. the likely duration of that non-performance; and

43.4. what steps are being taken to minimise the impact of the Force Majeure Event on the performance of this Contract.

44. Termination due to Force Majeure Event If a Party is unable to perform any obligations under this Contract for **twenty (20) Business Days** or more due to an Force Majeure Event, the other Party may terminate this Contract immediately by giving notice.

INSURANCE AND RISK

45. Duty to Insure The Supplier must hold and maintain adequate insurance for the duration of the Services in the amounts specified in the Contract Details set out in Schedule 1, and where applicable, for a period beyond the Expiry Date up to and including the end of any warranty obligation period.

LIABILITY

46. Supplier Liability Cap Subject to the extent permitted by law, the aggregate liability of the Supplier to QLDC, whether in contract, tort (including negligence) or otherwise, will be limited to:

46.1. the higher of:

46.1.1. 5 times the total Contract Price; and

46.1.2. \$250,000;

46.2. except the level of any insurance policy that the Supplier is required to effect and maintain under this Contract is greater than the maximum aggregate liability of the Supplier recorded in clause 46.1 above and such policy responds to a loss (or would have responded but for any failure to claim and/or breach of the relevant insurance policy by the Supplier, or due to the failure by the Supplier to maintain an insurance policy), the Supplier's liability in respect of such loss shall be the level of cover under the applicable insurance policy.

47. No Liability for Consequential Loss neither party shall not be liable for any indirect, consequential, special or economic loss, cost liability, damage or expenses howsoever arising.

48. Reduction of Liability The Supplier's liability is reduced proportionately to the extent that any such loss or damage was caused or contributed to by any negligent act, omission or default of QLDC or the employees or agents of QLDC.

49. Supplier Indemnity To the extent permitted by law, the Supplier must indemnify QLDC from and against any claim for direct loss, injury, damage or expense (including legal costs on a full indemnity basis) which QLDC suffers or incurs in connection with, or for the consequences of:

49.1. any breach by the Supplier of the Contract; and/or

49.2.any act or omission by or on behalf of the Supplier, which adversely relates to, or adversely affects, QLDC and/or its property; and/or

49.3.any loss, damage, liability, cost or expense suffered or incurred by a third party (including, to avoid any doubt, an employee, agent or contractor of the Supplier) arising from, as a result of or in connection with any act, matter or thing of the kind described in 49.1 to 49.2 above.

INTELLECTUAL PROPERTY

50. Ownership of Pre-existing Intellectual Property Rights Pre-existing Intellectual Property Rights remain the property of their owner. Nothing in or done in connection with this Contract will affect the ownership of any Intellectual Property Rights that arise, or have arisen, independently of the activities of either party in connection with this Contract.

51. New Intellectual Property Rights in Deliverables All and any New Intellectual Property Rights created in Deliverables become the property of QLDC when they are created, and the Supplier agrees to do all things necessary to give effect to this clause.

52. Licence QLDC may use, copy, adapt, distribute, publish and exploit any materials created as part of any Deliverables for any purpose required by it and the Supplier grants to QLDC a perpetual, non-exclusive, worldwide, transferable, sub-licensable and royalty-free licence to use, for any purpose, all Intellectual Property Rights in any Deliverables that are not owned by QLDC to receive the full benefit of the Services and Deliverables, and use, copy, modify and distribute the Deliverables.

53. Supplier Warranties The Supplier warrants that it is legally entitled to grant the licence in the clause above, and QLDC's use of anything provided by the Supplier and incorporated in the Services and

Deliverables, for the purposes communicated to, or that are or ought to be known by, the Supplier, will not infringe the rights, including Intellectual Property Rights, of any third party.

54. Supplier Indemnity The Supplier indemnifies QLDC against any losses, costs, claims, damages, expenses, liabilities, proceedings or demands arising out of any claim against QLDC by any third party alleging that it has infringed Intellectual Property Rights through its use of any materials provided by the Supplier in connection with this Contract.

55. Unlimited Liability for IP Breach The Supplier's liability for breach of the warranties in this provision are not subject to any limitation or cap on liability that may be stated elsewhere in this Contract.

CONFIDENTIAL INFORMATION

56. Protection of Confidential Information Each Party agrees to not use or disclose the other Party's Confidential Information to any person or organisation other than:

56.1.to the extent that use or disclosure is necessary for the purposes of providing the Deliverables or Services or, in the case of QLDC, using/receiving the Deliverables or Services; and/or

56.2.if the other Party gives prior written approval to the use or disclosure; and/or

56.3.if the use or disclosure is required by law (including under the Official Information Act 1982 and the Local Government Official Information and Meetings Act 1987), or any other regulation, rules or policy that is binding on that Party; and/or

56.4.if the information has already become public, other than through a breach of the obligation of confidentiality by one of the Parties.

57. Consulting Materials are Confidential

Information of QLDC Any Consulting Materials not intended for public consumption or display that are prepared for the purposes of this Contract will be deemed to be confidential information of QLDC, and not the Supplier.

58. Security Each Party will put in place and maintain adequate security measures to safeguard the other Party's Confidential Information from unauthorised access or use by third parties. Each Party shall:

58.1. notify the other Party if it becomes aware of any suspected or actual unauthorised use, copying or disclosure of the other Party's Confidential Information; and

58.2. comply with any reasonable direction of the other Party in relation to any suspected or actual breach of the obligations in this clause as the other Party reasonably requests.

59. Obligation to Inform Personnel Each Party will ensure that its Personnel:

59.1. are aware of the confidentiality obligations in this Contract; and

59.2. do not use or disclose any of the other Party's Confidential Information except as allowed by this Contract.

60. Local Government Official Information and Meetings Act 1987

The Supplier acknowledges that QLDC is subject to the Local Government Official Information and Meetings Act 1987 under which QLDC is required to treat each request for information in accordance with the provisions of that Act. The Supplier agrees to provide a reasonable level of cooperation and assistance (without being required to compromise the Supplier's rights) and to immediately pass on any request for information that it receives from a regulator or third party under that Act to QLDC for instruction and/or action.

QLDC AS A REGULATORY AUTHORITY

61. Services Performed at a Site Where QLDC has signed this Contract in its capacity as owner of a site, this Contract does not bind QLDC in its capacity as a regulatory authority. Any consent or agreement QLDC gives under this Contract is not an agreement or consent in its regulatory capacity and vice versa.

62. QLDC in Regulatory Capacity The Supplier acknowledges that QLDC, in terms of its regulatory function as a local authority, is obliged to and shall act as an independent local authority and not as a party to this Agreement. The Supplier shall not have a right or claim against QLDC in Council's capacity as a party to this Agreement as a result of any lawful action or decision made by QLDC in the performance of its regulatory function. Any decision of QLDC acting in its regulatory capacity shall not be construed as an approval of QLDC as a party to this Agreement or as a change unless otherwise expressly agreed.

PRIVACY

63. Protection of Personal Information Where the Supplier has access to Personal Information under or in connection with this Contract, the Supplier must:

63.1. only use, access, store, process or transmit that Personal Information to the extent necessary to provide the Deliverables or Services; and

63.2. ensure that the Personal Information is protected against loss, access, use, modification, or disclosure that is not authorised by QLDC; and

63.3. provide all information and assistance reasonably required by QLDC to comply with its obligations under the Privacy Act in relation to this Contract; and

63.4. comply with the Privacy Act and not do anything under this Contract that

would cause QLDC to breach the Privacy Act.

64. Privacy Breaches If the Supplier becomes aware of any Privacy Breach in relation to this Contract it will notify the Contract Manager as soon as possible and take all reasonable steps:

64.1.to identify the person or persons affected; and

64.2.required by QLDC to undertake its own investigation; and

64.3.stop, and/or mitigate the impact of, any Privacy Breach and prevent its reoccurrence; and

64.4.the Supplier shall not notify any person of the Privacy Breach without prior written approval of QLDC.

CONFLICTS OF INTEREST

65. Supplier's Warranty The Supplier warrants that, as at the Start Date, it has no Conflict of Interest in supplying the Services or entering into this Contract.

66. Avoiding Conflicts of Interest The Supplier must do its best to avoid situations that may lead to a Conflict of Interest arising.

67. Obligation to tell QLDC The Supplier must advise QLDC immediately, and in writing, if any Conflict of Interest arises in relation to the Services or this Contract. If a Conflict of Interest does arise, the Parties must discuss, agree and record in writing whether it can be managed and, if so, how it will be managed. Each Party must pay its own costs in relation to managing a Conflict of Interest.

DISPUTE RESOLUTION

68. Details of the Dispute must be Supplied If either Party considers that a dispute has arisen in relation to any matter governed by this Contract, that party must give the other party written notice outlining the basis of the dispute (**Dispute Notice**).

69. Dispute must be Discussed The Contract Managers for each Party must then meet to resolve, in which case both Parties will promptly attempt to resolve the dispute by consultation at the lowest practicable level of escalation.

70. Escalation of Dispute If the dispute is not resolved by discussion, meeting and/or other informal means within **ten (10) Business Days** of the date of the Dispute Notice the Parties may agree to submit the dispute to mediation.

71. Mediation If a Dispute is referred to mediation, the mediation will be conducted by:

71.1.A single mediator agreed by the Parties or, failing agreement, on the terms of the Resolution Institute Mediation Rules; and

71.2.at a fee to be agreed by the Parties or if they cannot agree, at a fee determined by the Resolution Institute; and

72. Obligations Continue If there is a Dispute, each Party will continue to perform its obligations under this Contract as far as practical given the nature of the dispute.

73. Taking court action: Each Party agrees not to commence any court proceedings in relation to a dispute until it has complied with the process described in these Dispute Resolution clauses, unless that Party requires urgent relief from a court.

74. Interlocutory Relief Nothing in these terms shall affect either party's right to seek urgent interlocutory relief.

75. Costs and Expenses Each Party will pay its own costs of mediation or alternative dispute resolution under this clause.

NOTICES

76. Requirements All Notices must be in writing and delivered by hand or sent by post, courier or email to the recipient Party's

address for Notices stated in the Contract Details as set out in Schedule 1 and signed, or in the case of email, sent by the Contract Manager or person having authority to do so.

77. Receipt of Notices A Notice will be considered to have been received when the following has occurred:

77.1. if delivered by hand or sent by courier, on the date it is delivered;

77.2. if sent by post within New Zealand, on the 5th Business Day after the date it was sent;

77.3. if sent by post internationally, on the 9th Business Day after the date it was sent; or

77.4. if sent by email, at the time the email enters the recipient's information system and it is not returned undelivered or as an error,

but a Notice received after 5pm on a Business Day or on a day that is not a Business Day will be considered to have been received on the next Business Day.

VARIATIONS

78. Variations A variation must be agreed by both Parties and recorded in writing and signed by both Parties, or through an exchange of emails, where the signatories or authors have delegated authority to approve the variation.

GENERAL

79. Qualifications and certifications The Supplier warrants and represents to QLDC that it has, and will continue to have at all times during the term of this Contract, the necessary skills, expertise, knowledge, experience, competence, qualifications and certifications (as applicable) to perform the Services in accordance with this Contract. The Supplier will complete, at the Supplier's own expense, any ongoing training required

to maintain any relevant qualifications and certifications.

80. No misleading statements The Supplier warrants that it has not made any misleading or deceptive statements or omissions influencing QLDC's entry into this Contract. A breach of this warranty will be deemed a material breach of this Contract.

81. Consumer Guarantees Act QLDC is acquiring the services for the purposes of a business, and the provisions of the Consumer Guarantees Act 1993 are excluded accordingly.

82. Counterparts This Contract may be executed in any number of counterparts. Once the Parties have executed the counterparts, and each Party has received a copy of each signed counterpart which that Party did not execute, each counterpart will be deemed to be as valid and binding on the Party executing it as if it had been executed by all Parties.

83. Amendments Must be In Writing Amendments to this Contract will not be effective unless they are in writing and are signed by each Party.

84. Independent contractor Nothing in this Contract constitutes a legal relationship between the Parties of partnership, joint venture, agency, or employment.

85. No representing Neither Party has authority to bind or represent the other Party in any way.

86. Transfer of rights or obligations The Supplier must not transfer any of its rights or obligations under this Contract without QLDC's prior written approval.

87. Severability If and to the extent any provision or part of a provision is illegal or unenforceable, such provision or part of a provision will be severed from this Contract and will not affect the continued operation of the remaining provisions of this Contract.

88. Clauses that remain in force The clauses that by their nature should remain in force on expiry or termination of this Contract are all clauses in the following sections (Insurance), (Resolving disputes), (Suspension and Termination of Services), (Confidential Information), (Notices), (General) and all Definitions.

89. Entire Agreement This Contract sets out the entire agreement between the Parties. It replaces any previous communications, negotiations, arrangements or agreements that the Parties had with each other relating to the Services before this Contract was signed, whether they were oral or in writing.

90. Waiver If a Party does not immediately enforce its rights under this Contract that:

90.1. does not mean that the other Party is released or excused from any obligation to perform at the time or in the future, and

90.2. does not prevent that Party from exercising its rights later.

91. Signing Not Required It is not necessary for this Contract to be signed unless QLDC insist on it. All Parties are bound by these terms if they continue to act in a way that is consistent with the arrangement and discussions held in relation to the Services, and the Supplier has incurred time and expense in procuring materials or commenced any part of the Services or works for QLDC, or if QLDC have paid any fees and/or part of the Contract Price in any form.

92. Electronic Acceptance The parties agree that any legal requirement may be met by using electronic means in accordance with the Contract and Commercial Law Act 2017. In this clause the term “legal requirement” has the meaning given to it by section 219(2) of the Contract and Commercial Law Act 2017.

93. Governing Law This Contract shall be governed by the laws of New Zealand and the Parties irrevocably submit to the exclusive jurisdiction of the courts of New Zealand.

SCHEDULE 3 – SERVICES AND SERVICE LEVELS

Definitions

For the purpose of this agreement;

‘Operational Contractor’ means the contractor(s) engaged by the Principal to operate and manage its wastewater treatment facilities.

‘WWTP’ or **‘Pure WWTP’** means the Wastewater Treatment Plant located in Wānaka

1.0 OBJECTIVES OF THE CONTRACT

The objectives of this contract are to ensure that:

- Wastewater byproducts (sludge and screenings) from QLDC’s Pure WWTP are collected, transported to, and appropriately disposed of, at the agreed disposal locations in a reliable fashion to support the optimum operation of the treatment facilities.
- The transport operations are undertaken in a manner that protects all parties from harm or nuisance associated with the activities.
- The disposal of sludge at the disposal site meets all regulatory and environmental requirements.

2.0 SCOPE OF SERVICES

The contract shall comprise of the following services:

- Collection and cartage of wastewater screenings and sludges from the Pure WWTP at a frequency to suit plant operations.
- Shunting operations at the site such that bins are managed in accordance with operational requirements.
- Liaison with plant operators to coordinate bin changes and transport schedules.
- Odour management and mitigation during cartage
- Provide covered, sealed, or otherwise compliant transport vehicles to prevent leakage or contamination during transit.
- The disposal of sludge at the disposal site in accordance with all regulations and best practice to minimise the impact on the environment.

3.0 LOCATION

The location of services are as follows:

- Wānaka ‘Pure’ Wastewater Treatment plant, located off Stevenson Road, Wānaka
- Section 25 and Section 47 Block V Lauder Survey District, Section 20 Block V Lauder Survey District (approximately one kilometre northeast from the intersection of Muddy Creek Road and Brown Road) [Disposal location for sludge]

4.0 HEALTH AND SAFETY

4.1 HEALTH AND SAFETY AT WORK ACT 2015

The Supplier shall comply with the requirements of the Health and Safety Legislation for all work carried out under this contract. The Supplier shall be the “person in control of the work” for the purposes of the Health and Safety at Work Act 2015.

The Supplier shall nominate a person responsible for health and safety in relation to the contract and that person shall be the Supplier’s person with responsibilities for ensuring the obligations under the Health Legislation are met.

Any breach of the above act will be treated as a serious breach of contract for which the Principal reserves the right to suspend work.

Without limiting the foregoing, the Supplier shall:

- establish and maintain a register of hazards and risks to health and safety in which the Supplier shall record any identified significant hazard or risk, the date it was identified and any steps taken to eliminate, isolate or minimise the significant hazard or risk;
- make the register of hazards and risks available for inspection by the Principal and the Principal’s agent and shall keep the Principal informed of any changes subsequently made to the register;
- have in place effective methods to identify risks to health and safety and communicate those risks and management strategies to each Person affected or associated with the Contract Works;
- ensure that all Persons involved in the delivery of the Contract Works undertake an appropriate safety induction;
- ensure that all Persons associated with the Contract Works for whom the Supplier is responsible have attended task specific training and where required by the Health and Safety Legislation and industry standards/approved codes of practice and obtained any required certificates of competency;
- maintain an appropriate level of supervision;
- have proper procedures for investigating and dealing with emergencies that may arise;
- undertake a full investigation and meet any requirements of the Principal if directed by the Principal; and
- respond to all emergencies arising from the Contract Works. Emergencies are not limited to health and safety incidents and include damage to property, equipment and infrastructure, hazardous substance spills, health hazards, biological release, severe weather, acts of violence, criminal activity or terrorism.

The above shall be documented as part of a Contract Specific Health & Safety Plan submitted prior to commencement of work and which shall be reviewed at least annually.

For the purposes of determining the extent of the Supplier’s indemnity to the Principal for any failure to comply with the Health and Safety at Work Act 2015, the place of work shall be any part of the works being carried out by the Supplier from time to time (whether construction, maintenance or safety). Accepting this requirement, the Supplier’s obligations shall only extend to activities related to and within the influence of the Supplier to the extent permitted by law.

4.2 WELFARE, SAFETY AND FIRST AID

The Supplier shall provide and maintain welfare facilities and suitable safety measures for the protection of workers associated with their works. The Supplier shall provide adequate and easily accessible first aid kits. In addition, there shall be at least one person who is qualified to administer first aid at any works location.

4.3 WORK ON THIRD PARTY SITES

The Supplier retains full responsibility for the appropriate application of Health and Safety standards and actions for their work, irrespective of the location of the site and shall not assume that any Third Party has met or organised Health and Safety and traffic management requirements to meet their obligations for work undertaken at the same location

The Supplier shall ensure that their actions are compatible with and in accordance with those of any other party undertaking work or exerting influence on the site. This shall include any necessary safety briefings, sign-ins and the like as may be required. These requirements extend to all work sites including farm operations.

4.4 CONTRACT SPECIFIC HEALTH & SAFETY PLAN

The Supplier must submit a Contract Specific Health & Safety Plan (CSHSP) to the Principal for approval at least 5 Working Days prior to the commencement of work associated with the contract. The plan shall detail how Health & Safety (H&S) will be managed across the duration of the contract term and spanning the full scope of services contemplated by the contract.

The Supplier shall take into account any comments from the Principal in the preparation of the final CSHSPs.

The CSHSP shall, at a minimum, contain the following:

- The contact details for key staff
- Any significant hazards and their controls
- Any specific high-risk activities or Notifiable Works
- The procedures for ensuring day to day H&S outcomes across the contract
- Safe Operating Procedures (SOP) that apply
- Any work not covered by a SOP will require Task Analysis to be undertaken. Note this may include pre-prepared TA's or a list of tasks that require a TA to be developed o TA's must be developed fully and reviewed prior to the work being undertaken (the Principal does not expect to review TAs and expects the Supplier to have an internal review and approval processes).
- Any specific risk assessment that has been undertaken concerning the contract works • Incident registers to be kept
- The incident notification and investigation process
- Details on how consultation, cooperation and coordination shall occur onsite
- A relevant training and competency register for all workers or subcontractors employed by the Supplier
- Copies of licences, certifications, and any other critical documentation
- Details of the emergency procedures associated with the works
- Details of any hazardous substances, including their safety data sheets
- Rescue plans as appropriate to the work (i.e. confined spaces, height)
- Ongoing monitoring requirements, including health monitoring where required

- Monitoring of worker health where it is required under the Health and Safety at Work General Risk and Workplace Management Regulations 2016
- Details of the audit and inspection programme to be utilised to ensure compliance with plan is achieved

The CSHSPs shall be reviewed and updated regularly (but at minimum on an annual basis) by the Supplier to take any changes to operational or maintenance practices or assets into account, and a copy of the updated Plans are to be forwarded to the Principal.

No work shall commence on any roads until a Traffic Management Plan is prepared in accordance with the requirements of New Zealand Guide to Temporary Traffic Management (NZGTTM) and has been accepted and signed off by the relevant Authority for the said works. A copy of the agreed Traffic Management Plan shall be kept on site and made available for inspection.

4.5 CONTRACT SPECIFIC HAZARD AND RISK ASSESSMENT

Prior to the commencement of works required under this contract, the Supplier shall conduct a contract specific risk assessment of all hazards and risks to health and safety likely to be encountered during the Contract Works and identify how those hazards and risks will be managed. This assessment shall form part of the H&S management procedures detailed within the CSHSP.

The Supplier shall actively consider the method and impact of all stages of works and specifically identify additional potential hazards and ensure adequate and effective measures are taken to ensure the hazard is appropriately managed.

4.6 SUPPLIER TO INFORM

The Supplier is to identify all hazards relating to their works that may impact on the safety of the Supplier's staff and any other persons impacted by the works. The Supplier shall inform all their employees and any other affected parties of the hazards and dangers expected on the site. The Supplier shall also instruct all employees and any other affected parties (where relevant) in the operation of safety equipment and procedures to be followed during an emergency.

4.7 SAFETY EQUIPMENT AND TRAINING

The Supplier shall ensure all employees and the employees of all Subcontractors are competent and appropriately qualified, trained and adequately supervised. All safety and skills training required by law must be completed. Proof of training for key personnel is required annually.

The Supplier shall provide first aid facilities and ensure these are adequately and effectively stocked and that staff are competent in the use of them.

The Supplier must ensure that trained first aid personnel and adequate first aid equipment is provided. A suitably stocked first aid kit shall be provided to every vehicle in use for this Contract and shall be maintained by the Supplier. Refer to WorkSafe NZ guidelines for standards. Means of transport must be available in the event of any medical emergency. Alcohol, drugs and intoxicating substances are not permitted on worksites and neither are people under the influence of these.

All tools and equipment shall comply with relevant safety standards and be kept properly maintained. Written information should be available on their safe use. Personal protective equipment (PPE) must be supplied by the Supplier, maintained in good condition and worn on all relevant occasions. All training in the use of PPE must be documented.

The Supplier shall ensure that any Subcontractor provides appropriate safety equipment that meets an approved New Zealand standard to any employees of that Subcontractor and that the Subcontractor ensures that those employees use and wear that safety equipment.

Where specialist equipment (e.g. breathing apparatus) has to be used, the Supplier shall provide proof that appropriate training has been given its employees in the correct use of the equipment.

4.8 PUBLIC HEALTH

It is essential for public health, as well as the health and wellbeing of the Supplier's staff that special attention is given to diseases that are communicable particularly including those which are communicable by water.

All personnel working on this contract must be made aware of the risks of transmission of these and other illnesses and shall take all practicable steps to protect themselves and prevent contamination of a water supply, including but not limited to inoculations and post infection stand-down times.

The Supplier's Health and Safety Plan shall:

- contain infection control measures for the management of communicable diseases which comply with all legislation, directives or orders issued by the Government or HSWA Regulator and health and relevant health and safety standards or protocols for management of the communicable disease; and
- outline the Supplier's requirements for vaccination (if applicable), testing, inoculation and stand-down times following illness for the Supplier's staff and those of Subcontractors.

4.9 RIGHT TO INSPECT

The Principal (or their agent) shall have the right to inspect the Supplier's provisions for occupational health and safety at any reasonable time throughout the term of the contract.

The Principal shall be allowed access to the worksite at all times to ensure work practices are safe. The Principal shall make arrangements with the Supplier to access Supplier sites, preferably when other work is being undertaken at the site. Costs associated with random site visits shall be borne by the Principal.

The Supplier shall provide a system of checks and audits to ensure compliance with safety requirements.

4.10 HEALTH AND SAFETY REPORTING

All Health and Safety Incidents must be reported and acted upon in a timely fashion and in accordance with the following.

Health and Safety Incidents are categorised as follows:

- Notifiable Event as defined under the Health and Safety at Work Act 2015 section 25
- Serious Occurrence. Any incident that had the potential to cause a Notifiable Event, serious damage to asset, loss of containment or damage to reputation
- Incident. Note a near miss is classed as an incident for reporting purposes
- Environmental Incident, i.e. release of a gas, fume, dust, or spill of a substance that presents a risk to persons or the environment.

Injury Incidents are categorised as follows:

- Notifiable Event (a death or notifiable injury or illness)
- Lost Time Injury (LTI)
- Medical Treatment Injury (MTI)
- First Aid (FA)

Incident reporting time frames are:

- Any incident that requires notification to a regulator, i.e. Notifiable Events, must be notified to the Principal within one hour and an interim report provided within three days
- Serious Occurrences must be notified to the Principal within two hours and an interim written report provided within five days
- Worksafe Enforcement Notices, i.e. prohibitions, urgent instructions, warnings, infringements, must be notified to the Principal within one hour, and interim written report provided within three days
- Lost time and medical treatment injuries must be notified to the Principal within 48 hours.

Incident Investigations are required for all Notifiable Events, Serious Occurrences, Lost Time Injuries and Medical Treatment Injuries or where requested by the Principal. An initial investigation shall be conducted by the Supplier and an interim incident report submitted within the timeframes noted above. Full report and mitigation shall be targeted to be submitted within seven days of the incident.

The Supplier shall implement and maintain an audit and inspection regime to ensure compliance with its obligations under applicable Health and Safety Legislation. The Supplier shall provide reports in a format and with sufficient detail to enable the Principal, acting reasonably, to:

- Confirm that the audit and inspection regime has been appropriately undertaken;
- Readily identify any non-compliances or deficiencies discovered;
- Understand the nature, status, and timeline of any remedial actions required or completed.

