

### Full Council

4 September 2025

#### Report for Agenda Item | Rīpoata moto e Rāraki take [7]

**Department: Property & Infrastructure**

**Title | Taitara: Wānaka Refuse Transfer Station**

**Purpose of the Report | Te Take mō te Pūroko**

---

The purpose of this report is to (a) brief Council on the current status of the Wānaka Waste Facilities project, (b) inform Council of a forecast increase in capital expenditure required to implement the project's preferred solution, (c) seek Council's endorsement to advance the preferred solution through detailed design, and (d) outline the proposed approach for addressing the required uplift in capital funding, specifically through the 2026/27 Annual Plan and 2027-37 Long Term Plan processes.

#### Executive Summary | Whakarāpopototaka Matua

---

This paper is being presented to Council as the project's preferred solution sees an increase in scope and costs from the project description and budget as outlined in the current Long Term Plan (LTP). An endorsement of the preferred solution and an acknowledgement of the increase in project cost is sought in order to progress the next stage of project development with a level of certainty and support from Councillors.

The existing Wānaka Refuse Transfer Station (RTS) is facing capacity, compliance and health and safety issues. \$10.12M is allocated in the current LTP for upgrade works.<sup>1</sup>

The project investment objectives have been defined as follows:

- Complies with resource consenting requirements and operates with minimal environmental impacts;
- Sufficient capacity to handle current and future/anticipated growth in residual waste and selected recoverable items in a cost-effective manner;
- Designed to provide a safe environment for staff and users;
- Sufficient flexibility to enable and maximise diversion of materials from landfill.

In early 2024, Queenstown Lakes District Council (QLDC) purchased the site adjacent to the existing RTS. This provided the opportunity for a wider analysis of potential options to address the investment objectives.

---

<sup>1</sup> All figures presented in this report are in financial year 2025/26 dollars unless otherwise stated.

Options analysis has been undertaken over the past 18 months, with a preferred solution identified and a Single Stage Business Case (SSBC) produced by QLDC Property and Infrastructure Team. The preferred option sees a new RTS constructed on the land adjacent to the current RTS. The RTS will be sized for existing and future growth over the next 30 years and is proposed to be constructed in two stages, with main construction works occurring in 2026/27, with an expansion plotted for circa 2036/37 to account for growth in waste processing space requirements.

The preferred solution indicatively requires additional capital funding of around \$4.8M in 2026/27, with a further \$7.4M required around 2036/37.

This paper seeks endorsement of the preferred solution, to allow progression to the next stage of design which will inform a more detailed cost estimate with necessary changes to budget requirements intended to be incorporated into the 2026/27 Annual Plan (to fund the first stage of construction) and the 2027 Long Term Plan (to fund the second stage of construction).

The recommended option is consistent with the principles set out in the Waste Management and Minimisation Plan 2018 and the draft Waste Management and Minimisation Plan 2025.

### Recommendation | Kā Tūtohuka

That the Council:

1. **Note** the contents of this report;
2. **Endorse** the Wānaka Waste Facilities project to proceed to detailed design; and
3. **Note** that no decision is required at this stage but noting that to construct the preferred solution, the project's approved 2024 Long Term Plan capital expenditure budget will potentially need to increase by around \$4.8M in the 2026/27 Annual Plan and potentially require a further \$7.4M in the 2027 Long Term Plan (2027/37); it is anticipated that the required 2026/27 Annual Plan project budget uplift can be met by way of transfer from the New Waste Facilities capital budget, resulting in no net impact on the total 2026/27 capital budget.

