QLDC Council
28 October 2021

Report for Agenda Item | Rīpoata moto e Rāraki take 6

Department: Property & Infrastructure

Title | Taitara 2021 Ten Year Plan Capital Expenditure Changes

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

1 The purpose of this report is to seek approval of proposed changes to Queenstown Lakes District Council's 2021 Ten Year Plan capital expenditure budgets.

2 This report only presents changes that cannot wait until draft 2022 Annual Plan budgets are presented early next year. A full reforecast of 2021/22 expenditure will be prepared to coincide with the development of the Annual Plan.

3 In particular, this report seeks approval to increase the Arterial Stage One budget. If increased, the negotiated Target Outturn Cost can be secured should a subsequent decision be taken to increase delegated authority and enter project delivery with Kā Huanui a Tāhuna (the Alliance).

EXECUTIVE SUMMARY | WHAKARĀPOPOTOTANGA MATUA

4 Changes to some approved 2021 Ten Year Plan (TYP) budgets are required to meet immediate business needs. If approved, these changes will deliver a total TYP decrease of $11.0m.

5 Additional capital expenditure of $42.4m is required across the ten-year period (3% increase). It is proposed that this increase is offset with $53.4m of capital expenditure reductions (3% decrease). The total TYP capital budget will reduce to $1.54bn. Planned 2021/22 capital expenditure will increase by $4.8m (to $287.4m).

6 The most notable change proposed relates to the Arterials Stage One project ("the Arterial"). An increase of $37.0m is required due to; (1) the inclusion of separate, budgeted TYP projects for delivery efficiencies, (2) additional investment needs and opportunities not anticipated when the original budget was prepared, (3) market escalation, and (4) a proportionate allocation of the Alliance overheads. QLDC's contribution to the revised Arterial cost is estimated to be between $37.4m and $52.9m (including owned land valued at $12.6m). The final position will be influenced by revenue associated with surplus land sales, and the extent to which Crown Infrastructure Partners (CIP) provide additional funding support.

7 A small number of budget changes have been proposed in response to the recently released National Land Transport Programme (NLTP), the emerging scope and schedule of New Zealand Upgrade Programme (NZUP) works, and the final Queenstown Transport Business Case. Detailed analysis of this information and resulting impacts will be completed by officers as part of the 2022 Annual Plan development process.

RECOMMENDATION | NGĀ TŪTOHUNGA

That Council:

1. **Note** the contents of this report;

2. **Approve** all proposed changes in accordance with Attachment B of the '2021 Ten Year Plan Capital Expenditure Changes' report; and

3. **Note** that approval of recommendation (2) will deliver a net reduction of $11.0m from the current adjusted 2021 Ten Year Plan.

Prepared by:	Reviewed and Authorised by:
Peter Hansby General Manager Property and Infrastructure	Mike Theelen Chief Executive
15/10/2021	15/10/2021

CONTEXT | HOROPAKI

Purpose, constraints, and controls

8 Queenstown Lakes District Council (QLDC) uses structured financial adjustment processes to ensure capital expenditure is appropriately managed and transparently reported throughout the financial year. This report proposes changes to the TYP, providing reasons for such changes, and any resulting material risks or impacts.

9 QLDC's debt must remain within predetermined limits that are set in accordance with projected revenue. QLDC cannot forecast to breach these debt limits without risking the ability to secure ongoing funding. Prudent internal debt controls are prescribed by the Chief Financial Officer, ensuring sufficient headroom is maintained to respond to unplanned expenditure needs.

10 Debt limitations mean it is not possible for planned expenditure to increase beyond what has been approved in the TYP. All budget adjustments must now have commensurate offsets elsewhere within the TYP, directly impacting other prioritised investment needs.

11 Financial adjustments should, wherever practicable, occur within cost-centres. Remaining within cost-centres ensures ongoing consistency with QLDC's approved rates composition. For example, it is preferable that a Wakatipu roading budget be used to offset another Wakatipu roading budget.

Implications for this change process

12 To ensure a robust re-prioritisation of approved expenditure can occur within the constraints described, a full capital reforecast has been deferred to February 2022. This report only presents urgent budget change requests where it is deemed imprudent to wait for the next full reforecast to occur.