These reports shall be submitted quarterly and shall include evidence of corrective actions taken, where applicable.

4.11 NOTIFY THE PRINCIPAL OF THE SITE SAFETY SUPERVISOR

Before any work commences on the contract the Supplier shall formally notify the Principal, in writing, of the Supplier's Site Safety Supervisor.

5.0 RESOURCE MANAGEMENT ACT

The Supplier shall comply with all obligations arising under the Resource Management Act 1991 and any relevant regional or district plan provisions applicable to sludge disposal activities.

The Supplier must carry out all disposal activities strictly in accordance with the resource consent issued for the disposal site.

The Supplier must ensure that all activities avoid, remedy, or mitigate adverse effects on:

- surface water or groundwater
- neighbouring properties
- soil quality
- natural features and ecosystems

The Supplier must immediately notify the Principal of any actual or potential breach of resource consent conditions, accidental discharges, or environmental incidents, and take all reasonable steps to contain, remedy, or mitigate the effects.

The Supplier shall maintain accurate records necessary to demonstrate compliance with the resource consent and provide such records to the Principal upon request.

6.0 GENERAL SPECIFICATIONS

The scope of services covered by this contract is essential for the efficient and effective operation of the Principal's wastewater treatment facilities which are a 24/7 critical operation.

6.1 OPERATIONAL PLAN

The Supplier shall provide an operational plan in accordance with all contract requirements and consent conditions prior to commencing any work under the contract. The plan shall describe the resources, equipment, staffing, and methods the Supplier will use to deliver the services efficiently and without disruption. It shall also set out the Supplier's approach to health, safety, and risk management for all on-site and off-site activities. The Operational Plan must include an Environmental Management section detailing how the Supplier will prevent adverse environmental effects, manage odour/runoff risks, and ensure full compliance with the Resource Management Act and the disposal site's consent conditions.

6.2 SUPPLIER RESPONSIBILITIES

The Supplier shall:

- Ensure timely and reliable cartage of sludge and screenings.
- Manage the Principal's bin stock at site in response to operational requirements.
- Coordinate with plant operators to schedule bin changeovers and respond to operational needs.
- Implement odour control measures during transport.
- Provide and maintain a fleet of vehicles and trailers suitable for the transport of wastewater by-products and which can respond to the district's growth over the term of the contract and byproduct volumes increase year on year.
- Ensure all Supplier supplied equipment is compliant with relevant health, safety, and environmental regulations. This includes ensuring all vehicles and trailers are properly licensed and have the necessary signage for the class of waste material being transported. The costs of compliance is deemed to be included in the Supplier's price.
- Undertake regular inspections of the Principal supplied bins and undertake preventative & corrective maintenance as required. Cost of routine maintenance is deemed to be included in the Supplier's price. Any faults identified through inspection shall be communicated to the Principal and remedial works quoted.
- Maintain records of tonnage transported
- Take all practical steps to avoid any spills during the transportation process. It is the Supplier's responsibility to immediately make safe, clean up and notify the Otago Regional Council, NZTA and QLDC should a spillage occur.
- Investigate all complaints or claims from any party or person associated with the services and act upon any such complaint as soon as possible. Every complaint or claim shall be brought to the attention of the Principal.

- Once transported to the approved disposal site, the Supplier shall be responsible for all activities required to safely, legally, and effectively place, spread, manage, and contain sludge on the consented land.
- Ensure all personnel, vehicles, and equipment access the site using approved routes.
- Maintain temporary access tracks in a safe, trafficable condition where required for sludge placement operations.
- Deposit sludge only within the consented disposal area(s) and in accordance with approved volumes, depths, and placement methods.
- Spread, level, or mound the sludge as required by the resource consent or the Principal's instructions.
- Avoid creating ponding, runoff, or over-saturation that could affect neighbouring land or water bodies.
- Implement erosion, sediment, stormwater, and odour controls appropriate to the site
- Prevent contamination of waterways, drains, boreholes, and natural features.
- Immediately contain and remediate any accidental discharge or spillage outside the authorised area. It is the Supplier's responsibility to immediately make safe, clean up and notify the Otago Regional Council and QLDC should a spillage occur.
- Carry out all disposal activities strictly in accordance with the resource consent, including:
 - maximum tonnage or volume limits
 - application rates
 - seasonal or weather restrictions
 - slope or gradient limits
 - monitoring or sampling requirements

6.3 PRINCIPAL'S RESPONSIBILITIES

The Principal shall:

- Ensure its Operational Contractor (responsible for the WWTP) communicates effectively with the Supplier and provides adequate notice of its requirements
- Ensure its Operational Contractor produces a wastewater sludge that complies with the acceptance criteria of the disposal location and that meets the target average bin weights.
- Provide and maintain the required fleet of sludge bins to fulfil the needs of the contract
- Respond to reasonable request for maintenance or investment from the Supplier to ensure the Principal's infrastructure remains fit for purpose.
- Provide written notification of any anticipated changes to its infrastructure that would result in a material change to the volumes of sludge or byproducts from its facilities.
- Provide access to the treatment facilities for the storage of plant and/or equipment which support the delivery of this agreement.

6.4 PERFORMANCE STANDARDS

The Supplier shall deliver the following performance standards:

- No missed collections unless pre-approved by the Council (provided a minimum of 12 hours notice has been provided).

- Shunting services shall be completed promptly and such that the treatment process can operate continuously
- Servicing shall be provided as and when required noting that the WWTP operates 24/7
- Odour complaints must be investigated and mitigated within 24 hours.
- Vehicles must be clean and compliant with applicable standards.
- Prompt communication to the Principal in the event it observes bins are not achieving the target weights

6.5 Contingency Disposal – Diversion to Kings Bend

6.5.1 Temporary Inability to Land Apply

Where land application of sludge is temporarily unavailable or impracticable due to circumstances beyond the Supplier's reasonable control, the Supplier may divert sludge volumes to the Kings Bend Landfill for disposal in accordance with the terms and conditions of the existing haulage contract (O-26-123).

6.5.2 Qualifying Circumstances

Circumstances where diversion may be permitted include, but are not limited to:

- extreme weather events;
- flooding or flood damage affecting access or the consented property;
- road closures or access constraints;
- ground conditions unsuitable for safe or compliant land application; or
- any other event that prevents land application from being undertaken in compliance with applicable consents or good industry practice.

6.5.3 Notification and Justification

The Supplier shall notify the Principal as soon as practicable of the need to divert sludge volumes, including a brief description of the triggering circumstances and the expected duration of the diversion.

6.5.4 Cost and Commercial Treatment

Any sludge diverted under this clause shall be managed and charged in accordance with the existing haulage contract (O-26-123).

6.5.5 Temporary Measure Only

Diversion under this clause is intended as a temporary contingency measure. The Supplier shall resume land application as soon as the qualifying circumstances no longer apply.

6.5.6 No Breach

Diversion of sludge volumes in accordance with this clause shall not constitute a breach of this Agreement, provided the Supplier has acted reasonably and in good faith.

6.6 Seasonal Volume Allocation and Quota Flexibility

6.6.1 Annual Quota

An annual land-application volume of up to 2,000 tonnes is available across any of QLDC's wastewater treatment plants, subject to the conditions of this Agreement.

6.6.2 Winter Spreading Constraint

Where land application is not practicable during the winter months due to weather, ground conditions, access constraints, or other factors beyond the Supplier's reasonable control, the Supplier may utilise the full annual quota during the spreadable months in accordance with this clause.

6.6.3 Priority of Source Plants

During the spreadable months:

- Pure WWTP shall have priority access to land-application capacity for all sludge volumes generated by that plant.
- Where spreading has not been undertaken during the winter months, the Supplier may draw upon quota allocations from any of QLDC's WWTPs to achieve the annual volume target during the spreadable months.

6.6.4 Winter Spreading Available

Where land application can be undertaken during the winter months in compliance with applicable consents and good industry practice, the Supplier shall utilise volumes from Project Pure only, and no allocation from Project Shotover shall be required.

6.6.5 Good Faith and Operational Planning

The Supplier shall plan seasonal land-application activities in good faith, having regard to operational constraints, consent requirements, and overall system efficiency, and shall keep the Principal reasonably informed of anticipated seasonal volume requirements.

6.6.6 No Guaranteed Monthly Volumes

Nothing in this clause guarantees equal or minimum monthly spreading volumes, provided the annual quota and priority arrangements outlined above are met.

7.0 PAYLOAD MANAGEMENT

7.1 PAYLOAD MANAGEMENT

The Principal recognises the importance of achieving the target bin weights for the sustainability of the contract. It is the Principal's responsibility to ensure that its Operational Contractor manages the treatment facilities to maximise payloads, however, the effective management of any deficiencies in this area is supported by open and prompt communication from the Supplier and between the Supplier and the Operational Contractor.

7.2 TARGET WEIGHTS

The target bin weights are as follows:

- i. Wanaka Single Bin - 8.5 ton average payload
- ii. Combined Wanaka bins (truck and trailer) - 18-19 average ton payload

Average weights are to be calculated across the relevant transactions (being each individual bin, or combined truck and trailer movement as applicable, at the weighbridge) in the relevant reporting period.

7.3 UNDER FILLED BINS

On the Supplier identifying any underfilling of bins they shall raise immediately with the Operational Contractor and notify the Principal within 24 hours. Should the underfilling continue (consecutive underweight bins or inconsistent weights which, if not addressed, are reasonably likely to jeopardise contract performance) the Supplier shall escalate their concerns in writing as an Early Warning to the Principal. In this situation the Principal will arrange a meeting between the parties at its earliest convenience to explore the root cause of the issues and agree what (if any) interventions are required to rectify.

7.4 OVER FILLED BINS

In the event bins are overfilled leading to local spillage of sludge materials, the responsibility and cost of cleaning shall sit with the Principal's Operational Contractor, except in situations where the spillage was caused by an action or inaction of the Supplier outside the ordinary performance of its obligations under this Contract.

7.5 ADDITIONAL PAYMENTS FOR UNDERWEIGHT BINS

Additional payments will only be considered by the Principal where the long term average bins weights (across the contract) demonstrate a material divergence from the agreed targets. Bin weights shall be monitored routinely throughout the contract and proactive action taken to ensure the target bin weights are achieved.

For the purposes of this clause, long-term average means the average calculated over a rolling 12month period or, where the Contract term is less than 12 months, over the elapsed Contract period.

If at the end of the financial year (30 June) the transported tonnages reflect a material divergence from the agreed target (>10%) the parties shall meet and negotiate compensation. The cartages rates, target tonnages and efforts of the Supplier to achieve the target payloads shall be used as the basis of negotiations.

8.0 RISK MANAGEMENT

8.1 RISK IDENTIFICATION AND MITIGATION

The Supplier shall implement and maintain a risk management program designed to identify, assess, monitor, and mitigate risks that could adversely affect the delivery, of the services.

The risk management program must include:

- a. Regular risk assessments (at least annually),
- b. Maintenance of a risk register detailing identified risks and mitigation actions,
- c. Implementation of technical and organisational controls to reduce risk to an acceptable level.

9.0 GENERAL OBLIGATIONS

9.1 ATTENDANCE AT MEETINGS

The Supplier shall make themselves available to attend quarterly meetings with the Principal to discuss the performance of Contract services.

9.2 REPORTING

The Supplier shall provide monthly reports covering the following:

- Summary of H&S performance
- Summary of cartage activities and tonnages collected from each site
- Identification of any risks which may impact on contract performance
- Details of any Resource Consent monitoring activities

The format and content of the report shall be determined in collaboration with the Principal, and shall be kept concise.

Reports shall be submitted within 5 working days of the end of the month to which the report relates.

9.3 BASIS OF PAYMENT

Each load will be weighed on the weigh bridge at the Upper Clutha Transports yard in Luggate and a copy of the weighbridge docket shall be attached to the monthly claim when submitted. Total tonnages for the relevant month will be the sum of the authorised weight bridge dockets. The total tonnage obtained from the weigh bridge dockets will then be multiplied by the contract rate of the \$/tonne rate submitted giving the basis for payment.

Documentation as outlined above must be submitted by the 5th working day of the month for payment.

SCHEDULE 4 – CONTRACT PRICE

Description	QTY	Rate	2026/27	2027/28	2028/29	2029/30	2030/31
Sludge transported from Wanaka WWTP to the disposal property in Lauder	2,000 tonne /year	\$ /tonne					
Estimated total cost							\$

Quantity is estimate only and actual quantities may be more or less.

All prices are GST exclusive.

The Principal reserves the right to instruct the Contractor to undertake related non-scheduled activities as required in response to operational requirements through this agreement. Any such tasks will be completed

1. Annual Rate Adjustment Process

- The Contract Prices may be adjusted annually to reflect movements in agreed cost indices that more accurately represent the cost drivers associated with the Services.
- The price adjustment shall be calculated using a blended index, comprising the following components and weightings (the *Blended Index*), as agreed by the Parties:
 - [A]% Consumers Price Index (CPI) – All Groups, New Zealand
 - [B]% Labour Cost Index (LCI) – All Salary and Wage Rates
 - [C]% Construction Cost Index (CCI) or equivalent civil construction index

(Where $A + B + C = 100\%$)
- Each index shall be sourced from Statistics New Zealand or a mutually agreed successor or equivalent index where an index ceases to be published or is materially altered.
- The Base Index for each component shall be the published index number for the quarter immediately preceding the Contract Commencement Date.
- The Adjustment Index for each component shall be the published index number for the quarter immediately preceding the relevant Adjustment Date.
- The adjusted Contract Price shall be calculated as follows:

Adjusted Price =

$$\begin{aligned}
 &(\text{Base Price} \times A\% \times (\text{CPI Adjustment Index} \div \text{CPI Base Index})) + \\
 &(\text{Base Price} \times B\% \times (\text{LCI Adjustment Index} \div \text{LCI Base Index})) + \\
 &(\text{Base Price} \times C\% \times (\text{CCI Adjustment Index} \div \text{CCI Base Index}))
 \end{aligned}$$

- g. Price adjustments under this clause shall apply only to the ongoing service charge elements of the Contract and shall not apply to one-off fees, pass-through costs, or capital items unless expressly stated otherwise.
- h. No price adjustment shall take effect unless the Supplier provides the Principal with written notice of the proposed adjustment, including supporting index data and calculations, at least 20 business days prior to the Adjustment Date.
- i. If the Blended Index results in a negative adjustment, the Contract Prices shall remain unchanged unless otherwise agreed

2. *Exceptional Cost Escalation*

- a. Where the Supplier experiences a material and demonstrable escalation in costs arising from circumstances beyond its reasonable control, the Supplier may request that the Parties enter into good-faith discussions to consider appropriate contractual or commercial adjustments.
- b. Qualifying circumstances may include, but are not limited to:
 - i. significant and sustained changes in regulatory requirements;
 - ii. material changes in consent conditions affecting delivery methods;
 - iii. force majeure events with prolonged cost impacts;
 - iv. loss of critical infrastructure or access not attributable to the Supplier; or
 - v. other exceptional events that could not reasonably have been anticipated at the Contract Commencement Date.
- c. The Supplier must provide written notice, supported by reasonable evidence of the nature, cause, and financial impact of the cost escalation, including whether the impact is temporary or permanent.
- d. Following receipt of such notice, the Parties shall engage in good-faith negotiations on a case-by-case basis to consider whether any adjustment to pricing, service levels, or delivery approach is appropriate.
- e. Nothing in this clause:
 - i. obliges the Principal to agree to any price adjustment;
 - ii. limits the Principal's discretion to decline or approve adjustments; or
 - iii. applies to cost increases that are ordinarily borne by contractors operating in the relevant market.
- f. Any agreed variation must be documented in writing and executed in accordance with the variation provisions of this Agreement.

End of Schedules

From: [REDACTED]
Sent: Thu, 29 Jan 2026 21:02:43 +1300
To: [REDACTED]
Subject: Land Application Proposal
Attachments: PastedGraphic-1.tiff, Land Disposal Offer.docx, Sludge Data.xlsx

Hi [REDACTED],

Proposal as discussed. I have kept it very simple.

Cheers



[Redacted Name]

Director



[Redacted Phone Number]



[Redacted Email Address]



34 Margaret Place Frankton



www.sjallenholdings.co.nz



Waste Activated Sludge Application to Land Proposal

29th January 2026

Dear [REDACTED],

S.J Allen Holdings Ltd is now able to offer the Queenstown Lakes District Council an alternative sludge disposal option for the Project Pure WWTP.

S.J Allen Holdings has just been issued a Resource Consent from the ORC to dispose of up to 2300 ton of waste activates sludge at a property at Omakau consisting of 210 hectares.

This 2300 ton is based on recent nitrogen tests of Project Pure sludge. Our consent allows for 200kg of nitrogen/hectare/year. Based on the nitrogen content of the Project Pure sludge we estimate an application volume of 2300 ton per year or 600kg/hectare of nitrogen over a 3 year period.

I have enclosed a copy of this consent for your information.

I have also enclosed the last 12 months sludge volume removals with a cost anaylsis. It has both plants volumes but focuses on Project Pure.

All other relevant information relating to the proposed process is included in the Consent Decision. We are currently working on our Operations & Maintenance Plan.

S.J Allen Holdings would like the QLDC to consider making available under contract 2000Ton of sludge from its Project Pure WWTP for S.J Allen Holdings to apply to our consented land.

S.J Allen would like to transport the sludge from Project Pure WWTP to our property.

S.J Allen Holdings would like the QLDC to consider a 5 year supply contract for their sludge with S.J Allen Holdings from Project Pure WWTP at a combined transport & disposal rate of \$ [REDACTED] /Ton.

S.J Allen Holdings needs to have a provision in place for the ability to still transport Project Pure WWTP sludge to Kings Bend Landfill for the following eventualities –

- 1) Adverse weather events that makes ground conditions unsuitable for land application.

2) Winter months where ground conditions prevent land application.

3) When Project Pure WWTP sludge volumes exceed 2000 Ton.

S.J Allen Holdings would like to have in place at the same time the sludge cartage contract we are currently negotiating.

As discussed S.J Allen Holdings would like to conclude negotiations promptly if the QLDC is interested in our proposal as we have a holding lease on the property with a sunset clause.

If you need any additional information please let me know.

I am happy to meet in person to discuss further and answer any questions you may have.

Regards

A solid black rectangular box used to redact the signature of the sender.

Managing Director
S.J Allen Holdings Ltd.

From: [REDACTED]
Sent: Thu, 29 Jan 2026 21:05:16 +1300
To: [REDACTED]
Subject: Notification & Discharge Permit - Confidential
Attachments: PastedGraphic-1.tiff, Notification and Decision Recommending Report RM25.407.pdf, Discharge Permit RM25.407.01.pdf

Hi [REDACTED],

I have attached these separately. Can you keep these documents as confidential as possible for now.

Cheers



[Redacted Name]

Director



[Redacted Phone Number]



[Redacted Email Address]



34 Margaret Place Frankton



www.sjallenholdings.co.nz

ORC NOTIFICATION RECOMMENDATION REPORT

Application No: RM25.407
 Prepared for: Staff Consents Panel
 Prepared by: Daizy Thompson-Fawcett, Consents Planner
 Date: 27 January 2026

Subject: Notification recommendation for application RM25.407 by SJ Allen Holdings Limited to discharge waste activated sludge, grease trap waste, mud tank/sump waste, and winery wastewater to land for the purpose of disposing of waste from various sources around Central Otago and Queenstown-Lakes Districts.

1. Purpose

To report and make recommendations under sections 95A-G of the Resource Management Act 1991 (the Act) on the notification decision for the above application.

2. Background Information

Applicant: SJ Allen Holdings Limited
Applicant's Agent: Analese Fon, Lowe Environmental Impact
Site address or location: Lauder, approximately 1 kilometre (km) northeast from the intersection of Muddy Creek Road and Brown Road
Legal descriptions of the site: Section 25 and Section 47 Block V Lauder Survey District, Section 20 Block V Lauder Survey District
Record of title number and owner: OT10B/341 Moran Pastoral Limited, OT392/70 Moran Pastoral Limited
Map reference (NZTM 2000) E1336545 N5011220
approximate site midpoint:
Consent(s) sought: Discharge permit to discharge waste activated sludge, grease trap type waste, mud tank/sump type waste, and winery wastewater to land
Purpose: Disposing of waste from around Central Otago and Queenstown-Lakes Districts
Related consents: RM20.287.01.V1
Section 124 timeframes: This is an application for a new activity and so section 124 does not apply.

2.1 Key issues/risks

The key issues/risks with the application are:

- Potential for leaching from disposal of proposed contaminants.

At this stage there are no principal issues in contention that need to be raised.

2.2 Summary

I recommend the application is processed on a non-notified basis.

This is because:

- The activity will have adverse effects on the environment that are less than minor;
- The adverse effects on any person from the proposed activity will be less than minor or the unconditional written approvals of affected persons has been provided; and
- There are no special circumstances.

3. Description of Activity

The application is for a new consent for the discharge of waste activated sludge (WAS) and wastewater onto land, including WAS from community wastewater treatment plants (WWTPs), grease trap waste, mud tank/sump waste and winery wastewater to land. The discharge of WAS will be the predominant discharge at the subject site; up to 2,000 tonnes (at 20% dry solids) per year of WAS from community WWTP's within the Otago Region. The grease trap waste, mud tank/sump waste and winery wastewater are currently discharged at another property controlled by S J Allen (Consent RM20.287.01.V1) who are seeking to consolidate all of their activities to this site.

Figure 1 depicts the land application areas (total 171 hectares) for WAS in yellow and winery, grease trap, and mud tank/sump waste in purple.

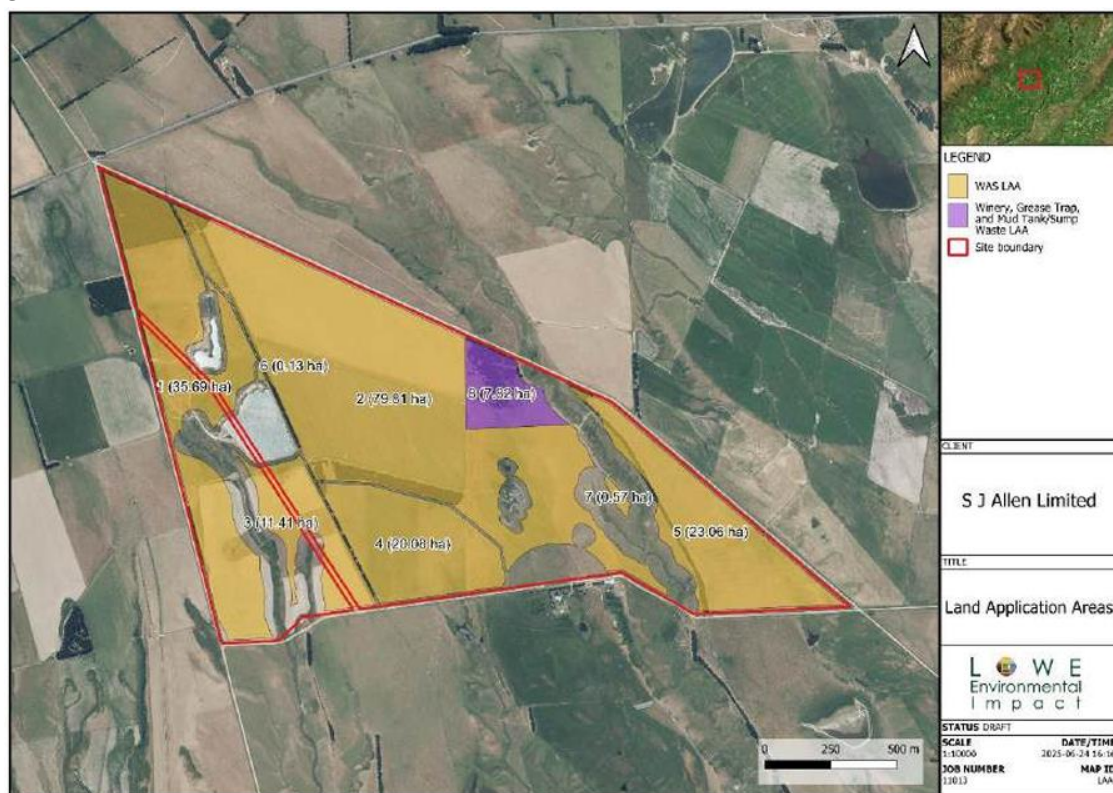


Figure 1. Land Application Areas (LAA) (Source: RM25.407 Application)

The Applicant has provided the following documentation with the application:

- Form 1 – Application for Resource Consent, signed and dated 18 August 2025;
- Form 6 – Application to Discharge Contaminants to Land, dated August 2025;
- Resource Consent Application and Assessment of Environmental Effects: Land Application of Waste Activated Sludge, Winery Wastewater, Grease Trap Waste and Mud Tank/Sump Waste at Brown Road, Lauder, prepared by Lowe Environmental Impact, dated August 2025;
- Response to Request for Further Information – RM25.407, prepared by LOWE Environmental Impact, dated 17 October 2025.
- Updated volunteered conditions, provided to council on 15 January 2026

3.1 Quantity of Discharge

There are four waste types proposed to be managed at the site, including:

- 1) Equivalent weight of Waste Activated Sludge (WAS) that will have 34.2 tonnes of nitrogen/year or 102.5 tonnes of nitrogen in a 3-year return period (considering 200 kg N/ha/year or 600 kg N/ha/3-year return period) via muck spreader or similar;
- 2) 1,200 cubic metres per year of waste from grease traps discharged into land via soakage trench and/or soil injection;
- 3) 1,200 cubic metres of waste from mud tanks/sump discharged into land via soakage trench and/or soil injection; and
- 4) 1,200 cubic metres of winery wastewater surface applied to land.