Prepared by:



**Name:** Andrew Hill  
**Title:** Senior Project Manager

14 August 2025

Reviewed and Authorised by:



**Name:** Tony Avery  
**Title:** General Manager Property & Infrastructure  
14 August 2025

## Context | Horopaki

### Background

1. Investment in the Wānaka Refuse Transfer Station (RTS) is recognised as a priority in the 2024-34 Long Term Plan (LTP), responding to the underpinning prioritisation principle of 'getting the basics right first'. Across 2024/25 to 2026/27, capital funding of \$10.12M is allocated for the Wānaka Waste Facilities project.
2. Wānaka's existing RTS is facing capacity and compliance challenges, with the stormwater discharge consent recently granted a short term (3-year) extension until April 2028. Indications are that further extensions to this consent will not be possible without investment at the facility.
3. The existing layout also has health and safety concerns due to its constrained space and mixing of public and commercial vehicles and it does not maximise diversion opportunities or encourage behaviour change to minimise waste sent to landfill.
4. Accordingly, the Wānaka Waste Facilities project has been initiated in accordance with the 2024-34 LTP to respond to these matters.
5. Identification, development and assessment of project options has explored upgrades within the existing site footprint (refer Figure 1, blue shaded area) and new facilities that can be constructed on the recently acquired neighbouring Ballantyne Road site (refer Figure 2, teal outline).



Figure 1: Existing Wānaka RTS Site (Blue)



Figure 2: Extended site following land acquisition

6. The project's initial options analysis identified a preferred solution that used the wider site due to the increased size (less constrained), suitability for future growth and improved access. In early 2024, an estimate for the initially preferred solution was prepared, resulting in a total project cost estimate of around \$23 M (including the Ballantyne Road land acquisition cost). In response, a

business case was prepared to reconsider all practicable options and confirm the preferred way forward.

### **Business case approach**

7. A Single Stage Business Case (SSBC) approach is being followed in accordance with New Zealand Treasury standards. Expert provider Tonkin+Taylor was procured to facilitate the business case development process.
8. The business case has defined the following four key problem statements associated with current arrangements:
  - a. *Consenting and environmental impacts:* The existing facility, in its current condition, will not meet Otago Regional Council consenting requirements and its current consent will require renewal. Critically, upgrades to the stormwater system are needed, in the forms of both drainage and treatment.
  - b. *Growth and capacity:* The Queenstown Lakes District, one of New Zealand's fastest-growing regions, has seen resident and visitor numbers consistently exceed forecasts, with long-term growth expected to continue. The Wānaka Refuse Transfer Station is currently operating at capacity, with only 145m<sup>2</sup> of disposal pit area available, far below the ideal 400m<sup>2</sup> needed for current waste volumes and insufficient for future demand.
  - c. *Safety:* The current site layout of the RTS poses safety issues relating to the separation of staff, visitor, vehicle and plant movements. Safety issues are exacerbated by high throughput at the site, insufficient infrastructure and space limitations meaning it is difficult to address safety issues through operational controls.
  - d. *Resource recovery:* The current layout of the RTS site does not enable the highest level of material diversion by encouraging behaviour change. It is possible for customers to go directly to the refuse pit, avoiding the opportunity to divert some of their materials higher up in the waste hierarchy.
9. The following four investment objectives were developed in response to the key problem statements:
  - a. The Wānaka RTS complies with resource consenting requirements and operates with minimal environmental impacts;
  - b. The Wānaka RTS has sufficient capacity to handle current and future/anticipated growth in residual waste and selected recoverable items in a cost-effective manner;
  - c. The Wānaka RTS is designed to provide a safe environment for staff and users; and
  - d. The Wānaka RTS has sufficient flexibility to enable and maximise diversion of materials from landfill.



10. To enable a broad suite of practicable options to be developed in response to the identified problem statements and investment objectives, a scoping exercise was conducted to clearly articulate key service requirements and the extent to which these were essential vs desirable. The investment parameters identified through this scoping exercise focus on the infrastructure required to support current and future RTS activities in Wānaka, including consolidation of commercial rubbish collection and private rubbish drop off for transportation to Victoria Flats Landfill. It includes allowance for charged (i.e. greenwaste, clean fill, gas bottles, degassing whiteware) and non-charged (i.e. tyres, batteries, scrap metal) materials collection and diversion from landfill, as well as flexibility for changes in the types of materials that may be collected in the coming years.