13 The next full reforecast will coincide with the need to confirm draft Annual Plan 2022 budgets. Both processes will be governed by the same constraints and controls described in this report, and as such, necessary trade-offs are expected to be complex.

14 A new-look paper has been presented to clearly demonstrate proposed budget changes and the resulting trade-offs. The format of this paper will continue to be refined – feedback is requested to ensure future reports are tailored to best-support informed decision-making.

15 **Note:** Waka Kotahi recently released the 2021-2024 National Land Transport Programme (NLTP). An initial reconciliation to the TYP has occurred; however, more time is required to fully analyse the allocations and develop QLDC investment scenarios in response. The impact of the NLTP, including resulting investment options, will be included in the next full reforecast.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

Interpretation

16 Content within this section of the report has been organised into three categories:

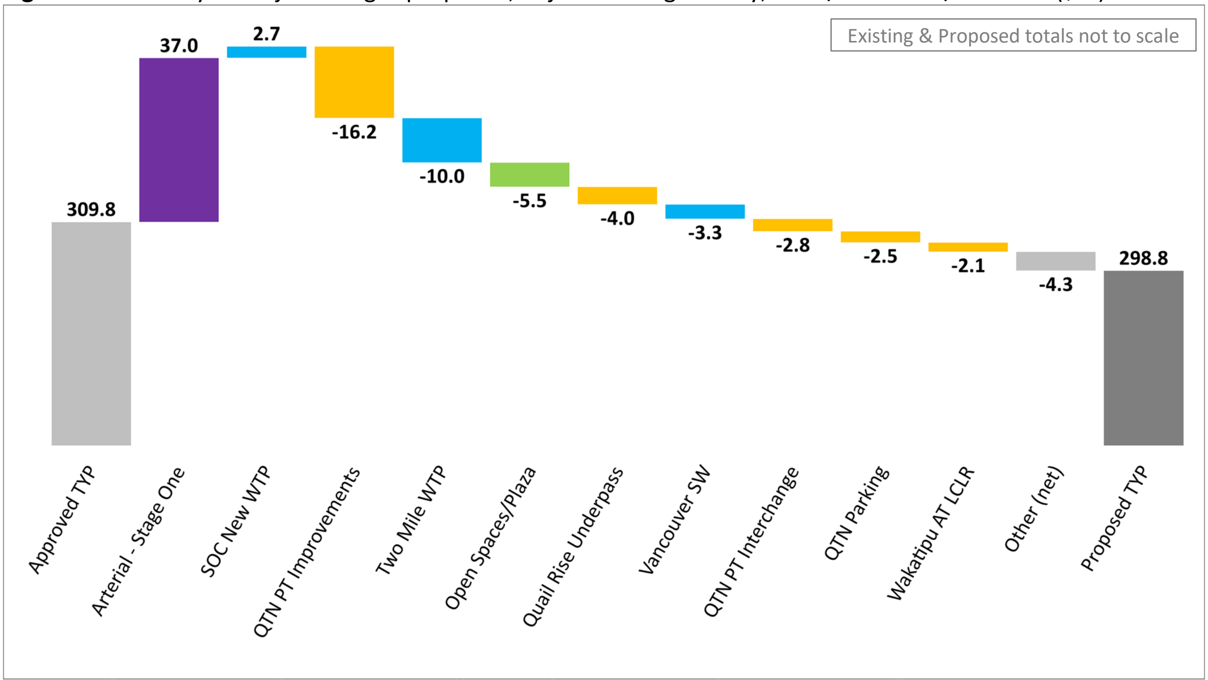
- **Key movements:** a summary of total proposed movement
- **Increases and offsets:** additional funding requirements to respond to arising need and opportunity, with corresponding budget reductions to offset the increases.
- **Bring forwards and deferrals:** changes to the forecast timing of expenditure within existing budgets.

17 Waterfall charts have been presented in the report. Colour has been used to indicate activity-type within the charts; Three Waters (**blue**), Transport (**gold**), the Arterial (**purple**), Other (**green**), and Waka Kotahi (**red**).