The Applicant has proposed the following condition with restrictions of quantities.

The following restrictions shall apply:

- a. The total volume of waste activated sludge (WAS) discharged shall not exceed equivalent to 34.2 tonnes of N/yr or 102.5 tonnes of N in a 3-year return period (This is the nitrogen equivalent to 200 kg N/ha/year or 600 kg N/ha in every three years return period).*
- b. The total volume of grease trap waste and wastewater discharged shall not exceed 20 cubic metres per day.*
- c. The total volume of mud sump type waste and wastewater discharged shall not exceed 20 cubic metres per day*
- d. The total volume of winery waste and wastewater discharged shall not exceed 20 cubic metres per day.*
- e. The total volume of grease trap waste and wastewater discharged shall not exceed 1,200 cubic metres per year.*
- f. The total volume of mud sump type waste and wastewater discharged shall not exceed 1,200 cubic metres per year.*
- g. The total volume of winery waste and wastewater discharged shall not exceed 1,200 cubic metres per year.*

3.2 Quality of Discharge

Grease Trap and Mud Tank/Sump Waste

The material from grease traps is collected from small takeaway and fast-food outlets and comprises of mostly fats, oils and other waste liquids originating from kitchens similar to domestic households, albeit on a larger scale.

Mud tank waste is collected from light industrial activities including garages, mechanics and roading contractors. There are no heavy or moderate industrial activities whose mud sumps are collected, and most of the liquid waste (two-third) is wash down water or stormwater from grated sumps.

The sample results from the 2023-2024 annual report associated with the RM20.287.01.V1 consent for a similar activity have been provided in Table 1 below.

Table 1. Grease Trap and Mud Tank/Sump Waste Results (Source: RM25.407 Application)

Date	Type	pH	As g/m ³	Cd g/m ³	Cr g/m ³	Cu g/m ³	Pb g/m ³	Ni g/m ³	Zn g/m ³	C7- C9 g/m ³	C10- C14 g/m ³	C15- C36 g/m ³	Total Hydro carbons (C7- C36) g/m ³
17/01/2024	Mud sump waste	7.5	<0.021	<0.0011	<0.011	<0.011	0.0029	<0.011	0.048	1	11.7	3	16
8/03/2024	Grease Trap	4.7	<0.021	<0.0011	<0.011	1.08	0.0041	<0.011	0.143	<0.5	<1.0	12	13
20/03/2024	Mud sump waste	11	0.073	0.0077	0.109	0.57	0.26	0.141	1.35	<0.5	<1.0	<2	<4

Winery Wastewater

Winery wastewater is untreated and usually comprises of 90% wash water and 10% raw winery wastes. The raw winery waste is passed through basket screens or sieves prior to collection, and the levels are considered to be low.

Eight wastewater samples were taken in the 2023-2024 period, and the average annual values are presented in Table 2 below.

Table 2. Summary of Winery Wastewater Monitoring Results 2023-2024 (Source: RM25.407 Application)

Date	pH	TSS g/m ³	Ca g/m ³	Mg g/m ³	K g/m ³	Na g/m ³	SAR mmol/L	TN g/m ³	NO ₃ + NO ₂ g/m ³	TKN g/m ³	DRP g/m ³	cBOD ₅ g O ₂ /m ³	E. coli cfu/100ml
Avg. 2023-2024	4.79	1500	43	9.7	354	211	7.8	106	0.92	105	8.039	7229	96157

WAS from Community WWTP

The Wānaka WWTP, serving both Wānaka and Albert Town, is the primary source of WAS and forms the basis for assessing alternative management options. The facility treats up to 12,860 m³ of wastewater per day, with peak inflows reaching 232 L/s. The WAS produced is almost entirely domestic in origin, comprising mostly organic matter from microbial digestion, with no recognisable solids due to upstream screening and treatment.

WAS is thickened using polyacrylamide and dewatered via centrifuge to 18–20% dry solids. Approximately 2,000 m³ of WAS is produced annually, currently trucked over 3 hours to Kings Bend Landfill in Southland—a method that the Applicant considers to be costly, emissions-intensive, and unsustainable long-term. Thus, the proposed activity is for direct land application of fresh WAS, without storage. The WAS is similar to a bio-solid and is the precursor biosolid input product. However, without stabilisation it does not meet the strict definition of a bio-solid as outlined in the Guideline for Beneficial Use of Biosolids on Land.

WAS samples from the Wānaka WWTP analysed in 2009 (Project Pure) and again in June 2025 show consistent nitrogen levels used for application rate calculations. Variations in other elements were minor and typical for environmental samples. The 2025 results indicate stable organic content and reduced heavy metals, supporting the safe land application approach. See Table 3 below.

Table 3. WAS Composition Compared to the Guideline for Beneficial Use of Biosolids on Land 2025 (Source: RM25.407 Application)

Parameter	WAS Composition 2009	WAS Composition June 2025	Grade 1 Limit (Biosolid Guideline 2025)
Nutrients (% w/w)			
pH	-	6.85	
Nitrogen	6.6	6.6	No criteria to be met
Phosphorus	1.3	1.55	
Sulphur	0.49	0.54	
Calcium	0.97	0.72	
Magnesium	0.6	0.37	
Potassium	0.2	0.58	
Sodium	0.44	0.035	
Pathogens			
<i>E. coli</i> (MPN/100 mL)	650,000	-	<100
Campylobacter	-	-	<1/25 g
Salmonella	-	-	< 2 MPN/g
Human Adenovirus	-	-	<1 PFU/0.25 g
Helminth Ova	-	-	<1/4g
Trace Elements (mg/kg)			
Arsenic	4.5	8	30
Cadmium	1.4	0.73	6.5
Chromium	15	14	1500
Copper	215	122	750
Lead	15	8.5	300
Mercury	1.23	0.31	7.5
Nickel	13	10	135
Zinc	455	280	1250

The application states that with regard to the stabilisation grade requirements, the results in the table above show that the WAS exceeds the pathogen limit for *E. coli*, therefore does not achieve the “A” grading for biosolids. In addition, WAS direct ex-plant has not undergone a stabilisation process as prescribed in the guidelines and therefore does not achieve the “B” grade for biosolids. For this reason, it is described as sludge rather than as biosolids.

3.3 Method of Discharge

The proposed land application system will comprise the following:

- a) Total land application area of 178.57 ha; and

- b) Discharge system applying WAS fresh onto the land surface to be incorporated (which means mixing treated sewage sludge (biosolids) into the soil so it becomes part of the soil matrix) into the soil over a total area when fully exercising the consent of 171 ha.
- c) Discharge system for winery wastewater applying to the soil surface.
- d) Discharge system for grease trap and mud tank/sump waste via soakage trenches and/or soil injection.
- e) Separate areas designated for the land application of different waste streams.

WAS Application Method

The application states that the following factors were considered when selecting a suitable discharge area and application method:

- Area (ha) of land available
- Distance from the WWTP site
- Proximity to waterbodies
- Slope
- Accessibility
- Other land use(s)

The WAS will be applied to the land surface using a muck spreader or similar. The aim would be to discharge up to 50 m³ of WAS each week, requiring approximately 0.5-1 ha of land application area. To allow for this volume, and a return period of 3-years, a land area of 132 ha is required and will to be split up into different management blocks. A total area of 170.75 ha has been allocated for WAS.

Winery Wastewater Application Method

The application indicates that winery wastewater will be discharged directly from a vacuum tanker truck. The truck is equipped with a 2.4-m-long spreader bar featuring a continuous 25 mm slot positioned 300 mm above the ground, which distributes wastewater at a rate of 15 litres per second onto the soil surface. The wastewater is applied in strips measuring approximately 150 m in length and 2.4 m in width (covering 360 m²). Once the entire land application area is covered, subsequent applications are made at a 90-degree angle to the previous direction. The truck moves along the strip while discharging its contents, continuing until the tank is emptied. A different strip is used for each disposal event, with the truck's GPS system ensuring accurate placement. With a typical load of 4,000 litres, each application results in an even coverage of 11.1 mm across the 360 m² area. Larger loads would be distributed across multiple 150-m strips.

Mud Tank and Grease Trap Waste Method

The application states that consent is being sought for two proposed methods of applying mud tank and grease trap waste: soakage trenches and soil injection. The preferred method for discharging these wastes is through land application using either soakage trenches or soil injection, as outlined in Section 6.2 of the application. The trenches are expected to be approximately 1–2 m wide, 1.5–2 m deep, and up to 150 m long. Initially, these trenches will remain open after waste is discharged. The general procedure involves first placing grease trap waste at the bottom of the trench, followed by mud sump waste layered on top. This process continues until the trench is filled to within 200 mm of the surface, after which it is capped with the excavated soil.

If odour from the grease trap waste becomes noticeable and is deemed a nuisance (which is considered unlikely due to the waste being undisturbed), some of the excavated soil will be placed over the grease waste immediately after discharge. The Applicant is also seeking flexibility to use soil injection as an alternative method. Soil injection is seen as a risk mitigation approach, particularly on pastoral land, as it incorporates waste directly into the soil using specialised equipment. This method can limit pathogen exposure, reduce contaminant uptake by livestock, prevent the spread of pathogens, improve dilution and dispersion, enhance contaminant retention in the soil, and reduce losses from wind, runoff, or impacts on surrounding areas.

For soil injection, with typical discharge volumes of up to 20 m³/day (or 2,400 m³ annually), the injection depth per application is expected to be around 20 mm. As detailed in Section 3.5, a 7.82-hectare land application area has been designated for the discharge of winery wastewater, grease trap waste, and mud tank/sump waste.

Crop production

In the locations where land application occurs, areas will be planted with crops to minimise nutrient leaching. In years 2 and 3, the areas would be managed as rotational grass with grazing by sheep or silage made, before being suitable to receive the WAS discharge again. This 3-year rotation of each block will minimise effects of the WAS discharge on the environment.

3.4 Description of the Environment

The site is located near Lauder. The site is zoned a Rural Resource Area under the Central Otago District Council plan.

3.4.1 Soils

The application explains that the soil at the Lauder site is generally well-suited for land application of WAS, grease trap waste, mud tank/sump waste, and winery wastewater. Physically, the soils have favourable properties—such as good texture and moisture retention—that support soil improvement through organic waste application. Chemically, the soils are infertile, with low levels of phosphorus, nitrogen, organic carbon, and cation exchange capacity, indicating a need for nutrient and organic matter inputs.

3.4.2 Surface Water and Groundwater

The Applicant states that the depth to groundwater at the site was measured between 1.5-2 m below ground level in the test pits. Ground water level measurements from nearby bores within approximately 3 km of the site give static water levels of approximately 1 m below ground level.

The nearest bore is used for agricultural irrigation, G41/0296, this is located approximately 910 m northwest of the nearest edge of discharge area. There are no other bores within 2 km of the discharge area. There are no surface water takes within 5 km of the proposed discharge area.

Lauder Creek flows roughly parallel to the northern boundary with its closest point around 2 km north of the property. The creek curves around the eastern side of the property and joins the Manuhereki River approximately 5 km south of the property. The nearest point of the

Manuherekia River to the property is approximately 4.3 km southeast from the discharge area. Thomsons Creek is located approximately 3.5 km to the west of the discharge area.

There are a number of surface waterways, including water storage ponds and a small wetland within the discharge site as shown in Figure 2 below. The Applicant has proposed a 20 m setback from any wetlands or storage ponds, 50 m setback from surface watercourses, and 5 m from irrigation races.

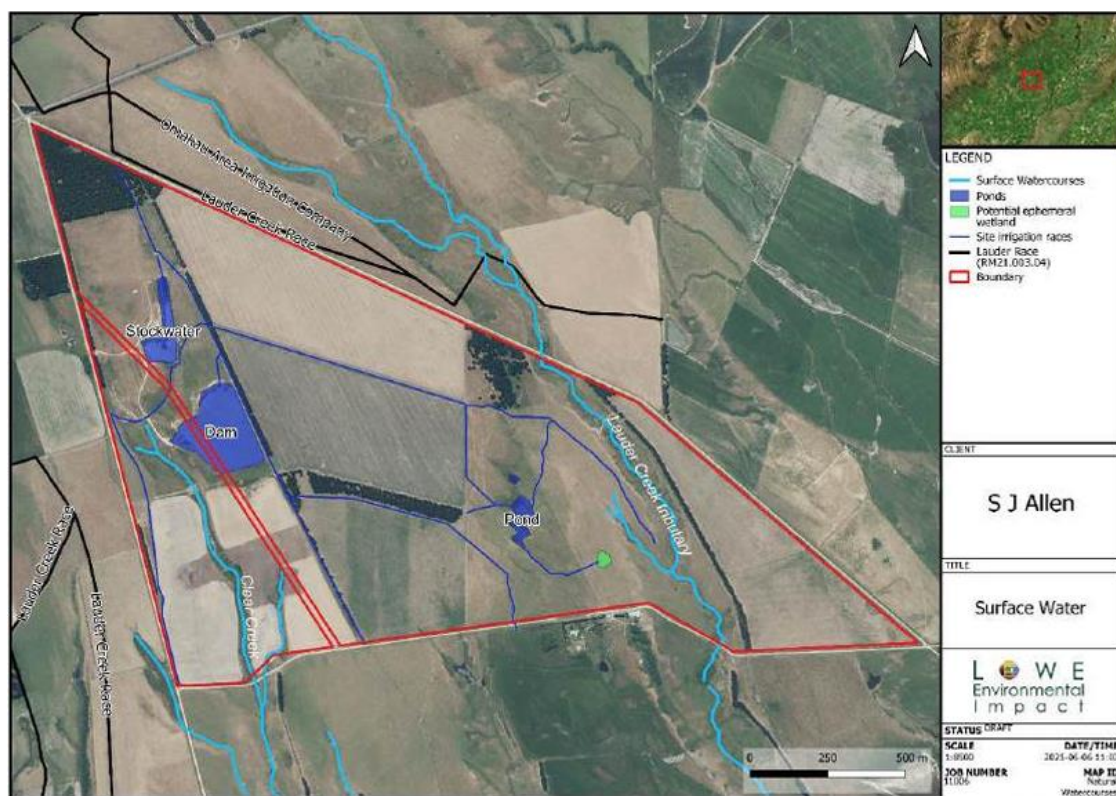


Figure 2. Surface water on site (Source: RM25.407 Application)

3.4.3 Storage dam, stock water pond, and pond

There is an irrigation water storage dam (as illustrated in Figure 2) located on the property. This is there to ensure pasture and crop can be irrigated as required, not only when water is available (the Applicant holds a surface water take 3.4 km north of the site). There is also a stock water pond to the north of this dam and a pond in the centre of the site that is supplied by the irrigation races from the main storage dam (both depicted in Figure 2).

3.4.4 Site Visit

A site visit was not undertaken for this application as there was considered to be sufficient photographic evidence, plans and aerial mapping information of the site to understand the nature of the site. The scale and the nature of the activity proposed means that a site visit was not required in this instance.

4. Status of the Application

The proposed discharge of WAS, grease trap and mud tank/sump waste and winery wastewater contain contaminants from an industrial or trade premise. Therefore, the activities are considered a **discretionary** activity under rule 12.B.4.1.

Unless discussed above, all other relevant permitted activity rules are complied with.

4.1 Permitted Activity Rules

Regional Plan Air

The Applicant has stated that they comply with permitted activity Rule 16.3.7.1, which states:

Discharges from the storage, transfer, treatment and disposal of liquid-borne municipal, industrial or trade waste - permitted activity

The discharge of contaminants into air from the storage, transfer, treatment or disposal (including land application of treated effluent and sludge, but excluding the burning of sludge and associated solids) of liquid-borne municipal, industrial or trade waste, where the influent liquid waste does not exceed a BOD5 of 850 kg per day;

is a permitted activity, providing:

- (a) Ponds constructed after 1 January 2002 are located at least 150 metres from the closest part of the boundary of the property; and*
- (b) Land application does not occur within:*
 - (i) 150 metres from any residential dwelling on a neighbouring property or from a building used for employment purposes on a neighbouring property; and*
 - (ii) 20 metres from a formed public road; and*
 - (iii) 150 metres from any public amenity area or place of public assembly, excluding formed public roads, and*
- (c) Any discharge of odour, particulate matter, droplets or gases is not noxious, dangerous, offensive or objectionable at or beyond the boundary of the property.*

5. Assessment of Adverse Environmental Effects

An assessment of effects is provided in the application and that is adopted for the purposes of this report. Key details are outlined below as it relates to understanding the scale of effects and to inform the recommendation on notification.

5.1 Effects on Human Health

Surface ponding of effluent can pose a significant human health risk. The proposed discharge, if undertaken as proposed, should not result in the surface ponding of effluent or associated adverse effects on human health. The Applicant has volunteered conditions of consent that require inspection of the land to ensure ponding does not occur. The effects of the discharge on human health from surface ponding are expected to be less than minor.

5.2 Effects on Soils and plants

The application states that the proposed discharge of WAS at 600 kg total nitrogen per hectare with a return period of three years (N)/ha (equivalent to 200 kg N/ha/year) is designed to enhance plant growth while maintaining environmental safety. Winery waste,

applied at up to 150 kg N/ha/year, due to its liquid nature, contributes similarly as a slow-release nutrient source. The WAS application will result in a phosphorus (P) loading rate of 118 kg P/ha over three years (approximately 39 kg P/ha/year), with 21% being immediately available to plants.

Soil testing provided and explained in the application confirms that the receiving soils are suitable for WAS application, with characteristics such as low total carbon and nitrogen content suggesting a high potential for improvement. The addition of WAS is expected to boost soil organic matter, microbial activity, and nutrient-holding capacity, improving long-term soil fertility and productivity.

An Overseer nutrient model was provided through the further information request. The model illustrates that the change in soil chemistry to be more nutrient rich, which will enhance the ability for plant production. Therefore, the proposed methods of discharging and crop production, for cut and carry, will ensure that any potential adverse effects from increasing nutrients in the soils is reduced. The cut-and-carry approach allows crops to grow and actively uptake nutrients, thereby reducing the amount of excess nutrients released into the surrounding environment. The three-year rotation as described earlier will reduce impacts by aiding in the uptake on nitrogen. RSU has reviewed this information and the model and agrees that the use of the overseer model is appropriate and agrees with the Applicant's assessment of the adverse effects on soils and plants.

Overall, the proposed discharge is expected to have less than minor effects on soil and plants.

5.3 Effects on Wetlands

As mentioned above a small wetland is located on the eastern side of the property. The application states that based on historical aerial imagery and seasonal observation, this wetland is intermittently saturated, with approximately 80% of its surface area drying during extended dry periods. Adjacent to this is a smaller, secondary wetland feature, which is likely ephemeral, as it appears to desiccate completely during certain times of the year.

The Applicant has proposed a 20 m setback from natural wetlands and considered this efficient to avoid adverse effects. RSU confirmed that this setback will be appropriate. In addition to this, the soil characteristics of the proposed application area are assessed to be well-structured, with moderate to high permeability and adequate organic matter content. This will further enhance protection through natural attenuation processes such as:

- Adsorption of nutrients and trace elements;
- Microbial degradation of organic matter; and
- Infiltration and buffering, reducing surface runoff potential.

The application is also subject to seasonal timing controls, which exclude application during periods of saturated soil conditions. This operational constraint will minimise the risk of surface runoff or subsurface leachate movement towards the wetland system.

Given the 20 m setback, the intermittent hydrology of the wetland, and the capacity of the receiving soils to assimilate and recycle nutrients, the potential effects of the proposed land application on natural wetlands will be less than minor.

5.4 Effects on Groundwater

The discharge has the potential to introduce and increase nitrogen and pathogen concentrations within the groundwater. The application notes the constituents of concern in relation to the proposed discharge include nitrate-nitrogen (NO_3^- -N), phosphorus, sodium, biological oxygen demand (BOD), microbial pathogens, and trace organics or metals.

Microbial contaminants

The Waste Activated Sludge (WAS) is estimated to contain approximately 650,000 Most Probable Number (MPN)/100 mL of *E. coli* (Winery waste has 96,157 MPN/100 mL, Grease trap and mud tank/sump has no *E. coli* source implying that their *E. coli* number will be much lower than the WAS and winery waste). When WAS is incorporated into the soil at a depth of approximately 150–200 mm, the soil microbes outcompete and eliminate most of the *E. coli*. As a result, *E. coli* levels are reduced to insignificant amounts, minimising environmental and health risks.

Microbial contaminants, if present, are expected to be rapidly reduced through:

- Die-off under aerobic soil conditions;
- Filtration through microporous soil matrices; and
- Biological antagonism by indigenous soil microfauna and microorganisms.

At the site, groundwater is known to be at 1.5-2 metres below ground level. Thus, there would still be at least a 1.5 m unsaturated soil profile. This unsaturated zone is likely sufficient to provide an appropriate buffer to groundwater.

Nitrogen

Nitrate-nitrogen is mobile through the soil and has the potential to adversely affect human health if present in high concentrations in drinking-water. The Drinking Water Standard for New Zealand 2005 (MoH, 2005) specifies a Maximum Acceptable Value for nitrate-nitrogen of 11.3mg/L. The WAS has a total nitrogen concentration of 6.6% before application into the soil. The total nitrogen in WAS consists of organic nitrogen from organic matter. There will be a minor amount of nitrite-nitrogen, nitrate-nitrogen and ammoniacal nitrogen.

The nitrogen loading rate for WAS will be approximately 600 kg total N/ha applied weekly with a return period of three years, which is equivalent to an average of 200 kg N/ha/year. Winery waste will be applied at a rate of up to 150 kg N/ha/year. Once applied, the nitrogen will be taken up by plants and removed when crops are harvested, so it will not build up in the soil. Thus, the amount being applied is not more than the soil can handle. This discharge therefore should not have any adverse effects on groundwater nitrogen concentrations providing the disposal system is effectively managed.

Phosphorus

The total P concentration in the WAS is 1.3% (w/w). The application of 45.5 ton of wet WAS application will bring 39 kg P/ha/year and 118 kg P/ha/ 3-year period. Phosphorus is not very mobile within the soil profile. The application states that there is a low potential for phosphorous leaching to groundwater due to the large depth of soil matrix before any potential groundwater, and most (if not all) phosphorous will be retained within the soil profile and not be leached to groundwater.

Heavy Metals

A detailed assessment of the heavy metals can be found on pages 64-67 of the application. The conclusion to this assessment explained:

Based on the comprehensive heavy metals assessment, the proposed land application of WAS, grease trap waste, mud sump/tank waste and winery wastewater are expected to have less than minor effects on soil and environmental quality. All trace element concentrations remain well within regulatory thresholds as defined by the Beneficial Use of Biosolids on Land (Water New Zealand, 2025), supporting the safe and sustainable reuse of biosolids in agricultural landscapes.

The Applicant has proposed a testing regime that will ensure that the concentration of heavy metals within waste to be discharged remains within this threshold.

Under the proposed land management plan, materials will be applied:

- The discharge will be applied weekly with a return period of three years at a conservative rate of 600 kg total nitrogen/ha (for WAS);
- To unsaturated soils with suitable infiltration capacity (application during periods of saturated soil moisture will be avoided); and
- Subject to strict setback distances and climate-based timing controls.

The Applicant's assessment as to the actual or potential adverse effects on groundwater from the above contaminants have been peer-reviewed by RSU. Subject to groundwater monitoring (that has been agreed to as a condition of consent), RSU concluded that when WAS, winery waste, mud sump/tank and grease trap wastes are applied in accordance with the proposed rate, frequency, mitigations, and good management practices any potential adverse impacts on groundwater are expected to be less than minor.

5.5 Effects on Surface Water

In this instance, the nearest surface watercourses are located throughout the property and thus appropriate setbacks throughout the site must be implemented.

The risks to surface water are mitigated through implementation of the following best practice mitigations:

- Minimum 20 m buffer zone to natural wetlands;
- 50 m buffer zones to all other natural surface water bodies;
- 5 m buffer from irrigation races;
- 20 m buffer from water storage ponds;
- Application only on flat or gently sloping terrain to reduce runoff risk;
- Avoidance of application during periods of saturated soil moisture; and
- Rapid incorporation of materials into the upper soil horizon to prevent surface exposure and runoff.

RSU has reviewed these setbacks, and alongside the proposed discharges acting in accordance with the proposed rate, frequency, and good management practices, overall, potential adverse effects on surface water are expected to be no less than minor.

5.6 Effects on Aquatic Ecology

Any potential impacts on aquatic ecology would only occur indirectly through hydrological connectivity with nearby water bodies. The activity will take place on private, restricted-access pastoral land following strict environmental protocols and best management practices.

Key protective measures include:

- 50 m buffer zones from all streams and tributaries.
- 20 m buffer zone from natural wetlands.
- 5 m setbacks from on-site irrigation channels.
- Application only during favourable weather conditions (no heavy rain or saturated soils).
- Use of low-rate application and rapid soil incorporation.
- Compliance with slope and soil suitability thresholds.

These measures are designed to prevent contamination through runoff or leaching, protecting water quality, aquatic habitats, and riparian zones. Overall, the proposal poses negligible risk to aquatic ecosystem health or downstream water quality. Overall, effects on ecology are considered to be less than minor.

5.7 Effects on Air Quality

The greatest potential for odour nuisance from on-site systems arises from effluent ponding. This problem should occur if the disposal system is managed properly, as recommended in consent conditions. Any odour emissions are expected to be of short duration, generally limited to a few hours per application event. Given the small quantities involved and the localised nature of the discharge, any odour effects will be minor, transient, absence of nearby sensitive receptors, and confined to the application area.

Overall, potential adverse effects on air quality are expected to be less than minor.

5.8 Effects on Other Groundwater Users

Discharges of wastes to land have the potential to result in groundwater contamination if contaminants migrate through soil into groundwater, which could impact on nearby users of that groundwater. Given the location of the discharge in relation to nearby groundwater takes as well as the application volume and quality of the proposed discharge, adverse effects on other users of groundwater are considered to be less than minor.