### **Engagement with the Infrastructure Committee and Wānaka Upper Clutha Community Board**

11. The project has had recent presentations to both the Wānaka-Upper Clutha Community Board (WUCCB) and Infrastructure Committee. Matters discussed during these engagements have included site flood risks, alignment with Wastebusters, iwi engagement, land acquisition costs, potential impacts on ratepayers and community consultation requirements. The project team will continue to engage with both governing bodies as the project progresses.

### **Preferred solution**

12. The SSBC has now been finalised (pending internal reviews and approvals), confirming that staged development of a new RTS at the recently acquired Ballantyne Road provides the best balance of cost, benefit and risk. In assessing options, the project team considered consenting and environmental impacts, growth and capacity requirements, safety and future flexibility for enhanced material diversion.

*Figure 3: Concept Layout – Preferred Solution*



13. Concept design for the preferred solution was completed in March 2025 (refer to Figure 3), with further permutations around staging of essential versus desirable inclusions continuing through to mid-2025. This process has resulted in a recommendation to construct the preferred option in two stages (described below). Associated costs have been validated by QLDC's independent quantity surveyor.

### **Stage 1**

14. The first stage of the preferred solution involves constructing a new enclosed transfer building sized to cater for projected peak demand in 2055, and new public facing and operational yard areas sized to cater for current peak and future average demand. The site configuration will enable future expansions as and when required.
15. The operational yard area will be sealed in high traffic areas with the remainder paved with compacted aggregate. The new RTS site will be constructed with a perimeter stormwater swale to capture stormwater runoff and filter through a new bio-retention pond.
16. The existing RTS site will be decommissioned and levelled, thus providing opportunity for other activities on this site. The solution requires the relocation of Wānaka Greenwaste to an adjacent area within the site and retains space at the northern end of the site for future waste-related activities.
17. Existing site users, including Wastebusters, Wānaka Greenwaste and Waste Management have been engaged throughout the optioneering and concept design work. The project team has worked with these existing site users to understand their requirements and ensure the RTS project is complimentary of them. However, any upgrades to directly support Wastebusters or Wānaka Greenwaste are outside the scope of the RTS project. The preferred solution will require the relocation of Wānaka Greenwaste to an adjacent area within the site. This has been discussed with Wānaka Greenwaste throughout the options development and QLDC's Property Team is working with Wānaka Greenwaste regarding the lease arrangements for this move. The preferred solution will not impact the existing Wastebusters site but has been designed to address stormwater issues in the vicinity of their entrance way and improve traffic flow to and from Wastebusters. The relocation of the RTS from its existing site beside Wastebusters does create an opportunity for Wastebusters or other organisations to use this area in the future. A separate paper considering a request for expansion of the Wastebusters site is being prepared for the October Council meeting.
18. Stage 1 is estimated to cost a total of \$18.5M and would be completed around October 2027. The total \$18.5M cost associated with Stage 1 includes \$3.6M of project costs incurred prior to the 2024 LTP period, comprising the Ballantyne Road land acquisition, feasibility activities, and project management and internal costs. When adjusting for these costs, the required total 2024-34 LTP budget to implement Stage 1 of the project is \$14.9M, requiring an uplift of around \$4.8M from the project's current approved adjusted budget of \$10.12M.

19. The financial implications associated with proceeding with the first stage of the preferred solution will be developed as part of the 2026/27 Annual Plan process. Indicatively, it is anticipated that the required project budget increase can be met within the total waste capital allocation in the 2024 LTP – most likely by way of transfer from *CP0007200 New Waste Facilities*. This would result in no net increase to the total 2024-34 LTP. In the event it is not prudent to transfer funding from within the LTP's total waste capital allocation, opportunities for transfers from other activities will be explored, with new funding (utilising debt headroom) considered only as a last resort.