5.9 Effects on Cultural Values

As discussed in section 5.3, 5.4 and 5.5 above, given the volume and quality of the discharge along with the method of disposal, the proposed discharge to land will have a less than minor effects on groundwater and surface water bodies near and on the site.

Aukaha's letter of written approval notes that:

During November 2024 discussions about site suitability, the applicant stated that they will be applying for a discharge permit for the whole site (excluding waterway setbacks), but during the first 12-months, only a small portion shall receive discharge

as a trial period. After this 12-month trial, the monitoring results shall be collated into a report detailing the effects on the receiving environment. The applicant agreed to share this report with kā Rūnaka (via Aukaha Ltd), for their feedback on the impacts from a cultural perspective. This report will also include any proposed changes to the methodologies to further mitigate and minimise effects on the receiving environment.

The engagement process that the Applicant undertook with Aukaha had the following outcomes:

- No particular areas of cultural significance were identified; and
- Written approval was provided so long as proposed condition is implemented.

Appendix 1 of the written approval states:

Kā Rūnaka have provided direction on how they would like to see any unforeseen effects on the receiving environment during the trial period to be addressed. This direction is aligned with the approach proposed by the Applicant; however, it must be noted that the exact wording must be refined at the consent conditions stage of council process to meet the council expectations from an enforceability perspective. The following text details the intent of the condition to address this:

If, after the trial period, the monitoring results show the discharge of waste products has adverse effects on the receiving environment which are greater than predicted, or unforeseen, by the application, the consent holder shall either revise the operations and management plan in consultation with kā Rūnaka and the Otago Regional Council (ORC) or through another process mutually agreed with kā Rūnaka and the ORC in order to remediate these effects. The timeframe for any required remediation will be set during the consultation process.

The Applicant has proposed a condition which is in alignment with kā Rūnaka's request. Therefore, effects on cultural values are considered to be less than minor.

5.10 Consideration of Alternative

The Applicant has considered alternatives for WAS and grease trap and mud tank/sump waste and winery wastewater. For WAS, the application states that the primary alternative option to the proposed WAS management is to continue the status quo of sending the waste to landfill. However, as discussed in the application this is a significant financial investment and does not utilise the potential of WAS for beneficial reuse as a fertiliser and soil conditioner. Other alternative options that were considered with the proposal to discharge to land include the site location and the discharge methods.

The Applicant has also considered the following alternatives for grease trap and mud tank/sump waste and winery wastewater:

- (i) Discharge all wastes into trenches;
- (ii) Discharge all wastes onto land via the spreader bar;
- (iii) Discharge the grease trap and mud sump waste via soil injection; and
- (iv) Truck the winery wastes to district council WWTP facilities

The Applicant has adopted land application/treatment for winery waste and two options for the grease trap and mud tank/sump waste - trenches and soil injection.

5.11 Cumulative Effects

Provided the proposed setbacks, combined with the timing of the applications to avoid rainfall and saturated conditions, should allow for an effective barrier against cumulative nutrient loading or sedimentation in nearby waterways. The adherence to good land management practices further supports this outcome. The Applicant has also proposed regular monitoring to ensure any potential cumulative impacts are identified and able to be mitigated.

Council staff are aware of the potential for cumulative effects resulting from discharges in the area in relation to increases in nitrogen. RSU noted that the proposed discharge is not likely to contribute in a significant manner. The likelihood of such effects can be avoided or mitigated, provided discharges are properly managed and appropriate conditions applied to discharge permits. Further comment from RSU explained that the mitigations are required and monitoring is necessary to ascertain the added risk of greater amounts of Nitrogen are minimised. These recommendations were either already proposed by the Applicant or were subsequently adopted as part of the application following RSU audit. Cumulative effects are expected to be less minor.

5.12 Conclusion

Overall, the adverse effects of the proposed activity are expected to be less than minor.

6. Notification and Written Approvals

6.1 Section 95A Public Notification

Step 1: Is public notification mandatory as per questions (a) – (c) below?

- (a)** Has the applicant requested that the application be publicly notified? **No**
- (b)** Is public notification required by Section 95C? **No**
 - Has further information been requested and not provided within the deadline set by Council? **No**
 - Has the applicant refused to provide further information? **No**
 - Has the Council notified the applicant that it wants to commission a report but the applicant does not respond before the deadline to Council's request? **No**
 - Has the applicant refused to agree to the Council commissioning a report? **No**
- (c)** Has the application been made jointly with an application to exchange recreation reserve land under section 15AA of the Reserves Act 1977? **No**

Step 2: Is public notification precluded as per questions (a) – (b) below?

- (a)** Is public notification precluded by a rule in the plan or a NES? **No**
- (b)** Is the application for one or more of the following activities but no other activities:
 - (i)** A controlled activity? **No**
 - (ii)** A restricted discretionary, or discretionary activity, but only if the activity is a subdivision of land or a residential activity? **[Repealed]**
 - (iia)** A restricted discretionary, discretionary or non-complying activity but only if the activity is a boundary activity? **No**
 - (iii)** A prescribed activity (see section 360G(1)(a)(i)? **[Repealed]**

Step 3: Does the application meet either of the criteria in (a) or (b) below?

- (a) Is the application for a resource consent for one or more activities, and any of those activities is subject to a rule or national environmental standard that requires public notification? **Yes / No**
- (b) Will the activity have or be likely to have adverse effects on the environment that are more than minor in accordance with Section 95D? **No**

The adverse environmental effects on the environment from the proposal are discussed in elsewhere of this report. Based on this review, I consider that there will not be more than minor adverse effects on the environment (discounting the site and adjacent sites).

Step 4: Do special circumstances exist in relation to the application that warrant the application being publicly notified? No

6.2 Section 95B Limited Notification

Step 1

Section 95B(2) Are there any affected groups or persons identified under Section 95B(2):

- (a) Protected customary rights groups? **No**
- (b) Customary marine title groups? **No**

Section 95B(3)(a) Is the proposed activity on or adjacent to, or may it affect, land that is the subject of a statutory acknowledgement made in accordance with an Act specified in Schedule 11? **No**

Section 95B(3)(b) Is a person to whom a statutory acknowledgement is made an affected person under Section 95E? **No**

Step 2

Is Limited Notification precluded under Section 95B(6)?

- (a) Is the application for a resource consent for one or more activities, and each activity is subject to a rule or national environmental standard that preclude limited notification? **No**
- (b)
 - (i) Is the proposal a Controlled Activity that requires consent under the District Plan (other than a subdivision of land)? **No**
 - (ii) Is it a prescribed activity under Section 360G(1)(a)(ii)? **[Repealed]**

Step 3

Having regard to Section 95E of the Resource Management Act, identify persons who would be adversely affected by the proposed activity by effects that are minor or more than minor, but not less than minor and give reasons why affected parties were identified.

Written approvals were provided with the application from Aukaha on behalf of mana whenua. As approvals have been provided from these parties, adverse effects on them have been disregarded and they are not been considered to be an affected party.

The following parties were not considered to be affected parties to the application as effects on them will be less than minor or they are not considered to be affected parties:

Party	Why they are not affected
Department of Conservation	<i>The potential adverse effects on surface water bodies in proximity to the proposed discharge site are considered to be less than minor. Adverse effects on indigenous aquatic values are considered to be less than minor. There are no items of historic heritage that would be affected by this proposal.</i>
Public Health South (PHS)	<i>The potential adverse effects on soils, groundwater and surface water bodies in proximity to the proposed discharge site are considered to be less than minor. Adverse effects on human health are considered to be less than minor.</i>
Persons owning or occupying Neighbouring Properties	<i>The potential adverse effects are not expected to extend beyond the property boundary. Therefore, effects on the owners or occupiers of neighbouring properties are considered to be less than minor.</i>
Nearby Groundwater Users	<i>There is the potential for wastewater discharges to contaminate groundwater. There are no current groundwater takes used for domestic supply located within 2km downgradient of the discharge site. Therefore, it is considered there will be no effects on nearby groundwater users.</i>

Have all persons identified as affected under Step 3 provided their written approvals?
Yes

Step 4 Further notification in special circumstances

Do special circumstances exist in relation to the application that warrant notification of the application to any other persons not already determined to be eligible for limited notification under this section (excluding persons assessed under Section 95E as not being affected persons)? **No**

7. NOTIFICATION RECOMMENDATION:

In accordance with the notification steps set out above, it is recommended that the application proceed on a non-notified basis.

Daizy Thompson-Fawcett

Daizy Thompson-Fawcett

Consents Planner

23 January 2026



Shay McDonald
Principal Consents Planner
23 January 2026

DECISION ON NOTIFICATION

Sections 95A to 95G of the Resource Management Act 1991

Date: 28 January 2026

Application No: RM25.407

Subject: *Decision on notification of resource consent application under delegated authority*

Decision under Delegated Authority

The Otago Regional Council decides that this resource consent application is to be processed on a **non-notified**¹ basis in accordance with sections 95A to 95G of the Resource Management Act 1991.

The above decision adopts the recommendations and reasons outlined in the Notification Recommendation Report above in relation to this application. I have considered the information provided, reasons and recommendations in the above report. I agree with those reasons and adopt them.

This decision is made under delegated authority by:



.....
Peter Christophers
Team Leader Consents
28 January 2026

¹ Once all identified affected parties have provided their unconditional written approval to the application. If these approvals are not provided then the application will proceed by limited notification.

ORC SECTION 42A REPORT

1. Summary of Recommendation

I recommend that this application be approved, subject to the conditions discussed at the end of this report.

Please note that this report contains the recommendations of the Consent Planner and represents the opinion of the writer. It is not a decision on the application.

There are no principal issues in contention with the Applicant and no evidence was heard as it relates to the application. The key risks/issues with the application were discussed in section 2 of the notification report.

2. Section 104 Evaluation

Section 104 of the Act sets out the matters to be considered when assessing an application for a resource consent. These matters are subject to Part 2, the purpose and principles, which are set out in Sections 5 to 8 of the Act.

As this application is for a discretionary activity, the Council may grant or refuse the application. If granting consent, the Council may impose conditions under section 108 of the Act.

2.1 Section 104(1)

The remaining matters of Section 104 to be considered when assessing an application for a resource consent are:

- (a) the actual and potential effects on the environment of allowing the activity;
- (ab) any measure proposed or agreed to by the applicant for the purpose of ensuring positive effects on the environment to offset or compensate for any adverse effects on the environment that will or may result from allowing the activity
- (b) any relevant provisions of a national environmental standard, other regulations, a national policy statement, the Regional Policy Statement (RPS), RPW; and
- (c) any other matter the Council considers relevant and reasonably necessary to determine the application.

2.2 S104(1)(a) – Actual and potential effects on the environment of allowing the activity

The actual and potential adverse environmental effects of the proposed activity were considered earlier in this report.

In addition to these adverse effects, it is considered that the proposal will have the following positive effects:

- Enhanced nutrient content and retention and avoidance of synthetic fertilisers.
- Enables the enhancement and continued use of existing land resources.
- Minimises waste being disposed at landfills.

2.3 S104(1)(ab)

The Applicant has not proposed or agreed to any measures to offset or compensate for adverse effects that will or may result from allowing the activity. This is because the potential adverse effects are expected to be less than minor.

2.4 S104(1)(b) Relevant Planning Documents

2.4.1 National Environmental Standard for Sources of Human Drinking Water

Regulations 7 and 8 of the National Environmental Standard for Sources of Human Drinking Water (NES) need to be considered when assessing discharge permits that have the potential to affect registered drinking water supplies that provide 501 or more people with drinking water for 60 or more calendar days each year.

Regulations 11 and 12 of the NES requires the Consent Authority to place an emergency notification condition on relevant consent holders if it is assessed that the activity could pose a risk to the drinking water supply in the case of an unintended event (e.g. a spill or other accident). If the Consent Authority considers that such a risk exists, a condition must be placed on the consents that requires the consent holder to notify the drinking water supplier if such an event occurs. Regulation 11 states that Regulation 12 applies to activities with the potential to affect registered drinking water supplies that supply 25 or more people with drinking water for 60 or more days of a calendar year.

The proposal will not affect any registered drinking water supplies, therefore the NES for human drinking water is not relevant.

2.4.2 National Environmental Standards for Freshwater 2020

The NESFW 2020 regulations came into force on 3 September 2020 and were amended in December 2022. They impose standards on a range of farming activities and other activities relating to freshwater. They also set out a framework for consenting certain activities if the standards are not met. The NESFW is not relevant to this application.

2.4.3 National Policy Statement for Freshwater Management

The National Policy Statement for Fresh Water Management 2020 (“NPS-FM”) provides direction to local authorities and resource users regarding activities that affect the health of freshwater and sets out objectives and policies for freshwater management under the RMA.

The NPS-FM came into force on 3 September 2020 and was amended in December 2022, replacing the previous 2014 NPS-FM. Although it retains some of the same principles as the NPS-FM 2014, including a strengthened focus on Te Mana o te Wai, the NPS-FM 2020.

Part 2 of the NPS-FM sets out the national objective for future freshwater management and 15 separate policies that support this objective.

The objective of the NPS-FM 2020 is to ensure that natural and physical resources are managed in a way that prioritises:

- (a) first, the health and well-being of water bodies and freshwater ecosystems;
- (b) second, the health needs of people (such as drinking water); and
- (c) third, the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future.

Section 104 of the RMA has been amended to include section 104(2F) which provides that when considering an application and any submissions received, a consent authority must not have regard to clause 1.3(5) or 2.1 of the NPSFM 2020 (which relates to the hierarchy of obligations in the NPSFM 2020). Subsection (2F) applies despite subsection (1)(b)(iii) and any other provision of the RMA.

The amendment to section 104 applies to applications for a resource consent that is lodged with a consent authority before commencement of the amendments if the consent authority has not served notice of its decision on the application.

As a result, clause 1.3(5) and clause 2.1 (the objective) of the NPSFM 2020 has not been assessed.

Relevant policies in the NPS-FM are detailed below:

- Policy 1: Freshwater is managed in a way that gives effect to Te Mana o te Wai.*
- Policy 2: Tangata whenua are actively involved in freshwater management (including decision-making processes), and Māori freshwater values are identified and provided for.*
- Policy 3: Freshwater is managed in an integrated way that considers the effects of the use and development of land on a whole-of-catchment basis, including the effects on receiving environments.*
- Policy 6: There is no further loss of extent of natural inland wetlands, their values are protected, and their restoration is promoted.*
- Policy 13: The condition of water bodies and freshwater ecosystems is systematically monitored over time, and action is taken where freshwater is degraded, and to reverse deteriorating trends.*
- Policy 15: Communities are enabled to provide for their social, economic, and cultural well-being in a way that is consistent with this National Policy Statement.*

The Council has proposed a progressive implementation plan for meeting the NPS-FM 2020 and this includes developing a new land and water plan that includes objective and targets for FMUs in accordance with the requirements of the NPS-FM. A review condition has been recommended to allow conditions to be imposed on the discharge permit, if required, once the new land and water plan is fully operative.

The health of waterbodies and freshwater ecosystems has been considered throughout the proposal. The ultimate purpose of the activity is to reuse resources to improve soil health and agricultural production. Mana whenua were consulted in the early stages of the project and have provided their written approval. The proposal recognises the interconnectedness between land and water, and how the discharges can impact on freshwater. The proposed activity is also considered to provide economic benefit and support for local communities. Any potential adverse environmental effects will be managed. Overall, the proposed activity is considered to be generally consistent with the NPS-FM.

2.4.4 Operative Regional Policy Statement and Proposed Otago Regional Policy Statement

The RPS's provide an overview of the resource management issues for the Otago Region and the ways of achieving integrated management of its natural and physical resources. There are currently two regional policy statements in play in the Otago Region:

- Operative Otago Regional Policy Statement 2019 (**ORPS 2019**); and
- Proposed Otago Regional Policy Statement (**P-ORPS 2021**), which was first notified on the 26 June 2021 and on 30 September 2022 for the freshwater instrument components. On 30 March 2024 a hearing panel decision was released for both the freshwater and non-freshwater components.

Where two documents have legal effect, weighting is applied, with the weight determined taking into consideration:³

- The extent to which the proposed plan has been tested through the submissions and hearings process
- The potential for injustice
- The extent to which new measures represent a significant policy shift from the operative plan

There is some support through caselaw for giving proposed provisions more weight, particularly where the proposed plan introduces a change in the resource management strategy².

In this case, the 2021 RPS gives effect to the most recent suite of national direction, including the NPSFM 2020. Given the 2021 RPS has been through the hearings process with decisions released, and gives effect to national direction, it is recommended that more weight be given to the decisions on the 2021 RPS where there is conflict between the two provisions.

Table 4 identifies all the relevant objectives and policies in the Operative RPS for this application as well as similar objectives and policies in the Proposed RPS. Where both objectives/policies need to be considered (where the proposed RPS 2021 policy is shaded), weighting has been applied. Where the proposed RPS 2021 objective/policy is effectively operative (shaded white in the proposed RPS 2021 column) full consideration has been given to the 2021 policy because it is effectively operative. Additional relevant objectives and policies in the proposed RPS 2021 are listed in Table 5 below.

² *Mapara Valley Preservation Society Inc v Taupo District Council EnvC (A083/07)*, *Auckland Regional Council v Waitakere Council (A065/08)*

Table 4. Assessment of the relevant objectives and policies in the Operative RPS 2019 and companion objectives and policies in the Proposed RPS 2021

Operative RPS 2019	Proposed RPS 2021	Assessment
<p>Strikethrough of the objective or policy means it has not been assessed (i.e. it has been replaced by a Proposed RPS 2021 provision)</p> <p>Objective 1.1 Otago's resources are used sustainably to promote economic, social, and cultural wellbeing for its people and communities</p> <p>Policy 1.1.1 Economic Wellbeing</p> <p>Policy 1.1.2 Social and cultural wellbeing and health and safety</p>	<p>Shaded objectives and policies are under appeal and will be weighted against the operative RPS objectives and policies</p> <p>IM-O3 – Sustainable impact Otago's communities provide for their social, economic, and cultural well-being in ways that support or restore environmental integrity, form, functioning, and resilience, so that the life-supporting capacities of air, water, soil, and ecosystems are sustainably managed, for future generations.</p>	<p>The discharge of WAS, winery waste, grease and mud sump discharges to land allows for appropriate management of these substances. It also seeks to support the reuse of organic wastes, thus proposing to improve soil health and plant production in the long term, which brings economic and social benefits. Overall, the proposal is considered generally consistent with these objectives and policies.</p>
<p>Objective 1.2 Recognise and provide for the integrated management of natural and physical resources to support the wellbeing of people and communities in Otago</p> <p>Policy 1.2.1 Integrated resource management</p>	<p>IM-O2 – Ki uta ki tai The management of natural and physical resources embraces ki uta ki tai, recognising that the environment is an interconnected system which depends on its connections to flourish and must be managed as an interdependent whole.</p> <p>IM-P5 – Managing environmental interconnections Manage the use and development of interconnected natural and physical resources by recognising: (1) situations where the value and function of a natural or physical resource extends beyond the immediate, or directly adjacent, area of interest, (2) situations where effects of an activity extend to a different part of the environment, and (3) the impacts of management of one natural or physical resource on the values of another, or on the environment.</p> <p>IM-P7 – Cross boundary management Coordinate the management of natural and physical resources and the environment across jurisdictional boundaries and, whenever possible, between overlapping or related agency responsibilities.</p> <p>CE-P1A – Integrated management/ki uta ki tai Implement an integrated approach to managing Otago's coastal environment that: (1) recognises the interactions, ki uta ki tai, between the terrestrial environment, fresh water, and the coastal marine area, including the migration of fish species between fresh water and coastal water, (2) provides for the natural functioning of coastal processes at the physical interface between land, fresh water, and the coastal water, (3) ensures the effects of the use and development of land and fresh water maintain or enhance the health and well-being of the coastal environment, and (4) takes into account the ongoing effects of climate change.</p>	<p>Consideration has been given to the interconnection between the land and water that has the potential to be affected by this activity. The proposed discharges have been assessed as not having any direct effects on adjacent water bodies. Any potential adverse effects on the environment have been considered acceptable. Thus, the proposal is considered consistent with these objectives and policies.</p>

Operative RPS 2019	Proposed RPS 2021	Assessment
<p>Strikethrough of the objective or policy means it has not been assessed (i.e. it has been replaced by a Proposed RPS 2021 provision)</p>	<p>Shaded objectives and policies are under appeal and will be weighted against the operative RPS objectives and policies</p> <p>LF-WAI-P3 – Integrated management/ki uta ki tai Manage the use of fresh water and land, using an integrated approach that is consistent with tikaka and kawa, that:</p> <ol style="list-style-type: none"> (1) sustains and, to the greatest extent practicable, restores or improves: <ol style="list-style-type: none"> (a) the natural connections and interactions between <i>water bodies</i> (large and small, surface and ground, fresh and coastal, permanently flowing, intermittent and ephemeral), (b) the natural connections and interactions between <i>land</i> and <i>water</i>, from the mountains to the sea, (c) the habitats of <i>mahika kai</i> and indigenous species, including taoka species associated with the <i>water bodies</i>, (4) manages the effects of the use and development of land to maintain or enhance the health and well-being of <i>freshwater</i>, <i>coastal water</i> and associated ecosystems, (5) encourages the coordination and sequencing of regional or urban growth to ensure it is sustainable, (6) has regard to foreseeable <i>climate change risks</i>, and the potential effects of <i>climate change</i> on <i>water bodies</i>, including on their natural functioning, (7) has regard to cumulative <i>effects</i>, and (8) applies a precautionary approach where there is limited available information or uncertainty about potential adverse <i>effects</i>, in accordance with IM-P6. 	
<p>Objective 2.1 The principles of Te Tiriti o Waitangi are taken into account in resource management processes and decisions</p> <p>Policy 2.1.1 Treaty Obligations</p> <p>Policy 2.1.2 Treaty Principles</p> <p>Objective 2.2 Kāi Tahu values, interests and customary resources are recognised and provided for</p> <p>Policy 2.2.1 Kāi Tahu wellbeing</p>	<p>MW-01 – Principles of Te Tiriti o Waitangi The principles of Te Tiriti o Waitangi are given effect in resource management processes and decisions, utilising a partnership approach between councils and papatipu rūnaka to ensure that what is valued by mana whenua is actively protected in the region.</p> <p>MW-P1 – Treaty obligations Promote awareness and understanding of the obligations of local authorities in regard to the principles of Te Tiriti o Waitangi, tikaka Māori and kaupapa Māori.</p> <p>MW-P2 – Treaty principles Local authorities exercise their functions and powers in accordance with the principles of Te Tiriti o Waitangi, by:</p> <ol style="list-style-type: none"> (1) recognising the status of Kāi Tahu as <i>mana whenua</i> and facilitating Kāi Tahu involvement in decision-making as a partner under Te Tiriti o Waitangi, (2) including Kāi Tahu in resource management processes, implementation and decision-making to the extent desired by mana whenua, (3) recognising and providing for Kāi Tahu values and addressing resource management issues of significance to Kāi Tahu, as identified by <i>mana whenua</i>, in resource management 	<p>The principles of Te Tiriti o Waitangi have been taken into account when processing this discharge activity. Consideration has been given to iwi management plans, and specific consideration as to whether mana whenua are affected by the proposal. Mana whenua were consulted in the early stages of the project and have provided written approval for the application. Overall, the application is considered consistent with these objectives and policies.</p>

Operative RPS 2019	Proposed RPS 2021	Assessment
<p>Strikethrough of the objective or policy means it has not been assessed (i.e. it has been replaced by a Proposed RPS 2021 provision)</p>	<p>Shaded objectives and policies are under appeal and will be weighted against the operative RPS objectives and policies</p> <p>decision-making processes and plan implementation,</p> <p>(4) recognising and providing for the relationship of Kāi Tahu culture and traditions with their ancestral lands, and waters, encompassing wai māori and wai tai, significant sites, <i>wāhi tūpuna</i>, <i>wāhi tapu</i> and <i>wāhi taoka</i>, and other taoka by ensuring that Kāi Tahu have the ability to identify these relationships and determine how best to express them,</p> <p>(5) ensuring that <i>regional plans</i> and <i>district plans</i> recognise and provide for Kāi Tahu relationships with Statutory Acknowledgement Areas, <i>tōpuni</i>, <i>nohoaka</i> and customary fisheries identified in the NTCSA, including by actively protecting the mauri of these areas,</p> <p>(6) having particular regard to the responsibility of Kāi Tahu to exercise their role as kaitiaki, as an expression of mana and rakatirataka,</p> <p>(7) actively pursuing opportunities for:</p> <p>(a) delegation or transfer of functions to Kāi Tahu, and</p> <p>(b) partnership or joint management arrangements,</p> <p>(c) taking into account iwi management plans when making resource management decisions,</p> <p>(8) <i>regional plans</i> and <i>district plans</i> recognising and providing for aquaculture settlement outcomes identified under the Māori Commercial Aquaculture Claims Settlement Act 2004,</p> <p>(9) recognising and providing for mātauraka and tikaka in environmental and resource management, and</p> <p>(10) recognising and providing for rights and interests of owners of <i>Maori land</i>.</p> <p>MW-P3 – Supporting Kāi Tahu hauora</p> <p>The natural environment is managed to support Kāi Tahu hauora by:</p> <p>(1) recognising that Kāi Tahu hold an ancestral and enduring relationship with all whenua, wai māori and <i>coastal waters</i> within their takiwā,</p> <p>(2) protecting customary uses, Kāi Tahu values and relationships as identified by Kāi Tahu to resources and areas of significance, and restoring these uses and values where they have been degraded by human activities,</p> <p>(3) safeguarding the mauri and life-supporting capacity of natural resources, recognising the whakapapa connections of Kāi Tahu with these resources as taoka, and the connections to practices such as <i>mahika kai</i>, and</p> <p>(4) working with Kāi Tahu to incorporate mātauraka into resource management processes and decision-making.</p>	
<p>Objective 3.1 The values (including intrinsic values) of ecosystems and natural resources are</p>	<p>IM-O1 – Long term vision (mō tatou, ā, mō kā uri ā muri ake nei)</p> <p>The management of natural and physical resources, by and for the people of Otago, in partnership with Kāi Tahu, achieves a healthy and resilient natural environment, including the ecosystem services it</p>	<p>The proposed discharge is in line with achieving healthy and resilient environments. All actual and potential effects on</p>

Operative RPS 2019	Proposed RPS 2021	Assessment
<p>Strikethrough of the objective or policy means it has not been assessed (i.e. it has been replaced by a Proposed RPS 2021 provision)</p> <p>recognised and maintained, or enhanced where degraded</p>	<p>Shaded objectives and policies are under appeal and will be weighted against the operative RPS objectives and policies</p> <p>provides and supports the well-being of present and future generations.</p>	<p>the environment are considered acceptable, thus is consistent with this objective.</p>
<p>Policy 3.1.1 Fresh water</p>	<p>LF-FW-P7 – Fresh water <i>Environmental outcomes, attribute states (including target attribute states), environmental flows and levels, and limits ensure that:</i></p> <ol style="list-style-type: none"> (1) the health and well-being of <i>water bodies</i> and <i>freshwater</i> ecosystems is maintained or, if <i>degraded</i>, improved, (2) the habitats of indigenous species with life stages dependent on <i>water bodies</i> are protected and sustained, (2A) the habitats of trout and salmon are protected insofar as this is consistent with (2), (2B) fish passage is provided for, except where it is desirable to prevent the passage of some fish species in order to protect desired fish species, their life stages, or their habitats, (3) <i>specified rivers and lakes</i> are suitable for primary contact within the following timeframes: <ol style="list-style-type: none"> (a) by 2030, 90% of <i>rivers</i> and 98% of <i>lakes</i>, and (b) by 2040, 95% of <i>rivers</i> and 100% of <i>lakes</i>, and (4) resources harvested from <i>water bodies</i> including <i>mahika kai</i> and <i>drinking water</i> are safe for human consumption. 	<p>The proposed activity will not cause degradation to any freshwater, the health and wellbeing of nearby water bodies will be maintained. Thus, the proposal is considered to be consistent with these policies.</p>
<p>Policy 3.1.7 Soil values</p>	<p>LF-LS-P17 – Soil values Maintain the health and productive potential of soils, to the extent reasonably practicable by managing the use and development of <i>land</i> in a way that is suited to the soil characteristics and that sustains mauri through healthy:</p> <ol style="list-style-type: none"> (1) soil biological activity and <i>biodiversity</i>, (2) soil structure, and (3) soil fertility. 	<p>The proposed activity will not cause degradation to soil health. The health and wellbeing of soils on site are sought to be improved by the application of the discharges. Thus, the proposal is considered to be consistent with these policies.</p>
<p>Policy 3.2.15 Identifying the significant values of wetlands</p> <p>Policy 3.2.16 Managing the values of wetlands</p>	<p>LF-FW-O9 – Wetlands Otago's <i>wetlands</i> are protected from inappropriate subdivision, use and development and, where degraded, restoration is promoted so that:</p> <ol style="list-style-type: none"> (1) <i>mahika kai</i> and other <i>mana whenua</i> values are sustained and enhanced now and for future generations, (2) in relation to the extent and diversity of indigenous ecosystem types and habitats: <ol style="list-style-type: none"> (a) for wetlands outside the coastal marine area, there is no net decrease, and preferably an increase, and (b) for natural inland wetlands, there is no decrease, and preferably an increase, other than as provided by the NPSFM, and (3) there is no reduction and, where degraded, there is an improvement in wetland ecosystem health, hydrological 	<p>The discharge activity is unlikely to affect the nearby wetlands due to the proposed mitigation measures. Overall, the proposal is considered to be consistent with these objectives and policies.</p>

Operative RPS 2019	Proposed RPS 2021	Assessment
<p>Strikethrough of the objective or policy means it has not been assessed (i.e. it has been replaced by a Proposed RPS 2021 provision)</p>	<p>Shaded objectives and policies are under appeal and will be weighted against the operative RPS objectives and policies</p> <p>functioning, <i>amenity values</i>, extent or <i>water quality</i>, and</p> <p>(4) their flood attenuation and water storage capacity is maintained or improved.</p> <p>LF-FW-P8 – Identifying wetlands By 3 September 2030, identify and map:</p> <p>(1) any wetland at risk of loss of extent or values,</p> <p>(2) any wetland identified in a farm environment plan, or that may be affected by any application for, or a review of, a resource consent, and</p> <p>(3) all other natural inland wetlands that are:</p> <p>(a) 0.05 hectares or greater in extent, or</p> <p>(b) of a type that is naturally less than 0.05 hectares in extent (such as an ephemeral <i>wetland</i>) and known to contain threatened species.</p> <p>LF-FW-P10A – Managing wetlands Otago’s <i>wetlands</i> are managed:</p> <p>(1) in the coastal environment, in accordance with CE – Coastal Environment, and</p> <p>(2) by applying clause 3.22(1) to (3) of the NPSFM to natural inland wetlands, and</p> <p>(3) to improve the ecosystem health, hydrological functioning and extent of wetlands that have been degraded or lost by promoting:</p> <p>(a) an increase in the extent and condition of habitat for indigenous species,</p> <p>(b) the restoration of hydrological processes,</p> <p>(c) control of pest species and vegetation clearance, and</p> <p>(d) the exclusion of stock, except where stock grazing is used to enhance wetland values, and</p> <p>(4) to sustain and enhance Māori freshwater values.</p>	
<p>Policy 5.4.2 Adaptive management approach</p> <p>Policy 5.4.3 Precautionary approach to adverse effects</p>	<p>IM-P6 – Managing uncertainties In resource management decision-making, manage uncertainties by using the best information available at the time, including scientific data and mātauraka Māori, and:</p> <p>(1) taking all practicable steps to reduce uncertainty, and</p> <p>(a) in the absence of complete and scientifically robust data, using information obtained from modelling, reliable partial data, and local knowledge, with preference for sources of information that provide the greatest level of certainty, and</p> <p>(b) avoiding unreasonable delays in making decisions because of uncertainty about the quality or quantity of the information available, and</p> <p>(2) adopting a precautionary approach, including through use of adaptive management, towards activities whose effects are uncertain, unknown, or a little understood, but potentially significantly adverse.</p>	<p>A recommendation has been made based on the best available information at the time. As this method of discharge the proposed waste is relatively new, more stringent monitoring conditions will be imposed to manage any unanticipated outcomes. The proposed activity is considered to be consistent with these policies.</p>

Table 5. Additional relevant objectives and policies of the RPS 2021

Proposed RPS 2021	Assessment
Shaded objectives and policies are under appeal and weighting will be given to them	
<p>IM-P3 – Providing for mana whenua cultural values in achieving integrated management</p> <p>Recognise and provide for the relationship of Kāi Tahu with natural resources by:</p> <ul style="list-style-type: none"> (1) enabling mana whenua to exercise rakatirataka and kaitiakitaka, (2) facilitating active participation of mana whenua in resource management processes and decision making, (3) incorporating mātauraka Māori in processes and decision-making, and (4) ensuring resource management provides for the connections of Kāi Tahu to wāhi tūpuna, wai māori (including awa [rivers] and roto [lakes] and wai tai (including te takutai moana [coastal marine area]) and mahika kai and habitats of taoka species. 	<p>The application adopts an approach that incorporates mana whenua values through active consultation. Overall, the proposal is generally consistent with the policy.</p>
<p>IM-P13 – Managing cumulative effects</p> <p>In resource management decision-making, recognise and manage the impact of cumulative effects on the form, functioning and resilience of Otago’s environment (including resilience to climate change) and the opportunities available for future generations.</p>	<p>Cumulative effects have been assessed in the notification report and are considered to be acceptable. Thus, the application is consistent with this policy.</p>

<p>LF-WAI-O1 – Te Mana o te Wai</p> <p>Otago's water bodies and their health and well-being are protected, and restored where they are degraded, so that the mauri of those water bodies is protected, and the management of land and water recognises and reflects that:</p> <ol style="list-style-type: none"> (1) water is the foundation and source of all life – na te wai ko te hauora o ngā mea katoa, (2) there is an integral kinship relationship between water and Kāi Tahu whānui, and this relationship endures through time, connecting past, present and future, (3) each water body has a unique whakapapa and characteristics, (4) fresh water, land, and coastal water have a connectedness that supports and perpetuates life, (4A) protecting the health and well-being of water protects the wider environment, (5) Kāi Tahu exercise rakatirataka, manaakitaka and their kaitiakitaka duty of care and attention over wai and all the life it supports, and (6) all people and communities have a responsibility to exercise stewardship, care, and respect in the management of fresh water. <p>LF-WAI-P1 – Prioritisation</p> <p>In all decision-making affecting fresh water in Otago, prioritise:</p> <ol style="list-style-type: none"> (1) first, the health and well-being of water bodies and freshwater ecosystems (te hauora o te wai) and the exercise of mana whenua to uphold this, (2) second, the health needs of people, (te hauora o te tangata) interacting with water through: <ol style="list-style-type: none"> (a) ingestion (such as drinking of water and consuming resources harvested from the water body), (b) immersive activities (such as harvesting resources and primary contact), and (c) personal hygiene activities (such as food preparation, utensil washing, oral hygiene, showering and flushing the toilet), and (3) third, the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future. <p>LF-WAI-P2 – Mana whakahaere</p> <p>Recognise and give practical effect to Kāi Tahu rakatirataka in respect of fresh water by:</p> <ol style="list-style-type: none"> (1) facilitating partnership with, and the active involvement of, mana whenua in freshwater management and decision-making processes, (2) sustaining the environmental, social, cultural and economic relationships of Kāi Tahu with water bodies, (3) providing for a range of customary uses, including mahika kai, specific to each water body, (4) incorporating mātauraka into decision making, management and monitoring processes, and (5) managing wai and its connections with whenua in a holistic and interconnected way – ki uta ki tai. <p>LF-WAI-P4 – Giving effect to Te Mana o te Wai</p> <p>All persons exercising functions and powers under this RPS and all persons who use, develop or protect resources to which this RPS applies must recognise that LF-WAI-O1, LF-WAI-P1, LF-WAI-P2 and LF-WAI-P3 are fundamental to upholding Te Mana o te Wai, and must be given effect to when making decisions affecting fresh water, including when interpreting and applying the provisions of the LF chapter.</p>	<p>This application involves an activity that supports the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future. To this extent, it sits third on the priority list. Nevertheless, since the proposal is not likely to result in any unacceptable effects on the health and well-being of the resource, nor on the health needs of people, it is considered consistent with these policies.</p> <p>It is noted that Section 104(2F) of the RMA only directs that consent authorities must not have regard to clause 1.3(5) or 2.1 of the NPSFM 2020 (which relates to the hierarchy of obligations in the NPSFM 2020). However, it does not otherwise direct that consent authorities must not have regard to provisions of other planning documents, such as regional policy statements, that similarly relate to the hierarchy of obligations. For completeness, Policy LF-Wai-P1 (Decision priorities) has been given regard to for the purposes of this proposal, but in any case, consideration of this policy, or not, does not have any substantial impact on the recommendation in respect of the proposal.</p> <p>The proposed activity has considered the mauri and life supporting capacity of natural resources, as well as consulting with mana whenua on the proposal to ensure effects are considered acceptable. Overall, the application is consistent with these policies.</p>
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<p>LF-FW-01A – Visions set for each FMU and rohe</p> <p>In each FMU and rohe in Otago and within the timeframes specified in the <i>freshwater</i> visions in LF-VM-02 to LF-VM-06:</p> <ol style="list-style-type: none"> (1) healthy <i>freshwater</i> and estuarine ecosystems support healthy populations of indigenous species (including non-diadromous galaxiids and Canterbury mudfish) and <i>mahika kai</i> that are safe for consumption, (2) the interconnection of <i>land, freshwater</i> (including springs, <i>groundwater</i>, ephemeral <i>water bodies</i>, <i>wetlands</i>, <i>rivers</i>, and <i>lakes</i>) and <i>coastal water</i> is recognised, (3) fish passage within and between catchments is provided for except where it is desirable to prevent the passage of some fish species in order to protect desired fish species, their life stages, or their habitats, (4) the form, function and character of <i>water bodies</i> reflects their natural characteristics and natural behaviours to the extent reasonably practicable, (5) the ongoing relationship of Kāi Tahu with <i>wāhi tūpuna</i>, including access to and use of <i>water bodies</i>, is sustained, (6) the health of the <i>water</i> supports the health of people and their connections with <i>water bodies</i>, (7) sustainable <i>land</i> and <i>water</i> management practices: <ol style="list-style-type: none"> (a) support food and fibre production and the continued social, economic, and cultural well-being of Otago’s people and communities, and (b) improve the resilience of communities to the <i>effects of climate change</i>, and (c) ensure communities are appropriately serviced by community water supplies, and other three waters infrastructure, (8) direct <i>discharges of wastewater</i> to <i>water bodies</i> are phased out to the extent reasonably practicable, and (9) <i>freshwater</i> is managed as part of New Zealand’s integrated response to climate change and renewable electricity generation activities are provided for. <p>LF-VM-02 – Clutha Mata-au FMU vision</p> <p>In the Clutha Mata-au FMU, and in addition to the matters in LF-FW-01A:</p> <ol style="list-style-type: none"> (1) management of the FMU recognises that: <ol style="list-style-type: none"> (a) the Clutha Mata-au is a single connected system ki uta ki tai, and (b) the source of the wai is pure, coming directly from Tāwhirimātea to the top of the mauka and into the awa, (1A) sustainable abstraction occurs from <i>lakes, river</i> main stems or <i>groundwater</i> in preference to tributaries, to the extent reasonably practicable, (6) the national significance of the ongoing operation, maintenance and upgrading of the Clutha hydro-electricity generation scheme, including its generation capacity, storage and operational flexibility and its contribution to <i>climate change mitigation</i>, is recognised, provided for and protected, and potential further development of the scheme in Lake Hāwea, on the Hāwea River, and on the Clutha River/Mata-au mainstem, upstream of Roxburgh (within existing consented upper operating levels as at the date this Regional Policy Statement is made operative) is provided for. (6A) <i>water bodies</i> support a range of outdoor recreation opportunities, (7) in the Upper Lakes rohe, the high quality <i>waters</i> of the <i>lakes</i> and their tributaries are protected, and if degraded are improved recognising the significance of the purity of these <i>waters</i> to Kāi Tahu and to the wider community, (7A) in the Lower Clutha rohe, opportunities to restore the natural form and function of <i>water bodies</i> are promoted wherever practicable, and (8) the outcomes sought are to be achieved within the following timeframes: <ol style="list-style-type: none"> (a) by 2030 in the Upper Lakes rohe, 	<p>The proposal aligns with this vision as no discharge to water will occur, and effects will be managed to an acceptable level. Thus, the proposed activity is considered consistent with the objectives.</p>
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<p>(b) by 2045 in the Dunstan and Roxburgh rohe, and</p> <p>(c) by 2050 in the Manuherekia and Lower Clutha rohe.</p>	
<p>LF-FW-P16 – Discharges containing animal effluent, sewage, greywater and industrial and trade waste</p> <p>Minimise the adverse effects of direct and indirect <i>discharges</i> of wastewater, animal effluent, <i>sewage, greywater and industrial and trade waste</i> to fresh water by:</p> <p>(1) phasing out existing <i>discharges</i> of wastewater, <i>sewage</i> or <i>industrial and trade waste</i> directly to fresh water to the extent practicable,</p> <p>(2) requiring:</p> <p>(a) new discharges of wastewater, sewage or industrial and trade waste to be to land, unless:</p> <p>(i) the adverse effects associated with a <i>discharge</i> to land are demonstrably greater than a discharge to fresh water, or</p> <p>(ii) the adverse effects associated with a <i>discharge</i> to water are significantly less than, and replace, an existing discharge(s), or</p> <p>(iii) the discharge is to a constructed water body from which there is no <i>discharge</i> of water or <i>contaminants</i></p> <p>(b) discharges of animal effluent from land-based primary production to be to land,</p> <p>(c) that all <i>discharges</i> containing <i>sewage</i> or <i>industrial and trade waste</i> are discharged into a reticulated wastewater system, where one is made available by its owner, unless alternative treatment and disposal methods will result in improved outcomes for <i>fresh water</i>,</p> <p>(d) implementation of methods to progressively reduce the frequency and volume of wet weather overflows and minimise the likelihood of dry weather overflows occurring from reticulated wastewater systems,</p> <p>(e) on-site <i>wastewater</i> systems and animal effluent systems to be designed and operated in accordance with best practice standards,</p> <p>(f) that any <i>discharges</i> do not prevent <i>water bodies</i> from meeting any applicable water quality standards set for FMUs and/or rohe,</p> <p>(3) to the greatest extent practicable, requiring the reticulation of <i>wastewater</i> in <i>urban areas</i>, and</p> <p>(4) promoting source control as a method for reducing <i>contaminants</i> in <i>discharges</i>.</p>	<p>The discharge of waste and wastewater is not directly to freshwater. The discharge will be to land, therefore the proposal is considered to be generally consistent with this policy.</p>

Assessment against the Regional Policy Statements

Section 104(2F) of the RMA only directs that consent authorities must not have regard to clause 1.3(5) or 2.1 of the NPSFM 2020 (which relates to the hierarchy of obligations in the NPSFM 2020). However, it does not otherwise direct that consent authorities must not have regard to provisions of other planning documents, such as regional policy statements, that similarly relate to the hierarchy of obligations. For completeness, policy LF-WAI-P1(Prioritisation) has been given regard to for the purposes of this proposal, but in any case, consideration of this policy, or not, does not have any substantial impact on the recommendation in respect of the proposal.

Overall, subject to the recommended conditions of consent, it is considered that the application is consistent with the relevant objectives and policies of the ORPS 2019 and the P-ORPS 2021.

2.4.5 Regional Plan: Water for Otago

The following objective and policies are relevant to this application to discharge treated wastewater:

Objective 7.A.1 To maintain water quality in Otago's fresh water but enhance water quality where it is degraded.

Objective 7.A.2 To enable the discharge of water or contaminants to water or land, in a way that maintains water quality and supports natural and human use values, including Kai Tahu values.

Objective 7.A.3 To have individuals and communities manage their discharges to reduce adverse effects, including cumulative effects, on water quality.

Policy 7.B.1 Manage the quality of water in Otago's fresh water by recognising the differences in the effects and management of point and non-point source discharges; describing in Schedule 15 characteristics indicative of good water quality, setting receiving water numerical limits and targets; maintaining good quality water, enhancing water quality where it does not meet Schedule 15 limits, recognising discharge effects on groundwater and promoting the discharge of contaminants to land in preference to water.

Policy 7.B.2 Avoid objectionable discharges of water or contaminants to maintain the natural and human use values, including Kāi Tahu values, of Otago's fresh water.

Policy 7.B.3 Allow discharges of water or contaminants to Otago lakes, rivers, wetlands and groundwater that have minor effects or that are short term discharges with short term adverse effects.

Policy 7.B.4 In considering the discharge of any contaminant to land, to have regard to

- a) the ability of the land to assimilate the water or contaminants;*
- b) any potential for soil contamination;*
- c) any potential for land instability;*
- d) any potential adverse effects on water quality; and*
- e) any potential adverse effects on use of any proximate coastal marine area for contact recreation and seafood gathering.*

Policy 7.B.6 When assessing any consent to discharge contaminants to water, consider the need for and the extent of any zone for physical mixing within which water will not meet the characteristics and limits described in Schedule 15 by taking account of:

- a) the sensitivity of the receiving environment;*
- b) the natural and human use values;*
- c) the natural character of the water body;*
- d) the amenity values supported by the water body;*
- e) the physical processes acting on the area of discharge;*
- f) the particular discharge including contaminant type, concentration and volume;*
- g) the provision of cost effective community infrastructure; and*
- h) good water quality as described in Schedule 15.*

Policy 7.B.8 Encourage adaptive management and innovation that reduce the level of contaminants in discharges.

Policy 7.C.1 When considering applications to discharge contaminants to water, to have regard to opportunities to enhance the existing water quality of the receiving water body at any location for which the existing water quality can be considered degraded in terms of its capacity to support its natural and human use values.

Policy 7.C.2 When considering applications for resource consents to discharge contaminants to water, or onto or into land in circumstances which may result in any contaminant entering water, to have regard to:

- a) the nature of the discharge and the sensitivity of the receiving environment to adverse effects;*
- b) the financial implications, and the effects on the environment of the proposed method of discharge when compared with alternative means; and*
- c) the current state of technical knowledge and the likelihood that the proposed method of discharge can be successfully applied.*

Policy 7.C.3 When considering any resource consent to discharge a contaminant to water, to have regard to any relevant standards and guidelines in imposing conditions on the discharge consent.

Policy 9.4.1 To ensure that the suitability of aquifers to support recognised uses of groundwater is maintained when discharging contaminants.

Policy 9.4.18(c) Seeks to identify and manage the vulnerability of groundwater to leachate contamination as a result of point source discharges of water or contaminants to land or groundwater. Any land overlying groundwater at high risk of contamination is identified as Zone A of a Groundwater Protection Zone (GPZ).

The proposed activity has sufficient setbacks to avoid any potentially adverse effects on any values or waterbodies. Adverse effects on groundwater are considered to be low and acceptable as measurable contamination is unlikely to occur due to the depth of groundwater and management practices. Good management practices will be employed to ensure any such potential adverse effects are avoided, mitigated or minimised. Furthermore, stringent monitoring conditions will be imposed to ensure any unanticipated effects can be appropriately managed and mitigated. There is not expected to be any significant effect on water quality given the method of application, rate of application, soil types, time of application, good monitoring and general good management practices. Overall, the application is considered to be consistent with the above policies.

2.4.6 Section 104(1)(c) Any other matters

The Kāi Tahu ki Otago Natural Resource Management Plan 2005 (NRMP) is considered to be a relevant other matter for the consideration of this application. This is because the RPW is yet to be amended to take into account this Plan and this Plan expresses the attitudes and values of the four Papatipu Rūnaka: Te Rūnanga o Moeraki, Kāti Huirapa Rūnaka ki Puketeraki, Te Rūnanga o Ōtākou and Hokonui Rūnanga. The following objectives and policies of are of most relevance to this application:

- To require land disposal for human effluent and other contaminants.
- To require consideration of alternatives and use of new technology for discharge renewal consents.

- To require monitoring of all discharges and that this be undertaken on a regular basis and all information, including an independent analysis of monitoring results, be made available to Kāi Tahu ki Otago.
- To encourage Management Plans for all discharge activities that detail the procedure for containing spills and including plans for extraordinary events.
- To require all discharge systems be well maintained and regularly serviced.
- To require visible signage informing people of the discharge area. Such signs are to be written in Māori as well as English.
- To require groundwater monitoring for all discharges to land.

There will be no discharge of human wastewater to water. The proposed land application will maintain minimum setback distances from sensitive areas, alternative options have been considered, routine monitoring of the discharges will be required by conditions of consent, a Management Plan will be in place, discharge systems will be routinely maintained, and signage can be erected if there is likely to be any public access near to the application areas. Written approval has been obtained from kā Rūnaka and therefore the proposal is considered consistent with the NRMP.

There are no other matters of concern that the Council considers relevant to this application.

3. S104G Consideration of activities affecting drinking water supply source water

When considering an application for a resource consent, the consent authority must have regard to the actual or potential effect of the proposed activity on the source of a drinking water supply that is registered under [section 55](#) of the Water Services Act 2021; and any risks that the proposed activity may pose to the source of a drinking water supply that are identified in a source water risk management plan prepared in accordance with the requirements of the [Water Services Act 2021](#).

Actual and potential effects of the proposed activity on the source of a registered drinking water supply have been considered in this report and there are not any sites that will be affected by this activity, as there are no sites nearby. Regard has been had to any risks that the proposed activity may pose to the source of a drinking water supply that are identified in a source water risk management plan prepared with the requirements of the Water Services Act 2021.

3. Sections 105 and 107 Evaluation of Discharges

Section 105(1) states for a discharge permit that the Consent Authority shall have regard to:

- a) the nature of the discharge, the sensitivity of the receiving environment, and the applicant's reasons for the proposed choice; and
- b) any possible alternative methods of discharge including discharge into any other receiving environment.

Section 107(1) of the Act states that a discharge permit shall not be granted if, after reasonable mixing, the contaminant or water discharged is likely to give rise to all or any of the following effects in the receiving waters:

- The production of any conspicuous oil or grease films, scums or foams, or floatable or suspended material; or

- Any conspicuous change in the colour or visual clarity; or
- Any emission of objectionable odour; or
- The rendering of fresh water unsuitable for consumption by farm animals; or
- Any significant adverse effects on aquatic life.

These matters were considered in the notification report above. In summary, consent can be granted in regard to the matters in s105() and 107(1) of the Act.

For the sake of completeness, I note that a recent (in force from 25 October 2024) amendment to s107 (insertion of subsection 2A) has been made which provides that:

(2A) A consent authority may grant a discharge permit or a coastal permit to do something that would otherwise contravene section 15 or 15A that may allow the effects described in subsection (1)(g) if the consent authority—

(a) is satisfied that, at the time of granting, there are already effects described in subsection (1)(g) in the receiving waters; and

(b) imposes conditions on the permit; and

(c) is satisfied that those conditions will contribute to a reduction of the effects described in subsection (1)(g) over the duration of the permit.

This amendment does not change my assessment because s107 was not a barrier to the granting of consent.