## **Stage 2**

20. The second stage involves expansion of the external areas and provision of additional hard stand. These expansions will allow for additional on-site storage for the RTS Operator and could also include activities such as container return schemes, soft plastics, construction and demolition waste, and other new schemes/legislated changes that may come into effect in this time.
21. As future opportunities and requirements are dependent on a number of variables including commodity market conditions, legislation changes, third-party participants (including alignment with Wastebusters activities), delaying this stage of development allows for further investment solutions to be tailored to best available information at a later date.
22. Stage 2 is estimated to cost a further \$7.4M (escalated to 2036) and would indicatively be required around 2036/37 to cater for ongoing growth in the catchment and the introduction of additional resource recovery activities. This further funding requirement, along with associated timing, will be considered as part of the 2027 LTP development process.

## **Analysis and Advice | Tatāritaka me kā Tohutohu**

---

23. This report identifies and assesses the following reasonably practicable options for addressing the matter as required by section 77 of the Local Government Act 2002.
24. Option 1 Endorse the project to proceed to detailed design.

### *Advantages:*

- Allows the project to continue through design and consenting phases, preventing delay and mitigating against potential service interruptions;
- Does not commit the Council to expenditure beyond what is currently budgeted for (noting any uplift will be addressed via a subsequent process prior to progressing to implementation);
- Preferred solution addresses all investment objectives identified, while providing a graduated response to growth in the district and maintains flexibility for future diversion opportunities should they be required;

- Provides increased certainty around wider site requirements, enabling decisions to be made around other potential waste minimisation activities on the site by QLDC or third parties;
- Retains space on site for additional Waste Minimisation activities such as a Materials Recovery Facility (MRF) if it is decided to build in this location.

#### *Disadvantages:*

- Estimated cost of preferred solution exceeds currently available LTP budget, and if appropriate funding is not made available through future budget adjustments there will be sunk costs incurred by Council.

#### 25. Option 2 Do not endorse the project to proceed to detailed design.

#### *Advantages:*

- LTP budgets are preserved without need for adjustment.

#### *Disadvantages:*

- Introduces delay and uncertainty to improvements at the existing facility, causing capacity, compliance and level of service issues to remain unresolved.
- Increases the risk of future service disruptions.
- Additional costs will be incurred to review alternative options, noting that no option has been identified which addresses all of the required investment objectives within the budget available.
- Creates uncertainty around site master planning and limits QLDC's ability to explore (and commit to) other waste minimisation activities on the site.

26. This report recommends **Option 1** for addressing the matter as it maintains momentum on an important infrastructure investment that has been rigorously evaluated through a detailed option development and assessment process. Option 1 can be advanced within available funding, enabling more robust costing information to inform future decision-making and budgeting cycles. Proceeding with Option 1 does not commit the organisation to constructing the proposed new RTS facility.

### Consultation Process | Hātepe Matapaki

---

#### Significance and Engagement | Te Whakamahi i kā Whakaaro Hiraka

27. This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy 2024 because proceeding with the next phase of project development (a) advances a priority infrastructure project in accordance with the 2024-34 LTP, and (b) completing



the next phase of project development (detailed design) can be funded within the project's existing approved budget.

28. It is recognised that construction of the preferred solution may require an increase to rates and user charges, and subject to final funding arrangements, may require an increase of Council borrowing. These financial implications are balanced by the preferred solution remaining consistent with the intent of the current LTP and the recent draft Waste Management and Minimisation Plan 2025 (WMMP 2025), strong likelihood of managing the increase within overall existing capital funding provisions, and criticality in maintaining existing service levels. Furthermore, a decision to increase the project budget to enable construction of the preferred solution will occur as part of the comprehensive 2026/27 Annual Plan development process.
29. Due to the project's inclusion in the 2024-34 LTP and draft WMMP 2025 it is unlikely community consultation on this project will be required beyond what would occur as part of the 2026/27 Annual Plan and 2027-37 LTP processes.
30. The persons who are affected by or interested in this matter are existing users at the proposed site (including Wastebusters, Wānaka Greenwaste, Waste Management NZ), residents/ratepayers of the Queenstown Lakes district community, commercial operators/businesses who utilise the RTS Facilities.
31. Following Council endorsement to continue with the project's development through the next stage of design, the project team will continue working with site stakeholders as the design is advanced. Additionally, a project page will be established on the QLDC website, providing updates to residents and ratepayers.