4. Part 2 of the Act

Under Section 104(1) of the RMA, a consent authority must consider resource consent applications "subject to Part 2" of the RMA, specifically, sections 5, 6, 7 and 8.

The Court of Appeal has recently clarified how to approach the assessment of "subject to Part 2" in section 104(1). In *R J Davidson* the Court of Appeal found that (in summary):³

- Decision makers must consider Part 2 when making decisions on resource consent applications, where it is appropriate to do so. The extent to which Part 2 of the RMA should be referred to depends on the nature and content of the planning documents being considered.
- Where the relevant planning documents have been prepared having regard to Part 2 of the RMA, and with a coherent set of policies designed to achieve clear environmental outcomes, consideration of Part 2 is not ultimately required. In this situation, the policies of these planning documents should be implemented by the consent authority. The consideration of Part 2 "would not add anything to the evaluative exercise" as "genuine consideration and application of relevant plan considerations may leave little room for Part 2 to influence the outcome". However, the consideration of Part 2 is not prevented, but Part 2 cannot be used to subvert a clearly relevant restriction or directive policy in a planning document.

³ *R J Davidson Family Trust v Marlborough District Council* [2018] NZCA 316.

- Where it is unclear from the planning documents whether consent should be granted or refused, and the consent authority has to exercise a judgment, Part 2 should be considered.
- If it appears that the relevant planning documents have not been prepared in a manner that reflects the provisions of Part 2, the consent authority is required to consider Part 2.

The discharge of wastewater to land is consistent with the purpose and principles of the Act as outlined in Sections 5-8. The proposed activities are consistent with sustaining the potential of natural resources to meet the needs of future generations, the safeguarding of the life-supporting capacity of water and avoiding, remedying and mitigating adverse effects on the environment. The principles of the Treaty of Waitangi have been taken into account and the application has been processed according to Council's protocol for consultation with Iwi.

Overall, the application is consistent with Part 2 of the Act, given the less than minor nature of the activity and the proposed conditions of consent.

5. Section 108 and 108AA of the Act

The attached conditions are recommended in accordance with Sections 108 and 108AA of the Act. These conditions have been recommended because:

- They will ensure that any actual or potential adverse effects due to the proposed activity will be mitigated to an extent where effects on the environment and other parties will be less than minor.
- They will ensure the discharge is of an appropriate quality and standard.
- They will align, or are similar, with conditions proposed by the Applicant.
- They will ensure that appropriate monitoring, reporting, and adaptive management actions are undertaken.
- They will ensure that the conditions align with written approval from Aukaha on behalf of mana whenua.

6. Recommendation

That the Council grants to SJ Allen Holdings Limited Discharge Permit RM25.407.01, subject to the terms and conditions set out in the attached consent.

6.1 Reasons for the Recommendation

- (a) The effects of the activity are expected to be less than minor.
- (b) The activity is consistent with the relevant statutory requirements.
- (c) The activity is consistent with Part 2 of the Act.

6.2 Term of Consent

Case law has distilled the following factors that will be relevant to the Council's determination of the duration of a resource consent:

- The duration of a resource consent should be decided in a manner which meets the RMA's purpose of sustainable management;

- Whether adverse effects would be likely to increase or vary during the term of the consent;
- Whether there is an expectation that new information regarding mitigation would become available during the term of the consent;
- Whether the impact of the duration could hinder implementation of an integrated management plan (including a new plan);
- That conditions may be imposed requiring adoption of the best practicable option, requiring supply of information relating to the exercise of the consent, and requiring observance of minimum standards of quality in the receiving environment;
- Whether review conditions are able to control adverse effects;
- Whether the relevant plan addresses the question of the duration of a consent;
- The life expectancy of the asset for which consents are sought;
- Whether there was significant capital investment in the activity/asset; and
- Whether a particular period of duration would better achieve administrative efficiency.

The application seeks a term of 35 years. A consent term of 15 years is recommended for the following reasons:

- A 15-year term of consent is considered appropriate as this is a relatively novel approach to disposing of the proposed waste, thus, to ensure the effects of the activity can be reassessed in due course a shorter term than requested should be imposed.
- A 15-year term is consistent with other relatively recent consents granted for similar discharges, including the related Discharge Permit RM20.287.01, granted in 2001.
- A review condition alone should not be relied upon as a way of granting a long-term permit. There is a high degree of risk with this approach and level of uncertainty for all parties involved.



Daizy Thompson-Fawcett

Consents Planner

23 January 2026



Shay McDonald

Principal Consents Planner

23 January 2026

DECISION ON RESOURCE CONSENT APPLICATION

Section 113 of the Resource Management Act 1991

Date: 28 January 2026

Application No: RM25.407

Subject: *Decision on non-notified resource consent application under delegated authority*

1. Notification

The application was approved to be processed non-notified and under delegated authority on 28 January 2026.

2. Decision and Reasons for Decision

I have considered the information provided, reasons and recommendation in the above report.

No principal issues were in contention and no evidence was heard as this was a non-notified consent that did not require a hearing. There are no main findings as it relates to any principal issues in contention.

I agree with the reasons and recommendations provided by Consent Planner Daizy Thompson-Fawcett in the above report and adopt them as the reasons for decision under Section 113(1) to (3). This decision, report and any accompanying letter are the written decision under Section 113(4).

3. Conditions (section 108)

Pursuant to sections 108 and 108AA of the RMA, this consent is issued subject to the appended conditions.

4. Decision under delegated authority

Under delegated authority, this resource consent application is granted by the Otago Regional Council by:



Peter Christophers
Team Leader Consents

Our Reference: 842472334-27931

Consent No. RM25.407.01

DISCHARGE PERMIT

Pursuant to Section 104B of the Resource Management Act 1991, the Otago Regional Council grants consent to:

Name: SJ Allen Holdings Limited

Address: PKF Alexandra Limited, 50d Centennial Avenue, Alexandra, 9320

To discharge contaminants to land for the purpose of disposing of waste from around Central Otago and Queenstown-Lakes Districts

For a term expiring 28 January 2041

Location of consent activity: Lauder, approximately 1 kilometre northeast from the intersection of Muddy Creek Road and Brown Road

Legal description of consent location: Section 25 and Section 47 Block V Lauder Survey District, Section 20 Block V Lauder Survey District

Map Reference of midpoint of discharge area (NZTM2000): E1336545 N5011220

Conditions

Specific

1. The discharge to land of waste activated sludge, grease trap type waste, mud tank/sump type waste, winery wastewater and other similar materials that when applied do not exceed Soil Eco-Guidelines Soil Limit, mg/kg (dry weight) as per Condition 7 must be carried out in accordance with the plans and all information submitted with the application, detailed below, and all referenced by the Consent Authority as consent number RM25.407.
 - a) Form 1 – Application for Resource Consent, signed and dated 18 August 2025;
 - b) Form 6 – Application to Discharge Contaminants to Land, dated August 2025;
 - c) Resource Consent Application and Assessment of Environmental Effects: Land Application of Waste Activated Sludge, Winery Wastewater, Grease Trap Waste and Mud Tank/Sump Waste at Brown Road, Lauder, prepared by Lowe Environmental Impact, dated August 2025;
 - d) Response to Request for Further Information – RM25.407, prepared by Lowe Environmental Impact, dated 17 October 2025

- e) Updated volunteered conditions, provided to Council on 15 January 2026

If there are any inconsistencies between the above information and the conditions of this consent, the conditions of this consent will prevail.

2. This resource consent authorises the discharge of waste activated sludge, grease trap waste, mud tank/sump waste, and winery wastewater onto the area shown in Appendix A attached to this consent and as shown in the application for consent dated August 2025. The discharge must be managed so that:

- a) The total volume of waste activated sludge (WAS) discharged must not exceed equivalent to 34.2 tonnes of N/yr or 102.5 tonnes of N in a 3-year return period.

Note (This is the nitrogen equivalent to 200 kg N/ha/year or 600 kg N/ha in every three years return period).

- b) The total volume of grease trap waste and wastewater discharged must not exceed 20 cubic metres per day.
- c) The total volume of mud sump type waste and wastewater discharged must not exceed 20 cubic metres per day
- d) The total volume of winery waste and wastewater discharged must not exceed 20 cubic metres per day.
- e) The total volume of grease trap waste and wastewater discharged must not exceed 1,200 cubic metres per year.
- f) The total volume of mud sump type waste and wastewater discharged must not exceed 1,200 cubic metres per year.
- g) The total volume of winery waste and wastewater discharged must not exceed 1,200 cubic metres per year.
3. The discharge of waste activated sludge must not exceed 600 kg N/ha in any one application.
4. The Consent Holder must ensure that WAS is incorporated into the soil to a depth of at least 50 mm, within 24 hours of the application being discharged to the land application area.
5. The Consent Holder must ensure that 12 months following WAS being discharged to an area of the land application area, no human edible crops are harvested.
6. No discharge may occur within:
- a) 10 metres of any property boundary;
 - b) 20 metres of any formed public roads;
 - c) 20 metres of ephemeral wetlands;
 - d) 50 metres of any other natural surface watercourses;
 - e) 20 metres of any water storage ponds;
 - f) 5 metres of any irrigation races; and

g) 200 metres of any residential dwellings.

7. Following first exercise of consent, the Consent Holder must demonstrate every five years that the loading rates will not cause the soil to a depth of 200mm to exceed soil Eco-Guidelines Soil Limit, mg/kg (dry weight) presented in the table below.

Contaminant's (Trace Elements/Heavy Metals) Name	Eco-Guidelines Soil Limit, mg/kg (dry weight)
Arsenic (As)	17
Cadmium (Cd)	0.8
Chromium (Cr)	200
Copper (Cu)	95
Lead (Pb)	160
Mercury (Hg)	1
Nickel (Ni)	60
Zinc (Zn)	180

The Consent Holder must include the sampling results in the annual report required by Condition 23.

8. Prior to commissioning the treatment and land disposal system, the land disposal area must be marked out by any means that ensures the extent is identifiable on the ground surface and must remain marked out for the duration of the consent. The land disposal areas must not be used:
- a) For roading whether sealed or unsealed;
 - b) As a hardstanding area other than for an area to receive and transfer the material to the spreading equipment;
 - c) For erecting buildings or any non-effluent systems structures;
 - d) For activities that require intensively managed grass surfaces (e.g. grass tennis courts or bowling greens or golf tees and greens).
9. Waste Materials are not authorised to be discharged to land if the calculation for that material type required by Condition 7 shows the application will exceed one or more of Trace Element/Heavy Metals in soils.
10. Under section 125 of the Resource Management Act 1991, this consent lapses five years after the date of commencement of the consent unless:
- a) The consent is given effect to; or
 - b) The Consent Authority extends the period after which the consent lapses.

Performance Monitoring

11. Prior to the first exercise of this consent a suitably qualified and experienced person must prepare an Operations and Management Manual (OMM) for the treatment and land disposal system to ensure its effective and efficient operation at all times. The system must be operated in accordance with this manual at all times, which must be updated as

appropriate. The OMM must be provided to the Consent Authority for certification and include, as a minimum:

- a) A brief description of the treatment and disposal system, including a site map that shows the location of the discharge locations and sampling sites;
- b) Key operational matters including weekly, monthly and annual maintenance checks;
- c) Monitoring requirements and procedures including:
 - i. monitoring of the nitrogen mass applied and exported, i.e. via crops and supplementary feed;
 - ii. three-yearly preparation of an Overseer or equivalent model nutrient budget; and
 - iii. monitoring application area for ponding and odour;
- d) Measures to reduce sodium build-up in the soil in the land application area;
- e) Contingency plans in the event of system malfunctions or breakdowns;
- f) The means of receiving and dealing with any complaints;
- g) Key personnel and contact details; and
- h) Emergency contact phone numbers.

At all times, the Consent Holder must ensure that the Consent Authority has a copy of the most recent version of the OMM.

12. The Consent Holder must collect a sample of waste activated sludge every 500 m³ of discharge each year and have it analysed for the following parameters:

- a) Total Nitrogen
- b) Total Phosphorus
- c) Total Potassium
- d) Total Arsenic
- e) Total Cadmium
- f) Total Chromium
- g) Total Copper
- h) Total Lead
- i) Total Nickel
- j) Total Zinc

All sampling results obtained must be provided to the Consent authority within 2 weeks of being received and included in an annual report (Condition 23) and results forwarded to the Consent Authority on request.

13. The Consent Holder must collect a sample from the base of the grease trap and mud sump trench (1.5 – 2 m bgl), every 150 m of trench length and have it analysed for the following parameters:

- a) Total Arsenic
- b) Total Cadmium
- c) Total Chromium
- d) Total Copper

- e) Total Lead
- f) Total Nickel
- g) Total Zinc
- h) pH
- i) Total Petroleum Hydrocarbons

All sampling results obtained must be provided to the Consent authority within 2 weeks of being received, and included in an annual report (Condition 23) and results forwarded to the Consent Authority on request.

14. The Consent Holder must collect a sample of winery waste every 100 m³ of discharge each year and have it analysed for the following parameters:

- a) TSS
- b) cBOD₅
- c) Total Calcium
- d) Total Magnesium
- e) Total Sodium
- f) Total Nitrogen
- g) Dissolved Reactive Phosphorus
- h) Total Potassium
- i) Sodium Absorption Ratio
- j) pH

All sampling results obtained must be provided to the Consent authority within 2 weeks of being received, and included in an annual report (Condition 23) and results forwarded to the Consent Authority on request.

15. The Consent Holder must collect a sample of grease trap and mud sump waste respectively every 200 m³ of discharge and have it analysed for the following parameters:

- a) Total Arsenic
- b) Total Cadmium
- c) Total Chromium
- d) Total Copper
- e) Total Lead
- f) Total Nickel
- g) Total Zinc
- h) pH
- i) Total Petroleum Hydrocarbons

All sampling results obtained must be provided to the Consent Authority within 2 weeks of being received, and included in an annual report (Condition 23) and results forwarded to the Consent Authority on request.

16. All sampling techniques employed in respect of the conditions of this consent must be acceptable to the Consent Authority. All analyses undertaken in connection with this

consent must be performed by an IANZ registered laboratory or otherwise as specifically approved by the Consent Authority.

17. The Consent Holder must maintain written records of the dates, types and volumes of waste discharged to the land area and this is to be included in the annual report (Condition 23).
18. The Consent Holder must ensure that the land disposal area, sprayer truck, soil injection system (if used) and associated equipment are always maintained in an efficient and effective operating condition, including at minimum, but not limited to:
 - a) A summary of any malfunctions or breakdowns and the corrective action taken;
 - b) The inspection of the land disposal area to ensure that no surface ponding occurs.
 - c) A summary of any complaints received, the validity of each complaint and the corrective action taken; and
 - d) Any other issues considered relevant by the Consent Holder.
19. a) For the first twelve months after the first exercise of this consent:
 - i. The discharge of waste activated sludge (WAS) must be limited to a maximum area of 50 hectares (total); and
 - ii. All discharges authorised by this consent must be subject to a monitoring programme which enables effects on soil health and water quality to be observed. The monitoring programme, including monitoring locations and frequencies, must be set out within the OMM required by Condition 11.
- b) On the first anniversary of exercise, the Consent Holder must, within 20 working days, prepare and submit a Monitoring Summary Report to the Consent Authority and Aukaha.
 - i. The Report must include:
 1. A summary of monitoring results from the monitoring programme set out in the OMM;
 2. A nitrogen mass balance detailing applied and exported nitrogen mass;
 3. An analysis of the monitoring results and an assessment of any effects
 4. If the analysis of the monitoring results shows an unanticipated adverse effect, or potential unanticipated adverse effect, on any receiving environment, an assessment of changes proposed to mitigate or remove those effects.
 5. An assessment of any other changes proposed to the discharge methods and site management.
 - ii. The Consent Holder must provide reasonable opportunity for kā Rūnaka and the Consent Authority to review the Monitoring Summary Report and provide their feedback on any proposed changes.
- c) Within three months of the submission of the Monitoring Summary Report, the Consent Holder must provide the following to the Consent Authority and Aukaha:
 - i. A summary of any responses received; and
 - ii. An updated OMM including any refinements to discharge methodologies, the monitoring programme, or site management.

- d) If the Monitoring Summary Report shows potential adverse effect, the application of WAS will be restricted to a maximum additional area of 50 hectares of the site over the following twelve months.
20. Prior to the first exercise of the consent the Consent Holder must drill and install a piezometer at or about E1337282 N5010671 being within the area identified by the polygon in Appendix B that reaches shallow groundwater, with consideration given to seasonal variation, for the purpose of monitoring groundwater.

Advice note: the drilling of land at this location, other than for the purpose of creating a bore and other than on the bed of a lake or river, is a permitted activity under Regional Plan: Water for Otago rule 14.2.1.1, subject to the conditions specified in that rule.

21. Prior to the first exercise of the consent the Consent Holder must collect two groundwater samples from the piezometer required in accordance with condition 20 to establish a baseline for the parameters listed in the table below. The baseline parameters must be noted in the annual report and provided to the Consent Authority no later than one month after the samples have been collected.

Thereafter, the Consent Holder must undertake quarterly sampling for the first two years, followed by annual sampling in subsequent years, to be conducted between March and April each year. Samples must be taken or overseen by a suitably trained and skilled individual from the groundwater monitoring piezometer required in accordance with condition 20. All samples must be collected in accordance with AS/NZS 5667.11:1998, with groundwater level in the piezometer recorded at the time of sampling. All groundwater samples must be analysed for the following parameters:

Parameter
pH
Chloride
Electrical conductivity
Escherichia coli (<i>E.coli</i>)
Total nitrate+nitrite nitrogen (NNN)
Total ammoniacal nitrogen (NH ₃ -N)
Dissolved reactive phosphorous (DRP)

The results of all samples taken in accordance with condition 21 at the monitoring well must be compared to the established baseline parameters. Should the samples exceed the baseline concentrations an assessment for any parameter and show an increasing trend for three consecutive samples, groundwater sampling must be undertaken to determine whether the exceedance(s) are attributable to the discharge authorised by this consent and identify any potential adverse effects on groundwater quality associated with the exceedances. The report must also identify any immediate or longer-term remedial action that will be implemented in the event that an adverse effect is shown. The Consent Authority must be notified within 5 working days of the exceedance being identified and must be provide a copy of the assessment within 30 working days.

22. Should the results of the assessment undertaken in accordance with condition 21 identify that the exceedance(s) in contaminant concentrations are attributable to the discharge activity, and adverse effects on groundwater quality are occurring, then within 5 working days the Consent Authority must be provided with confirmation in writing that the remedial actions set out in the report prepared in accordance with condition 21 will be undertaken provided they are within scope of the consent.
23. By the 15 August each year a monitoring report must be prepared relating to the activities authorised by this consent over the preceding period of 1 June to 31 May. This report must be prepared by a suitably qualified person and must include, but not be limited to:
- a) Maintenance service records and malfunctions or breakdowns and the corrective action taken;
 - b) All sampling and analysis results required under conditions of this Consent, including identification of any effects, trends and any remediation/mitigation measures implemented by the Consent Holder;
 - c) Discharge sampling and analysis;
 - d) Details regarding discharge waste stream types, volumes and loading rates for each type of waste to:
 - i. Land application areas; and
 - ii. Disposal trenches and/or soil injection areas.
 - e) Copies of all analytical sample results collected under the Conditions of this consent;
 - f) All monitoring requirements undertaken by the consent holder as stipulated in the most up to date version of the OMM accepted by the Consent Authority;
 - g) Details of any updates or changes to the OMP as required by the Consent Authority;
 - h) Maintenance service report and recommendations for improvements in the system;
 - i) Overview of compliance with all conditions of this consent including the OMM; and
 - j) A summary of any complaints received.

The report required by Condition 23 must identify if there is a need to implement additional methods or improvements to the treatment and disposal system. All recommendations specified in the report and within scope of the consent must be implemented.

24. a) Within three months of the first exercise of consent the Consent Holder must prepare and maintain an Environmental Management Plan and Nutrient Management Plan in accordance with the *Water New Zealand. (2025). Guidelines for beneficial use of biosolids on land.*
- b) If amended at any time, the most recent version of the Management Plan must be provided to the Consent Authority within one month of the amendment.
- c) Notwithstanding these conditions, this permit must be exercised in accordance with the Management Plan.
- d) Where there is inconsistency between the Management Plan and the conditions of this consent, the conditions of this consent must prevail.
25. In the event of a non-compliance, the Consent Holder must report to the Consent Authority as follows:

- a) The Consent Authority must be notified within 48 hours of any non-compliance; and
 - b) This notification must include advice of any corrective actions taken by the Consent Holder.
 - c) An incident report must be provided to the Consent Authority within 20 working days of the notification of the non-compliance. This report must include:
 - i. identification of the likely cause of the non-compliance;
 - ii. the effects on the receiving environment likely to arise because of the non-compliance;
 - iii. the management responses undertaken, or which may be necessary to prevent any further non-compliance occurring;
 - iv. remedial action undertaken or which may be necessary and confirmation of implementation if the action required does not require resource consent.
26. The Consent Holder must maintain a record of any complaints. The register must include, but not be limited to:
- a) The date, time, location and nature of the complaint;
 - b) The name, phone number, and address of the complainant, unless the complainant elects not to supply this information;
 - c) action taken by Consent Holder to remedy the situation and any policies or methods put in place to avoid or mitigate the problem occurring again.

A record of the complaints must be submitted to the Consent Authority by 15 August each year and made available for inspection at other times upon request.

General

27. All discharges must comply with the certified OMM at all times. A copy of the certified OMM must be held on-site at all times.
28. The discharge of wastewater to land must not result in:
- a) Ponding or surface run-off of waste or wastewater within or adjacent to the land disposal area;
 - b) Channelling of wastewater that results in overland runoff of wastewater beyond the land disposal area;
 - c) Surface seepage (breakout) of wastewater beyond the land disposal area;
 - d) Odour emission resulting from the treatment and disposal system that is offensive or objectionable to such an extent that it has an adverse effect on the environment beyond the boundary of the property on which the consent is exercised; and
 - e) Discharge of sludge or grease to water.

Review

29. The Consent Authority may, in accordance with Sections 128 and 129 of the Resource Management Act 1991, serve notice on the Consent Holder of its intention to review the conditions of this consent during the period of three months either side of the date of granting of this consent each year, or within two months of any enforcement action taken by the Consent Authority in relation to the exercise of this consent, or on receiving monitoring results, for the purpose of:

- a) Determining whether the conditions of this consent are adequate to deal with any adverse effect on the environment which may arise from the exercise of the consent and which it is appropriate to deal with at a later stage, or which becomes evident after the date of commencement of the consent;
- b) Ensuring the conditions of this consent are consistent with any National Environmental Standards, relevant regional plans, and/or the Otago Regional Policy Statement;
- c) Reviewing the frequency of monitoring or reporting required under this consent;
- d) Amending the monitoring programme set out in accordance with Conditions of this consent; or
- e) Requiring the Consent Holder to adopt the best practicable option, in order to prevent or minimise any adverse effect on the environment arising as a result of the exercise of this consent.

Notes to Consent Holder

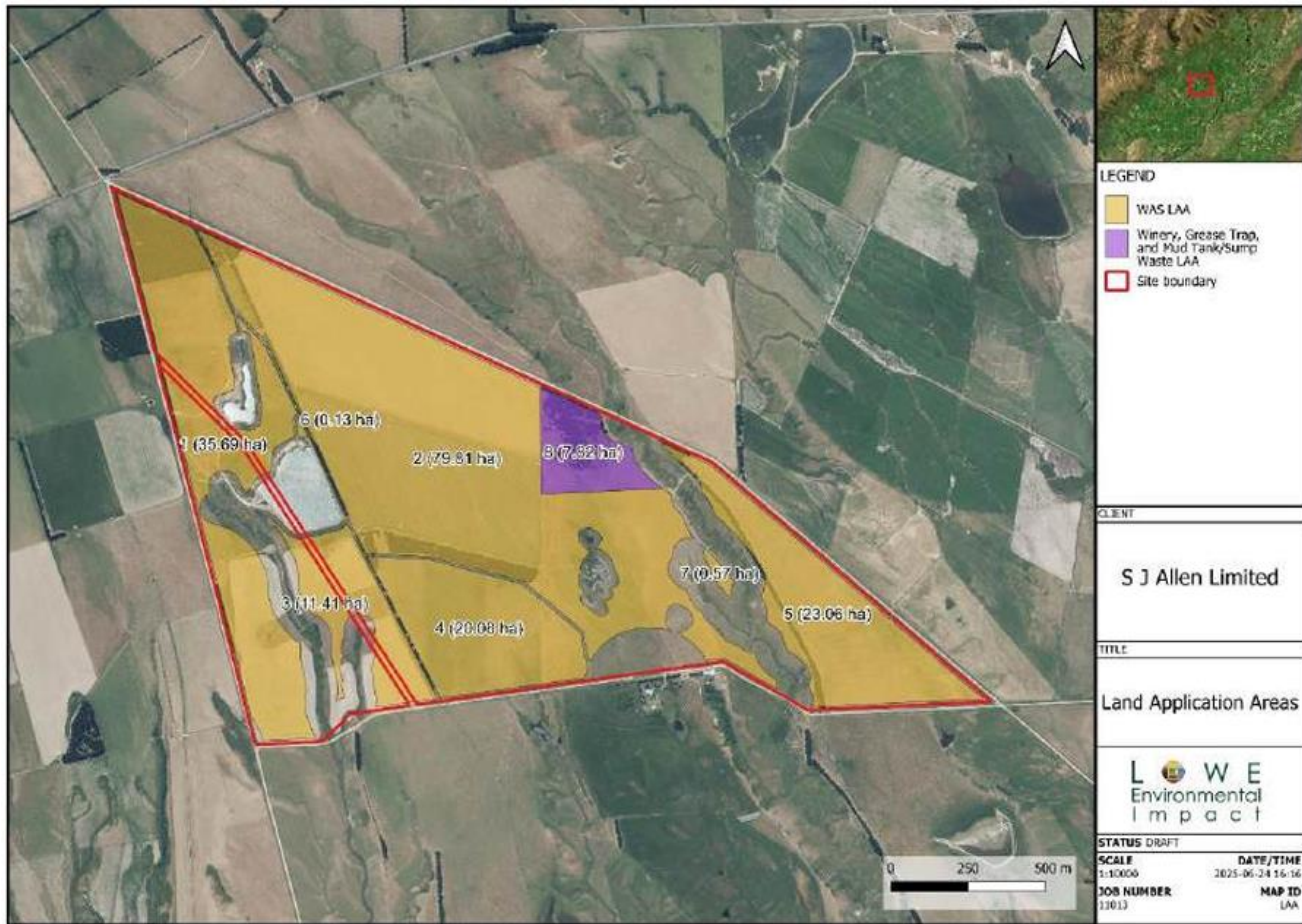
1. *Section 126 of the Resource Management Act 1991 provides that the Consent Authority may cancel this consent by written notice served on the Consent Holder if the consent has been exercised in the past but has not been exercised during the preceding five years.*
2. *If you require a replacement consent upon the expiry date of this consent, any new application should be lodged at least 6 months prior to the expiry date of this consent. Applying at least 6 months before the expiry date may enable you to continue to exercise this consent under section 124 of the Resource Management Act 1991 until a decision is made on the replacement application (and any appeals are determined).*
3. *The Consent Holder is responsible for obtaining all other necessary consents, permits, and licences, including those under the Building Act 2004, the Biosecurity Act 1993, the Conservation Act 1987, and the Heritage New Zealand Pouhere Taonga Act 2014. This consent does not remove the need to comply with all other applicable Acts (including the Property Law Act 2007 and the Health and Safety at Work Act 2015), regulations, relevant Bylaws, and rules of law. This consent does not constitute building consent approval. Please check whether a building consent is required under the Building Act 2004.*
4. *Where information is required to be provided to the Consent Authority in the conditions of this consent this is provided in writing to compliance@orc.govt.nz, and the email heading is to reference RM25.407.01 and the condition/s the information relates to.*
5. *The Consent Holder will be required to pay the Consent Authority an annual administration and monitoring charge to recover the actual and reasonable costs incurred to ensure ongoing compliance with the conditions attached to this consent, collected in accordance with Section 36 of the Resource Management Act 1991.*

Issued at Dunedin this 28th day of January 2026



Peter Christophers
Team Leader Consents

Appendix A – Map of land application areas (Source: RM25.407 Application)



Appendix B – Area that piezometer must be located within (not to scale) (Source: Otago Maps)



From: [REDACTED]
Sent: Wed, 8 Apr 2026 18:32:58 +1300
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Land Application Proposal
Attachments: C-26-140 - WANAKA WASTEWATER BYPRODUCTS CARTAGE AND DISPOSAL_Services Agreement_FINAL.pdf

Hi [REDACTED],

Please find finalised version of the agreement for signing.

Regards,

[REDACTED]

[REDACTED] | Infrastructure Operations Manager Property &
Infrastructure
Queenstown Lakes District Council
M: [REDACTED]
E: [REDACTED]



Please consider the environment before printing this e-mail

From: [REDACTED]
Sent: Sunday, 29 March 2026 7:24 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: Re: Land Application Proposal

Hi [REDACTED],

S.J Allen accepts your amendments and appreciates your understanding and commitment to our working relationship. Please send through a final contract for signing when you can.

Again, I appreciate your hard work around this as it has been an interesting journey.

Cheers



[Redacted]
Director
[Redacted]
[Redacted]
34 Margaret Place Frankton
www.sjallenholdings.co.nz

On 29 Mar 2026, at 5:42 pm, [Redacted] wrote:

Hi [Redacted],

Please see amended draft contract attached reflecting your points below – hopefully this adequately addresses the concerns raised.

Thanks,
[Redacted]

[Redacted] | Infrastructure Operations Manager Property & Infrastructure
Queenstown Lakes District Council
M: [Redacted]
E: [Redacted]

[<image002.png>](#)



Please consider the environment before printing this e-mail

From: [Redacted]
Sent: Thursday, 26 March 2026 8:43 PM
To: [Redacted]
Subject: Re: Land Application Proposal

Hi [Redacted],

I have reviewed the draft contract and would offer the following points for consideration -

[Redacted]

[REDACTED]

Cheers

<image001.png>

On 26 Mar 2026, at 7:25 am, [REDACTED]
[REDACTED] wrote:

Good stuff.

No, not at all. [REDACTED] was cc'd on the email so definitely not something I was trying to hide from him!

[REDACTED] | Infrastructure Operations Manager Property &
Infrastructure
Queenstown Lakes District Council

M: [REDACTED]

E: [REDACTED]

[<image001.png>](#)



Please consider the environment before printing this e-mail

From: [REDACTED]
Sent: Wednesday, 25 March 2026 8:26 PM
To: [REDACTED]
Subject: Re: Land Application Proposal

Hi [REDACTED],

Thanks for your work on this it is much appreciated. You must have psychic powers as we went unconditional on the Muddy Creek property yesterday.

I will look at the draft tomorrow and come back to you.

[REDACTED] was asking at our sludge cartage contract meeting today about the land disposal option. Apologies if I overstepped the mark in divulging receiving your draft contract??

Many thanks again.

Cheers

<image002.png>

On 25 Mar 2026, at 11:42 am, [REDACTED]
[REDACTED] wrote:

Hi [REDACTED],

Apologies for the prolonged radio silence on this one. Took a bit of effort to work through our procurement processes and approvals...

Please find draft services agreement attached for your review.

[REDACTED]

[REDACTED] | Infrastructure Operations Manager Property & Infrastructure
Queenstown Lakes District Council

M: [REDACTED]

E: [REDACTED]

[<image001.png>](#)



Please consider the environment before printing this e-mail

From: [REDACTED]
Sent: Saturday, 21 February 2026 7:41 AM
To: [REDACTED]
Subject: Re: Land Application Proposal

Thanks [REDACTED]. There is a lot of moving parts on both sides. It sounds like the QLDC is committed subject to an agreement which gives me confidence to move forward with some critical decisions.
Have a good weekend.

Cheers

<image002.png>

On 20Feb 2026, at 10:15 am, [REDACTED]

wrote:

Hi [REDACTED] – timelines were optimistic. Has required a few more players to progress.

I can assure you progress is being made!

From: [REDACTED]
Sent: Friday, 20 February 2026 10:10 AM
To: [REDACTED]
Subject: Re: Land Application Proposal

Hi [REDACTED],

Sorry to nag as I know you are busy. Just seeing how an agreement is coming? I would really like to settle on the land by the end of March so we hit the ground running before the winter.

Cheers
<image001.png>

This email and its attachments are confidential and intended solely for the recipient. If you are not the intended recipient, please notify the sender, delete the message, and do not disclose, copy, or distribute it. While we take precautions to ensure the email is virus-free, we cannot accept responsibility for any damage caused by its use.

On 16/02/2026, at 12:47 PM,


wrote:

Hi [REDACTED],

All bins will be weighed at
Upper Clutha Transports yard
in Luggate.

Cheers
<PastedGraphic-1.tiff>

This email and its attachments are confidential and intended solely for the recipient. If you are not the intended recipient, please notify the sender, delete the message, and do not disclose, copy, or distribute it. While we take precautions to ensure the email is virus-free, we cannot accept responsibility for any damage caused by its use.

On 16/02/2026, at
8:31 AM, [REDACTED]

[REDACTED]
[REDACTED] wrote:

Hi [REDACTED],

Can you please
advise where you
are intending to
weight the loads
under the
alternative
proposal? Will you
install a
weighbridge at the
property in Central?

Thanks,

[REDACTED]

-----Original
Message-----

From: [REDACTED]
[REDACTED]

Sent: Thursday, 29
January 2026 9:03
PM

To: [REDACTED]
[REDACTED]

Subject: Land
Application
Proposal

Hi [REDACTED],

Proposal as
discussed. I have
kept it very simple.

Cheers

<C-26-140 - WANAKA WASTEWATER
BYPRODUCTS CARTAGE AND
DISPOSAL_Services Agreement_DRAFT.docx>

<C-26-140 - WANAKA WASTEWATER BYPRODUCTS CARTAGE AND
DISPOSAL_Services Agreement_DRAFTv1.docx>

From: [REDACTED]
Sent: Mon, 9 Feb 2026 14:10:35 +1300
To: [REDACTED]
Subject: Re: Land Application Proposal

Hi [REDACTED],

Thanks for your email. Thats great news. I appreciate all your hard work in getting this across the line, hopefully?? I will await the agreement and in the mean time start things rolling from our perspective so we can hopefully hit the ground running.

Cheers



[REDACTED]
Director



34 Margaret Place Frankton
www.sjallenholdings.co.nz

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On 8/02/2026, at 6:45 PM, [REDACTED] wrote:

Hi [REDACTED],

Just by way of an update we have shared this opportunity with the Mayor who has confirmed his interest in pursuing.

We now need to pull together a Procurement Plan and Departure to formalise the approval which we will try to complete this week. Following on from this we will need a standalone services agreement for the new arrangement reflecting the five

year term, alternative disposal point and differing responsibilities. Hopefully we can draft something up by the end of the week as well.

Regards,

[REDACTED]

[REDACTED] | Infrastructure Operations Manager Property & Infrastructure
Queenstown Lakes District Council

M: [REDACTED]

E: [REDACTED]

☐ Please consider the environment before printing this e-mail

-----Original Message-----

From: [REDACTED]

Sent: Thursday, 29 January 2026 9:03 PM

To: [REDACTED]

Subject: Land Application Proposal

Hi [REDACTED],

Proposal as discussed. I have kept it very simple.

Cheers

From: [REDACTED]
Sent: Thu, 5 Feb 2026 16:18:01 +1300
To: "John Glover" <john.glover@qldc.govt.nz>; "Gavin Bartlett" <Gavin.Bartlett@qldc.govt.nz>; "Cody Tucker" <Cody.Tucker@qldc.govt.nz>
Cc: [REDACTED]
Subject: Alternative Sludge Disposal Offer

Good afternoon John, Gavin and Cody,

I am writing to advise you of an unsolicited offer that QLDC has received from an existing council supplier, which makes available an alternative disposal option for some of our wastewater sludge. We are approaching you specifically for input due to your specific roles on the Council. You are welcome to discuss this topic with the other Councillors but we would ask that the commercial nature of the matter is respected.

Currently, all of the sludge produced from our wastewater treatment facilities (>6,000 tonnes/annum) is transported to the AB Lime landfill at Kings Bend, near Winton. QLDC does not have a contractual arrangement with AB Lime, instead simply paying the 'gate' rate per tonne disposed. The disposal rate has increased significantly in recent years and is now \$[REDACTED]/tonne. Cartage costs are on top of this rate and are between \$[REDACTED] and \$[REDACTED]/tonne depending on the source of the sludge (with waste from Wānaka costing more to transport). These transport services are provided by SJ Allen under an agreement that extends out to 30 June 2029.

SJ Allen approached us late last week advising that they had secured Resource Consent to dispose of wastewater sludge to land at a property located in Central Otago. As a result, they have offered to accept up to 2,000 tonnes of material from our Wānaka WWTP at a rate of \$[REDACTED]/tonne (inclusive of transportation), on the basis that we enter into a five-year commitment for this arrangement – a timeframe that allows them to recover their investment in the land and consent.

The proposal represents a significant potential opex saving to Council of up to \$[REDACTED] per annum. However, there are obviously broader considerations beyond the financial savings, and we would appreciate your feedback to help us in our review of the proposal. I've briefly outlined some key considerations below:

- Disposal of wastewater sludges to land is not without its risks, both real and perceived. Wastewater sludges include contaminants, and the land will be subject to degradation as a result of the application of these materials. The Resource Consent will have considered these within the Assessment of Environmental Effects (AEE), and we will be at arm's length from this due to the contractual arrangement. Risks associated with contamination and consent compliance will sit with the consent holder, but should issues occur, these could lead to reputational damage for QLDC.
- Potential negative perception associated with carting this waste out of district for land application. Acknowledging the waste is currently carted out of district but there is a notable difference between land application and disposal to a Class 1 landfill.
- No engagement with iwi on this topic has occurred, although I understand iwi provided a letter of support to the consent application.

- Risk of damage to relationship with AB Lime due to reduction in volumes

We are currently assessing the offer against our procurement policy to determine whether it is something we can actually consider. Our initial assessment is that this is likely to be a justifiable departure given the magnitude of savings, its uniqueness, and something that should be explored seriously. Ultimately, given the whole-of-life costs (> \$████ opex), approval of the procurement departure would sit under the combined delegation of the CE and Mayor – as a result elected member support is crucial to move forward.

Unfortunately, we are being put under some time pressure to advise SJ Allen of our interest in this offer. I understand the consent issue has triggered a clause in the Sale & Purchase Agreement for the land, meaning they need to act quickly. I also suspect they will be talking to CODC.

We look forward to any feedback or questions you may have, and ultimately whether you feel this is something that the Council would wish to pursue.

Regards,

██████

██████████ | Infrastructure Operations Manager Property &
Infrastructure

Queenstown Lakes District Council

M: ██████████

E: ██████████



Please consider the environment before printing this e-mail



Queenstown Lakes District Council

Procurement Plan

Alternative Sludge Disposal – Unsolicited Offer
Contract #: C-26-140

Document development control	
Prepared by:	
Position / title:	Procurement Specialist / Infrastructure Operations Manager
Business unit:	AFR / P&I
Document version:	1.0
Date of last revision:	24/02/2026
Status:	For Approval

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Acronyms

The following acronyms are used in this document.

Acronym	Term
QLDC	Queenstown Lakes District Council
GETS	Government Electronic Tendering System
CODC	Central Otago District Council
WWTP	Waste Water Treatment Plant
GST	Goods and Services Tax

Approvals

Approval of the plan

Project Sponsor		
Project Endorsement:	Yes	
Name:	[REDACTED]	
Position/title:	Infrastructure Operations Manager	
Signature:	[REDACTED]	Date: 2/03/2026

Approval of the budget

Delegated financial authority holder			
Total cost:	Estimated \$ [REDACTED] total costs over whole-of-life GST excl		Cost code/Work Order #: 0000423
Financial year:	Financial year	Amount	Funding type
	2026/27	\$ [REDACTED] GST excl	Opex
	2027/28	\$ [REDACTED] GST excl	Opex
	2028/29	\$ [REDACTED] GST excl	Opex
	2029/30	\$ [REDACTED] GST excl	Opex
	2030/31	\$ [REDACTED] GST excl	Opex
Approval to:	Negotiate and execute a contract with the preferred supplier.		
Procurement start:	24/02/2026		
Contract start:	16/03/2026 (estimate)		
Name:	[REDACTED]	[REDACTED]	
Position/title:	Chief Executive	Mayor	
Signatures:			
Date:			

Delegation to CE for approval of Procurement Summary/Recommendation and contract execution:

- ☒ This Procurement Plan includes delegation of the execution of the contract to the Chief Executive.

Background

Business case

SJ Allen currently provides transportation services for QLDC's wastewater treatment byproducts (screenings and sludges). A new contract was recently negotiated and extends to 30 June 2029. Under this contract they collect sludge from both our Wānaka and Queenstown wastewater treatment plants and cart the material to the AB Lime landfill located at Kings Bend, near Winton (>6,000 tonnes per annum).

QLDC does not have a contractual arrangement with AB Lime, instead simply paying the 'gate' rate per tonne disposed. The disposal rate has increased significantly in recent years and is now \$[REDACTED]/tonne. Cartage costs are on top of this rate and are between \$[REDACTED] and \$[REDACTED]/tonne depending on the source of the sludge (with waste from Wānaka costing more to transport). These transport services are provided by SJ Allen under an agreement that extends to 30 June 2029.

SJ Allen approached QLDC with an unsolicited proposal advising that they had secured resource consent to dispose of wastewater sludge to a site located in Lauder, approximately one kilometre northeast from the intersection of Muddy Creek Road and Brown Road. As a result, SJ Allen have offered to accept up to two-thousand tonnes of material from our Wānaka WWTP at a rate of \$[REDACTED]/tonne (inclusive of transportation), on the basis that QLDC enter into a five-year commitment for this arrangement – a timeframe that allows SJ Allen to recover their investment in the land and consent.

The proposal:

- represents a significant potential Opex saving to QLDC of up to \$[REDACTED]k per annum.
- support QLDC's climate action plan by reducing emissions through reduced transportation distances.

What we are buying and why

- This plan relates to the purchase of transportation and disposal services of up to two-thousand tonnes of QLDC's wastewater treatment byproducts (sludges) from Wānaka WWTP to a property located in Lauder, approximately one kilometre northeast from the intersection of Muddy Creek Road and Brown Road.
- The key objective of this procurement is to capitalise on a unique, limited time, offer to reduce Opex costs for QLDC.
- The procurement's proposed outcomes are to direct appoint SJ Allen to a Services Agreement for a five year period.
- Details of the current supply arrangement are detailed below in the procurement plan

Importance to the agency

- Based on our analysis of supply positioning this procurement is a tactical acquisition.
- This means QLDC are not reliant on this service or supplier solely but there is significant benefit for QLDC to procure these services.
- Strategies to address this include:
 - maintaining a positive working relationship with the supplier; and
 - testing the open market for the Wastewater Byproducts Cartage Services contract in 2029.

Market analysis

The supply market

- There have been multiple interested parties offering potential sludge management options, but none that have had an operational solution that could be made available immediately and without Council investment and/or land. AB Lime is the nearest landfill accepting this type of waste. Other landfill options have not been actively pursued due to the distance and transportation implications (cost and carbon).
- The key buyers and their influence on the market (demand) are adjacent local authorities, most notably ourselves and CODC.
- Competition is primarily based on price and availability of resources.
- The degree of competition is limited.
- Existing pricing methodologies are based on \$/tonne. The price drivers are the amount of sludge produced, increased labour costs, disposal facility price increases, fuel costs and the waste disposal levy imposed under the Waste Minimisation Act.
- The availability of alternative or substitute goods/services is limited.
- The nature and quality of the supply chain is immature and limited.
- QLDC is aware that Fulton Hogan hold a consent for a solar drying facility at a site near Luggate. This consent was obtained as part of a previous QLDC market enquiry which failed to reach an acceptable commercial agreement. Fulton Hogan have approached QLDC in recent years to test the appetite for reviewing this opportunity to advance of the consent lapsing in 2028. To date QLDC has advised that this, given the need for a long term commitment, could only be contemplated through a new market enquiry.
- Future market behaviours that would better support successful delivery are not yet identified. QLDC will approach the open market in 2029 for the Wastewater Byproducts Cartage Services contract and is also intending to undertake a review of alternative disposal options in a similar timeframe (through funding sought via the Long Term Plan).
- The likely impacts that this procurement will have on the market are limited and will likely only affect AB Lime Landfill's revenue due to decreased reliance on their services.

The agency's value as a customer

- The value of the agency's account and the attractiveness of the account have been assessed.
- The agency is considered a key customer, as it represents a significant share of the Supplier's revenue. Due to the limited alternative options for managing wastewater by-products, the agency may be exposed to some commercial dependency risks. Accordingly, QLDC must retain strong operational oversight of the services being delivered and periodically test the market to ensure continued value, competitiveness, and service resilience.

Desired supplier relationship

- Given the proposed length of the contract, the level of desired trust and communication with the supplier and the approach to managing risk the agency will seek a tactical competitive relationship with the successful supplier.
- This means:
 - The supplier is being engaged for important but non-strategic services.
 - Alternative supply is readily available in the market.
 - The focus of the agreement is on value-for-money, cost control, and service levels.

Requirements and costs

Our requirements

- In summary we need to procure transportation and disposal services of QLDC's wastewater treatment byproducts (sludges) from Wānaka WWTP.
- A detailed statement of our requirements is contained in *Appendix 1*.

Key dates

- We require the contract to commence by 9 March 2026.
- We estimate that the contract negotiations will take 2 weeks.
- This means that the procurement must be initiated by 24 February 2026.

Estimated costs

An estimate of the total cost over the whole-of-life of the contract, exclusive of GST is \$[REDACTED].

This is based on 2,000 tonnes of sludge being transported from Wanaka WTP to the disposal site at a rate of \$[REDACTED] per tonne. We have allowed for a 3% year on year increase to account for increased expenses and associated increases in sludge volumes.

Estimated whole-of-life costs

Description	Rate	Year 1	Year 2	Year 3	Year 4	Year 5
2,000 tonne of sludge transported from Wanaka WWTP to disposal property in Lauder	\$[REDACTED]/tonne	\$[REDACTED]	\$[REDACTED]	\$[REDACTED]	\$[REDACTED]	\$[REDACTED]
Estimated total cost over whole-of-life						\$[REDACTED]

Delegated Financial Authority

With regard to the above section (Requirements and Costs), the level of delegated financial authority required is \$[REDACTED]. This sits with the Chief Executive and the Mayor who has DFA of \$[REDACTED] as set out in the Register of Delegations (dated February 2026).

- In this Procurement Plan: Authority to approve the contract will be delegated to the Chief Executive
- In the Signing and Sealing document: In approving this document, authority to execute the contract will be delegated to the Chief Executive

Key stakeholders

Internal stakeholders

The key internal stakeholders are as detailed below.

Internal stakeholders' roles and level of engagement

Role	Characteristics	Stakeholders
Responsible	The person or people responsible for undertaking the procurement.	
Accountable	The person or people that have authority to make decisions and are accountable for the outcomes.	Chief Executive Mayor
Consulted	The person or people who needs to be consulted to add value or get 'buy-in'.	Legal team

External stakeholders

The key external stakeholders are as detailed below.

External stakeholders' roles and level of engagement

Role	Characteristics	Stakeholders
Accountable	The person or people that have authority to make decisions and are accountable for the outcomes.	Otago Regional Council
Supportive	The person or people that do the real work.	SJ Allen Holdings Limited
Informed	The person, people or group, groups that need to be kept informed of key actions and results, but are not involved in decision-making or delivery.	The public if queries or concerns are raised

Communications

- The agency will communicate with internal stakeholders by all available and appropriate resources.
- The agency will communicate with external stakeholders by email and where appropriate, phone call or MS Teams meeting.

Procurement Process

Type of procurement

- There is currently no All-of-Government, syndicated or other collaborative contract which can meet this requirement. Other approaches to market, including collaboration, that were considered are variation to the existing contract with SJ Allen.
- The recommended approach to market is a direct appointment.
- The reason for this recommendation is detailed in the departure request below.
- This approach to market is a valid departure from the agency's procurement policies, the *Government Procurement Rules* and the New Zealand Government's procurement principles.

Departure Request

- This opportunity represents **value for money**.
- QLDC currently pays a disposal rate of \$[REDACTED]/tonne (\$[REDACTED]/tonne transport + \$[REDACTED]/tonne disposal) from Wānaka WWTP. SJ Allen have offered to accept up to two-thousand tonnes of material from our Wānaka WWTP at a rate of \$[REDACTED]/tonne (inclusive of transportation and disposal), on the basis that QLDC enter into a five-year commitment for this arrangement – a timeframe that allows SJ Allen to recover their investment in the land and consent. This represents a significant potential Opex saving to QLDC of up to \$[REDACTED]k per annum or \$[REDACTED]M over the whole of the contract's life.-year commitment for this arrangement – a timeframe that allows SJ Allen to recover their investment in the land and consent.
- SJ Allen has performed well as the Wastewater Byproducts Cartage Services contractor since being awarded the contract in 2017.
- SJ Allen possesses resource consent to provide these disposal services until 2041 meaning this could be a medium to long term solution.

Market engagement

- This contract opportunity was not published in the agency's annual procurement plan.
- QLDC intends to test the open market for the Wastewater Byproducts Cartage contract prior to the current contract expiring on 30 June 2029.
- consultation with alternative suppliers and other purchasers have confirmed there are no other suppliers with the resources to provide a local disposal service immediately.
- The contract opportunity will not be advertised on GETS.

Evaluation team

A cross-functional team were involved in the evaluation of the unsolicited proposal. Each member involved in the procurement has completed a Conflict of Interest form where no conflicts were identified.

Members involved

Role	Name	Organisation
Evaluator	[REDACTED]	QLDC
Evaluator	[REDACTED]	QLDC
Evaluator	[REDACTED]	QLDC
Procurement Support:	[REDACTED]	QLDC
Legal advisors:	[REDACTED] [REDACTED]	QLDC

Proposed timeline

The proposed timeline for the procurement is as follows. Please note that this example is based on a one-step open procurement.

Action	Indicative date
Pre-procurement	
Procurement plan approved	24 February 2026
Due diligence and contract negotiation	6 March 2026
Contract award	9 March 2026
Contract start date	9 March 2026

Due diligence

The following due diligence process has been undertaken.

Due diligence	Responsible	Outcome Pass/Fail
Buyer clarifications of offer	[REDACTED]	Pass
Supplier insurance: <ul style="list-style-type: none"> Public liability - \$10,000,000 Motor Vehicle - \$0,000,000 	Legal	Pass
Health and Safety plan	[REDACTED]	TBC*
Operational plan including environmental management	[REDACTED]	TBC*
Resource Consent	Legal	Pass
Companies office check	Procurement	Pass
Accepts proposed contract conditions	Legal	TBC*

*All items marked as TBC shall be confirmed prior to entering into a contract with the supplier.