#### **Māori Consultation | Iwi Rūnaka**

32. QLDC has undertaken limited engagement with Iwi at this stage, though they have been briefed on the proposed option and provided updates as the development has progressed. The main Iwi interest thus far is in the stormwater design and run off from site and Assessment of Effects on the Environment for the consent application; they have requested review and input into the design and consenting process for this. Once the preferred option is approved and funding certainty provided, design development will commence with input requested from Iwi groups throughout this phase and including the resource consent application where a cultural narrative and Cultural Impact Statement will be sought to support consenting documentation.

#### **Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka**

---

33. This matter relates to the Environmental risk category. It is associated with RISK10029 Ineffective compliance management practices within the QLDC Risk Register. This risk has been assessed as having a high residual risk rating.
34. The approval of the recommended option will allow Council to avoid the risk. This will be achieved by enabling progression towards new Resource Consents associated with the site's activities and Environmental effects and supporting investment to appropriately manage these effects.

35. This matter also relates to the Community & Wellbeing risk category. It is associated with RISK10048 Health, safety or wellbeing incident affecting member of the public within the QLDC Risk Register. This risk has been assessed as having a moderate residual risk rating.
36. The approval of the recommended option will allow Council to implement additional controls for this risk. This will be achieved through the progression of design work on a modern RTS facility with more advanced and appropriate mitigations/controls to separate and protect members of the public, employees and commercial users.
37. This matter also relates to the Strategic/Political/Reputation risk category. It is associated with RISK10056 Ineffective provision for the future planning and development needs of the district within the QLDC Risk Register. This risk has been assessed as having a moderate residual risk rating.
38. The approval of the recommended option will allow Council to avoid the risk. This will be achieved by enabling the provision of an RTS that is adequately sized for the growth of the district and waste volumes expected over the next 30 years.
39. Note that these risk mitigations and controls will only be realised if the project progresses through implementation.

### Financial Implications | Kā Riteka ā-Pūtea

---

40. The existing project budget is sufficient to support the next phase of the project's development (detailed design); accordingly, there are no material financial implications associated with the recommendations of this report.
41. Financial implications associated with construction the preferred solution's first stage will be considered as part of the 2026/27 Annual Plan development process.
42. Financial implications associated with constructing the second stage of the preferred solution will be considered as part of the 2027 LTP development process.

### Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera

---

43. The following Council policies, strategies and bylaws were considered:
- QLDC's Strategic Framework
  - Climate and Biodiversity Plan 2025-28
  - Long Term Plan
  - 30 Year Infrastructure Strategy

- Waste Management and Minimisation Asset Management Plan (2021)
- Waste Management and Minimisation Plan 2018
- Draft Waste Management and Minimisation Plan 2025

44. This matter is included in the Long Term Plan as part of the Waste Minimisation and Management capital investment programme (specifically as the *Wānaka Waste Facilities* project) and highlighted as a key planned activity “to facilitate more resource recovery, improve health and safety and increase capacity”.

### Legal Considerations and Statutory Responsibilities | Ka Ture Whaiwhakaaro me kā Takohaka Waeture

45. There are no known legal considerations that need to be considered, however legal advice has not yet been taken, but will be sought once the project progresses to the next design stage to progress the preferred solution.

### Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kiaka

46. Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. The Wānaka RTS project will ensure adequate infrastructure is established in Wānaka to contribute to the social, economic and environmental wellbeing of the community. As such, the recommendation in this report is appropriate and within the ambit of Section 10 of the Act.

47. The recommended option:

- Can be implemented through current funding under the Long Term Plan and Annual Plan (however additional project capital funding will be required to construct the solution, to be considered through future Annual Plan and Long Term Plan development processes);
- Is consistent with the Council's plans and policies; and
- Would not significantly alter the intended level of service provision for any significant activity undertaken by or on behalf of the Council or transfer the ownership or control of a strategic asset to or from the Council.