Contract type

- The short listed supplier will be offered a contract for services based on the agency's standard terms and conditions.
- The proposed contract term is five years with no options to extend.
- The quality standards / key performance indicators for measuring the supplier's performance are detailed in Appendix 1.
- The timeframes for delivery are detailed in Appendix 1.
- Specific reporting requirements are detailed in Appendix 1.
- Payment will be based on the supplier's successful completion of milestones as detailed in the contract.
- New intellectual property arising as a result of the contract will be the property of QLDC.
- The proposed contract terms and conditions are attached at *Appendix 2*.
- Variations to contract will be in writing and signed by both parties. Variations involving an increase in price must only be made within the limit of the financial authority.
- The strategy for exiting the contract at the end of its term is to either include the tonnage into the Wastewater Byproducts Cartage Services contract or renegotiate a new contract with SJ Allen for the continued service of local disposal.

Managing implementation

- The responsibility for managing delivery under the contract and supplier relationship management will pass to [REDACTED] Operations & Contracts Manager, on the signing of the contract. This person will develop a contract and relationship management plan in consultation with the successful supplier.
- The supplier's performance will be reviewed via monthly reports issued to the contract manager.

Risk management

- Overall this procurement is deemed to be high value with medium risk.
- Key risks have been assessed against the risk framework detailed at *Appendix 3*. They have been assessed on the basis of likelihood (L) and consequence (C).
- The key for the following risk tables is:
 - likelihood (L): R = rare U = unlikely P = possible L = likely A = almost certain
 - consequence (C): N = negligible L = low M = moderate H = high E = extreme.

Key risks in the procurement process

Risk	L	C	Rating	Mitigation action	Responsible
Other suppliers challenge the process	U	L	Low	Follow procurement policy and clearly detail rationale for the supplier selection method in the procurement plan.	██████████ - Procurement
Unable to negotiate contract	U	L	Low	Base contract on existing Wastewater Byproducts Cartage Services contract.	██████████ - Procurement & ██████████ - Operations
Operational plan including H&S and environmental management are not to QLDC standard	P	L	Medium	Do not enter into agreement until the plan is satisfactory. The existing Wastewater Byproducts Cartage Services contract can be used for all sludge material.	██████████ - Operations

Key risks in delivering the contract

Risk	L	C	Rating	Mitigation action	Responsible
Weather prevents supplier from disposing of material at local site	P	L	Medium	AB Lime landfill is available and the existing Wastewater Byproducts Cartage Services contract can be used for all sludge material.	██████████ - Operations
AB Lime landfill becomes disgruntled by reduced business	P	L	Medium	Provide AB Lime with advanced notice and rationale for decision.	██████████ - Operations
Supplier does not comply with all environmental standards and best practice	U	H	High	Ensure Operational plan is up to standard. QLDC will record every step, and go through an audit of the contract, the contractor, and what services will be provided to ensure best practice is being followed.	██████████ - Operations
Public perception and reaction	P	M	High	Supplier has acquired the required resource consent and must follow all obligations required under said consent. QLDC will record every step, and go through an audit of the contract, the contractor, and what services will be provided to ensure best practice is being followed.	██████████ - Operations

Probity management

It is essential that the agency demonstrates ethics and integrity in its procurements. This means:

- acting fairly, impartially, and with integrity
- being accountable and transparent
- being trustworthy and acting lawfully
- managing conflicts of interest
- protecting the supplier's commercially sensitive and confidential information.

Probity in this procurement will be managed by:

- ensuring compliance with the agency's code of conduct
- ensuring that financial authority for the procurement is approved before proceeding to market
- ensuring everyone involved in the process signs a confidentiality agreement and declares any actual, potential or perceived conflict of interest
- identifying and effectively managing all conflicts of interest
- treating all suppliers equally and fairly

Contract delivery

- The responsibility for managing delivery under the contract and supplier relationship management will pass to [REDACTED] Operations & Contract Manager – 3 Waters (Property & Infrastructure) on the signing of the contract. This person will develop a contract and relationship management plan in consultation with the successful supplier.

Appendix 1: Specification of requirements

Definitions

For the purpose of this scope;

‘Operational Contractor’ means the contractor(s) engaged by the Principal to operate and manage its wastewater treatment facilities.

‘WWTP’ or ‘Pure WWTP’ means the Wastewater Treatment Plant located in Wānaka

1.0 OBJECTIVES OF THE CONTRACT

The objectives of this contract are to ensure that:

- Wastewater byproducts (sludge and screenings) from QLDC’s Pure WWTP are collected, transported to, and appropriately disposed of, at the agreed disposal locations in a reliable fashion to support the optimum operation of the treatment facilities.
- The transport operations are undertaken in a manner that protects all parties from harm or nuisance associated with the activities.
- The disposal of sludge at the disposal site meets all regulatory and environmental requirements.

2.0 SCOPE OF SERVICES

The contract shall comprise of the following services:

- Collection and cartage of wastewater screenings and sludges from the Pure WWTP at a frequency to suit plant operations.
- Shunting operations at the site such that bins are managed in accordance with operational requirements.
- Liaison with plant operators to coordinate bin changes and transport schedules.
- Odour management and mitigation during cartage
- Provide covered, sealed, or otherwise compliant transport vehicles to prevent leakage or contamination during transit.
- The disposal of sludge at the disposal site in accordance with all regulations and best practice to minimise the impact on the environment.

3.0 LOCATION

The location of services are as follows:

- Wānaka ‘Pure’ Wastewater Treatment plant, located off Stevenson Road, Wānaka
- Section 25 and Section 47 Block V Lauder Survey District, Section 20 Block V Lauder Survey District (approximately one kilometre northeast from the intersection of Muddy Creek Road and Brown Road) [Disposal location for sludge]

4.0 HEALTH AND SAFETY

4.1 HEALTH AND SAFETY AT WORK ACT 2015

The Supplier shall comply with the requirements of the Health and Safety Legislation for all work carried out

under this contract. The Supplier shall be the “person in control of the work” for the purposes of the Health and Safety at Work Act 2015.

The Supplier shall nominate a person responsible for health and safety in relation to the contract and that person shall be the Supplier’s person with responsibilities for ensuring the obligations under the Health Legislation are met.

Any breach of the above act will be treated as a serious breach of contract for which the Principal reserves the right to suspend work.

Without limiting the foregoing, the Supplier shall:

- establish and maintain a register of hazards and risks to health and safety in which the Supplier shall record any identified significant hazard or risk, the date it was identified and any steps taken to eliminate, isolate or minimise the significant hazard or risk;
- make the register of hazards and risks available for inspection by the Principal and the Principal’s agent and shall keep the Principal informed of any changes subsequently made to the register;
- have in place effective methods to identify risks to health and safety and communicate those risks and management strategies to each Person affected or associated with the Contract Works;
- ensure that all Persons involved in the delivery of the Contract Works undertake an appropriate safety induction;
- ensure that all Persons associated with the Contract Works for whom the Supplier is responsible have attended task specific training and where required by the Health and Safety Legislation and industry standards/approved codes of practice and obtained any required certificates of competency;
- maintain an appropriate level of supervision;
- have proper procedures for investigating and dealing with emergencies that may arise;
- undertake a full investigation and meet any requirements of the Principal if directed by the Principal; and
- respond to all emergencies arising from the Contract Works. Emergencies are not limited to health and safety incidents and include damage to property, equipment and infrastructure, hazardous substance spills, health hazards, biological release, severe weather, acts of violence, criminal activity or terrorism.

The above shall be documented as part of a Contract Specific Health & Safety Plan submitted prior to commencement of work and which shall be reviewed at least annually.

For the purposes of determining the extent of the Supplier’s indemnity to the Principal for any failure to comply with the Health and Safety at Work Act 2015, the place of work shall be any part of the works being carried out by the Supplier from time to time (whether construction, maintenance or safety). Accepting this requirement, the Supplier’s obligations shall only extend to activities related to and within the influence of the Supplier to the extent permitted by law.

4.2 WELFARE, SAFETY AND FIRST AID

The Supplier shall provide and maintain welfare facilities and suitable safety measures for the protection of workers associated with their works. The Supplier shall provide adequate and easily accessible first aid kits. In addition, there shall be at least one person who is qualified to administer first aid at any works location.

4.3 WORK ON THIRD PARTY SITES

The Supplier retains full responsibility for the appropriate application of Health and Safety standards and actions for their work, irrespective of the location of the site and shall not assume that any Third Party has met or organised Health and Safety and traffic management requirements to meet their obligations for work undertaken at the same location

The Supplier shall ensure that their actions are compatible with and in accordance with those of any other party undertaking work or exerting influence on the site. This shall include any necessary safety briefings, sign-ins and the like as may be required. These requirements extend to all work sites including farm operations.

4.4 CONTRACT SPECIFIC HEALTH & SAFETY PLAN

The Supplier must submit a Contract Specific Health & Safety Plan (CSHSP) to the Principal for approval at least 5 Working Days prior to the commencement of work associated with the contract. The plan shall detail how Health & Safety (H&S) will be managed across the duration of the contract term and spanning the full scope of services contemplated by the contract.

The Supplier shall take into account any comments from the Principal in the preparation of the final CSHSPs.

The CSHSP shall, at a minimum, contain the following:

- The contact details for key staff
- Any significant hazards and their controls
- Any specific high-risk activities or Notifiable Works
- The procedures for ensuring day to day H&S outcomes across the contract
- Safe Operating Procedures (SOP) that apply
- Any work not covered by a SOP will require Task Analysis to be undertaken. Note this may include pre-prepared TA's or a list of tasks that require a TA to be developed o TA's must be developed fully and reviewed prior to the work being undertaken (the Principal does not expect to review TAs and expects the Supplier to have an internal review and approval processes).
- Any specific risk assessment that has been undertaken concerning the contract works •
 - Incident registers to be kept
- The incident notification and investigation process
- Details on how consultation, cooperation and coordination shall occur onsite
- A relevant training and competency register for all workers or subcontractors employed by the Supplier
- Copies of licences, certifications, and any other critical documentation
- Details of the emergency procedures associated with the works
- Details of any hazardous substances, including their safety data sheets
- Rescue plans as appropriate to the work (i.e. confined spaces, height)
- Ongoing monitoring requirements, including health monitoring where required
- Monitoring of worker health where it is required under the Health and Safety at Work General Risk and Workplace Management Regulations 2016
- Details of the audit and inspection programme to be utilised to ensure compliance with plan is achieved

The CSHSPs shall be reviewed and updated regularly (but at minimum on an annual basis) by the Supplier to take any changes to operational or maintenance practices or assets into account, and a copy of the updated Plans are to be forwarded to the Principal.

No work shall commence on any roads until a Traffic Management Plan is prepared in accordance with the requirements of New Zealand Guide to Temporary Traffic Management (NZGTTM) and has been accepted and signed off by the relevant Authority for the said works. A copy of the agreed Traffic Management Plan shall be kept on site and made available for inspection.

4.5 CONTRACT SPECIFIC HAZARD AND RISK ASSESSMENT

Prior to the commencement of works required under this contract, the Supplier shall conduct a contract specific risk assessment of all hazards and risks to health and safety likely to be encountered during the

Contract Works and identify how those hazards and risks will be managed. This assessment shall form part of the H&S management procedures detailed within the CSHSP.

The Supplier shall actively consider the method and impact of all stages of works and specifically identify additional potential hazards and ensure adequate and effective measures are taken to ensure the hazard is appropriately managed.

4.6 SUPPLIER TO INFORM

The Supplier is to identify all hazards relating to their works that may impact on the safety of the Supplier's staff and any other persons impacted by the works. The Supplier shall inform all their employees and any other affected parties of the hazards and dangers expected on the site. The Supplier shall also instruct all employees and any other affected parties (where relevant) in the operation of safety equipment and procedures to be followed during an emergency.

4.7 SAFETY EQUIPMENT AND TRAINING

The Supplier shall ensure all employees and the employees of all Subcontractors are competent and appropriately qualified, trained and adequately supervised. All safety and skills training required by law must be completed. Proof of training for key personnel is required annually.

The Supplier shall provide first aid facilities and ensure these are adequately and effectively stocked and that staff are competent in the use of them.

The Supplier must ensure that trained first aid personnel and adequate first aid equipment is provided. A suitably stocked first aid kit shall be provided to every vehicle in use for this Contract and shall be maintained by the Supplier. Refer to WorkSafe NZ guidelines for standards. Means of transport must be available in the event of any medical emergency. Alcohol, drugs and intoxicating substances are not permitted on worksites and neither are people under the influence of these.

All tools and equipment shall comply with relevant safety standards and be kept properly maintained. Written information should be available on their safe use. Personal protective equipment (PPE) must be supplied by the Supplier, maintained in good condition and worn on all relevant occasions. All training in the use of PPE must be documented.

The Supplier shall ensure that any Subcontractor provides appropriate safety equipment that meets an approved New Zealand standard to any employees of that Subcontractor and that the Subcontractor ensures that those employees use and wear that safety equipment.

Where specialist equipment (e.g. breathing apparatus) has to be used, the Supplier shall provide proof that appropriate training has been given its employees in the correct use of the equipment.

4.8 PUBLIC HEALTH

It is essential for public health, as well as the health and wellbeing of the Supplier's staff that special attention is given to diseases that are communicable particularly including those which are communicable by water.

All personnel working on this contract must be made aware of the risks of transmission of these and other illnesses and shall take all practicable steps to protect themselves and prevent contamination of a water supply, including but not limited to inoculations and post infection stand-down times.

The Supplier's Health and Safety Plan shall:

- contain infection control measures for the management of communicable diseases which comply with all legislation, directives or orders issued by the Government or HSWA Regulator and health and relevant health and safety standards or protocols for management of the communicable disease; and

- outline the Supplier's requirements for vaccination (if applicable), testing, inoculation and stand-down times following illness for the Supplier's staff and those of Subcontractors.

4.9 RIGHT TO INSPECT

The Principal (or their agent) shall have the right to inspect the Supplier's provisions for occupational health and safety at any reasonable time throughout the term of the contract.

The Principal shall be allowed access to the worksite at all times to ensure work practices are safe. The Principal shall make arrangements with the Supplier to access Supplier sites, preferably when other work is being undertaken at the site. Costs associated with random site visits shall be borne by the Principal.

The Supplier shall provide a system of checks and audits to ensure compliance with safety requirements.

4.10 HEALTH AND SAFETY REPORTING

All Health and Safety Incidents must be reported and acted upon in a timely fashion and in accordance with the following.

Health and Safety Incidents are categorised as follows:

- Notifiable Event as defined under the Health and Safety at Work Act 2015 section 25
- Serious Occurrence. Any incident that had the potential to cause a Notifiable Event, serious damage to asset, loss of containment or damage to reputation
- Incident. Note a near miss is classed as an incident for reporting purposes
- Environmental Incident, i.e. release of a gas, fume, dust, or spill of a substance that presents a risk to persons or the environment.

Injury Incidents are categorised as follows:

- Notifiable Event (a death or notifiable injury or illness)
- Lost Time Injury (LTI)
- Medical Treatment Injury (MTI)
- First Aid (FA)

Incident reporting time frames are:

- Any incident that requires notification to a regulator, i.e. Notifiable Events, must be notified to the Principal within one hour and an interim report provided within three days
- Serious Occurrences must be notified to the Principal within two hours and an interim written report provided within five days
- WorkSafe Enforcement Notices, i.e. prohibitions, urgent instructions, warnings, infringements, must be notified to the Principal within one hour, and interim written report provided within three days
- Lost time and medical treatment injuries must be notified to the Principal within 48 hours.

Incident Investigations are required for all Notifiable Events, Serious Occurrences, Lost Time Injuries and Medical Treatment Injuries or where requested by the Principal. An initial investigation shall be conducted by the Supplier and an interim incident report submitted within the timeframes noted above. Full report and mitigation shall be targeted to be submitted within seven days of the incident.

The Supplier shall implement and maintain an audit and inspection regime to ensure compliance with its obligations under applicable Health and Safety Legislation. The Supplier shall provide reports in a format and with sufficient detail to enable the Principal, acting reasonably, to:

- Confirm that the audit and inspection regime has been appropriately undertaken;

- Readily identify any non-compliances or deficiencies discovered;
- Understand the nature, status, and timeline of any remedial actions required or completed.

These reports shall be submitted quarterly and shall include evidence of corrective actions taken, where applicable.

4.11 NOTIFY THE PRINCIPAL OF THE SITE SAFETY SUPERVISOR

Before any work commences on the contract the Supplier shall formally notify the Principal, in writing, of the Supplier's Site Safety Supervisor.

5.0 RESOURCE MANAGEMENT ACT

The Supplier shall comply with all obligations arising under the Resource Management Act 1991 and any relevant regional or district plan provisions applicable to sludge disposal activities.

The Supplier must carry out all disposal activities strictly in accordance with the resource consent issued for the disposal site.

The Supplier must ensure that all activities avoid, remedy, or mitigate adverse effects on:

- surface water or groundwater
- neighbouring properties
- soil quality
- natural features and ecosystems

The Supplier must immediately notify the Principal of any actual or potential breach of resource consent conditions, accidental discharges, or environmental incidents, and take all reasonable steps to contain, remedy, or mitigate the effects.

The Supplier shall maintain accurate records necessary to demonstrate compliance with the resource consent and provide such records to the Principal upon request.

6.0 GENERAL SPECIFICATIONS

The scope of services covered by this contract is essential for the efficient and effective operation of the Principal's wastewater treatment facilities which are a 24/7 critical operation.

6.1 OPERATIONAL PLAN

The Supplier shall provide an operational plan in accordance with all contract requirements and consent conditions prior to commencing any work under the contract. The plan shall describe the resources, equipment, staffing, and methods the Supplier will use to deliver the services efficiently and without disruption. It shall also set out the Supplier's approach to health, safety, and risk management for all on-site and off-site activities. The Operational Plan must include an Environmental Management section detailing how the Supplier will prevent adverse environmental effects, manage odour/runoff risks, and ensure full compliance with the Resource Management Act and the disposal site's consent conditions.

6.2 SUPPLIER RESPONSIBILITIES

The Supplier shall:

- Ensure timely and reliable cartage of sludge and screenings.
- Manage the Principal's bin stock at site in response to operational requirements.
- Coordinate with plant operators to schedule bin changeovers and respond to operational needs.
- Implement odour control measures during transport.

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- Provide and maintain a fleet of vehicles and trailers suitable for the transport of wastewater by-products and which can respond to the district's growth over the term of the contract and byproduct volumes increase year on year.
- Ensure all Supplier supplied equipment is compliant with relevant health, safety, and environmental regulations. This includes ensuring all vehicles and trailers are properly licensed and have the necessary signage for the class of waste material being transported. The costs of compliance is deemed to be included in the Supplier's price.
- Undertake regular inspections of the Principal supplied bins and undertake preventative & corrective maintenance as required. Cost of routine maintenance is deemed to be included in the Supplier's price. Any faults identified through inspection shall be communicated to the Principal and remedial works quoted.
- Maintain records of tonnage transported
- Take all practical steps to avoid any spills during the transportation process. It is the Supplier's responsibility to immediately make safe, clean up and notify the Otago Regional Council, NZTA and QLDC should a spillage occur.
- Investigate all complaints or claims from any party or person associated with the services and act upon any such complaint as soon as possible. Every complaint or claim shall be brought to the attention of the Principal.
- Once transported to the approved disposal site, the Supplier shall be responsible for all activities required to safely, legally, and effectively place, spread, manage, and contain sludge on the consented land.
- Ensure all personnel, vehicles, and equipment access the site using approved routes.
- Maintain temporary access tracks in a safe, trafficable condition where required for sludge placement operations.
- Deposit sludge only within the consented disposal area(s) and in accordance with approved volumes, depths, and placement methods.
- Spread, level, or mound the sludge as required by the resource consent or the Principal's instructions.
- Avoid creating ponding, runoff, or over-saturation that could affect neighbouring land or water bodies.
- Implement erosion, sediment, stormwater, and odour controls appropriate to the site
- Prevent contamination of waterways, drains, boreholes, and natural features.
- Immediately contain and remediate any accidental discharge or spillage outside the authorised area. It is the Supplier's responsibility to immediately make safe, clean up and notify the Otago Regional Council and QLDC should a spillage occur.
- Carry out all disposal activities strictly in accordance with the resource consent, including:
 - maximum tonnage or volume limits
 - application rates
 - seasonal or weather restrictions
 - slope or gradient limits
- monitoring or sampling requirements

6.3 PRINCIPAL'S RESPONSIBILITIES

The Principal shall:

- Ensure its Operational Contractor (responsible for the WWTP) communicates effectively with the Supplier and provides adequate notice of its requirements

- Ensure its Operational Contractor produces a wastewater sludge that complies with the acceptance criteria of the disposal location and that meets the target average bin weights.
- Provide and maintain the required fleet of sludge bins to fulfil the needs of the contract
- Respond to reasonable request for maintenance or investment from the Supplier to ensure the Principal's infrastructure remains fit for purpose.
- Provide written notification of any anticipated changes to its infrastructure that would result in a material change to the volumes of sludge or byproducts from its facilities.
- Provide access to the treatment facilities for the storage of plant and/or equipment which support the delivery of this agreement.

6.4 PERFORMANCE STANDARDS

The Supplier shall deliver the following performance standards:

- No missed collections unless pre-approved by the Council (provided a minimum of 12 hours notice has been provided).
- Shunting services shall be completed promptly and such that the treatment process can operate continuously
- Servicing shall be provided as and when required noting that the WWTP operates 24/7
- Odour complaints must be investigated and mitigated within 24 hours.
- Vehicles must be clean and compliant with applicable standards.
- Prompt communication to the Principal in the event it observes bins are not achieving the target weights

7.0 PAYLOAD MANAGEMENT

7.1 PAYLOAD MANAGEMENT

The Principal recognises the importance of achieving the target bin weights for the sustainability of the contract. It is the Principal's responsibility to ensure that its Operational Contractor manages the treatment facilities to maximise payloads, however, the effective management of any deficiencies in this area is supported by open and prompt communication from the Supplier and between the Supplier and the Operational Contractor.

7.2 TARGET WEIGHTS

The target bin weights are as follows:

- i. Wanaka Single Bin - 8.5 ton average payload
- ii. Combined Wanaka bins (truck and trailer) - 18-19 average ton payload

Average weights are to be calculated across the relevant transactions (being each individual bin, or combined truck and trailer movement as applicable, at the weighbridge) in the relevant reporting period.

7.3 UNDER FILLED BINS

On the Supplier identifying any underfilling of bins they shall raise immediately with the Operational Contractor and notify the Principal within 24 hours. Should the underfilling continue (consecutive underweight bins or inconsistent weights which, if not addressed, are reasonably likely to jeopardise contract performance) the Supplier shall escalate their concerns in writing as an Early Warning to the Principal. In this situation the Principal will arrange a meeting between the parties at its earliest convenience to explore the root cause of the issues and agree what (if any) interventions are required to rectify.

7.4 OVER FILLED BINS

In the event bins are overfilled leading to local spillage of sludge materials, the responsibility and cost of cleaning shall sit with the Principal's Operational Contractor, except in situations where the spillage was caused by an action or inaction of the Supplier outside the ordinary performance of its obligations under this Contract.

7.5 ADDITIONAL PAYMENTS FOR UNDERWEIGHT BINS

Additional payments will only be considered by the Principal where the long term average bins weights (across the contract) demonstrate a material divergence from the agreed targets. Bin weights shall be monitored routinely throughout the contract and proactive action taken to ensure the target bin weights are achieved.

For the purposes of this clause, long-term average means the average calculated over a rolling 12month period or, where the Contract term is less than 12 months, over the elapsed Contract period.

If at the end of the financial year (30 June) the transported tonnages reflect a material divergence from the agreed target (>10%) the parties shall meet and negotiate compensation. The cartages rates, target tonnages and efforts of the Supplier to achieve the target payloads shall be used as the basis of negotiations.

8.0 RISK MANAGEMENT

8.1 RISK IDENTIFICATION AND MITIGATION

The Supplier shall implement and maintain a risk management program designed to identify, assess, monitor, and mitigate risks that could adversely affect the delivery, of the services.

The risk management program must include:

- a. Regular risk assessments (at least annually),
- b. Maintenance of a risk register detailing identified risks and mitigation actions,
- c. Implementation of technical and organisational controls to reduce risk to an acceptable level.

9.0 GENERAL OBLIGATIONS

9.1 ATTENDANCE AT MEETINGS

The Supplier shall make themselves available to attend quarterly meetings with the Principal to discuss the performance of Contract services.

9.2 REPORTING

The Supplier shall provide monthly reports covering the following:

- Summary of H&S performance
- Summary of cartage activities and tonnages collected from each site
- Identification of any risks which may impact on contract performance
- Details of any Resource Consent monitoring activities

The format and content of the report shall be determined in collaboration with the Principal, and shall be kept concise.

Reports shall be submitted within 5 working days of the end of the month to which the report relates.

9.3 BASIS OF PAYMENT

Each load will be weighed on the weigh bridge at the Upper Clutha Transports yard in Luggate and a copy of the weighbridge docket shall be attached to the monthly claim when submitted. Total tonnages for the relevant month will be the sum of the authorised weight bridge dockets. The total tonnage obtained from

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the weigh bridge dockets will then be multiplied by the contract rate of the \$/tonne rate submitted giving the basis for payment.

Documentation as outlined above must be submitted by the 5th working day of the month for payment.

Appendix 2: Proposed contract terms and conditions

- The proposed contract terms and conditions are the standard terms and conditions in the agencies Services Agreement.
- Additional provisions included in the scope of work for the handling and disposal of the waste material are noted in Appendix 1.
- The final copy of the agreement will be reviewed by legal prior to be issued for signatures.

Appendix 3: Risk register

Key risks have been assessed using this risk analysis framework.

LIKELIHOOD of risk happening	Almost certain	amber	amber	red	red	red
	Likely	yellow	amber	amber	red	red
	Possible	yellow	yellow	amber	amber	red
	Unlikely	green	yellow	yellow	amber	amber
	Rare	green	green	yellow	yellow	amber
		Negligible	Low	Moderate	High	Extreme
CONSEQUENCE if the risk happens						

Diagram: Risk analysis framework