KEY MOVEMENTS

18 A total TYP **decrease of $11.0m** is proposed (Fig. 1 refers). Changes greater than $2.0m are shown individually, with remaining changes consolidated in the 'other' category. The combined totals are for budgets considered within this report only (i.e. are not representative of the total TYP position).

Figure 1: Summary of major changes proposed, adjusted budgets only, 2021/22 – 2030/31 totals ($m)



19 Additional funding of $42.4m is required. Of the additional funding sought, $1.14m is for new budgets required to respond to arising business needs and opportunities. Most new budgets are within Transport. A reduction of $53.4m offsets the additional funding required.

ADDITIONAL FUNDING AND OFFSETS

20 Additional funding of $42.4m is required, offset by $53.4m of budget reductions. Attachment A provides further information on proposed offsets.

Arterial – Stage One (IN)

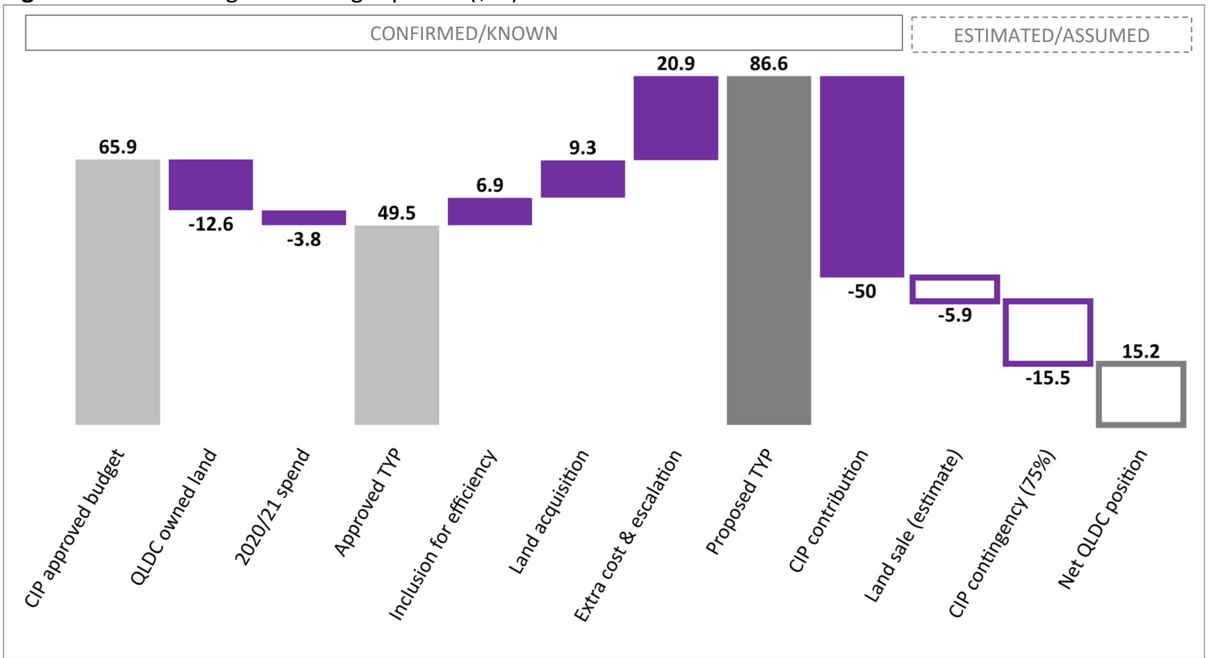
Increase: $37.0m | + 75%

21 An increased total budget of $86.6m (additional $37.0m to approved TYP) is required due to; (1) the inclusion of separate, budgeted TYP projects for delivery efficiencies, (2) additional investment needs and opportunities not anticipated when the original budget was prepared, (3) market escalation, and (4) a proportionate allocation of the Alliance's overheads.

22 The increase is required to:

- execute the contract with the Alliance to deliver the project,
- secure the presently negotiated Target Outturn Cost (TOC) for the project – as reconciled by the Alliance and Independent Estimator, and
- acquire necessary land to achieve the required roading alignment.

Figure 2: Arterial Stage One budget profile ($m)



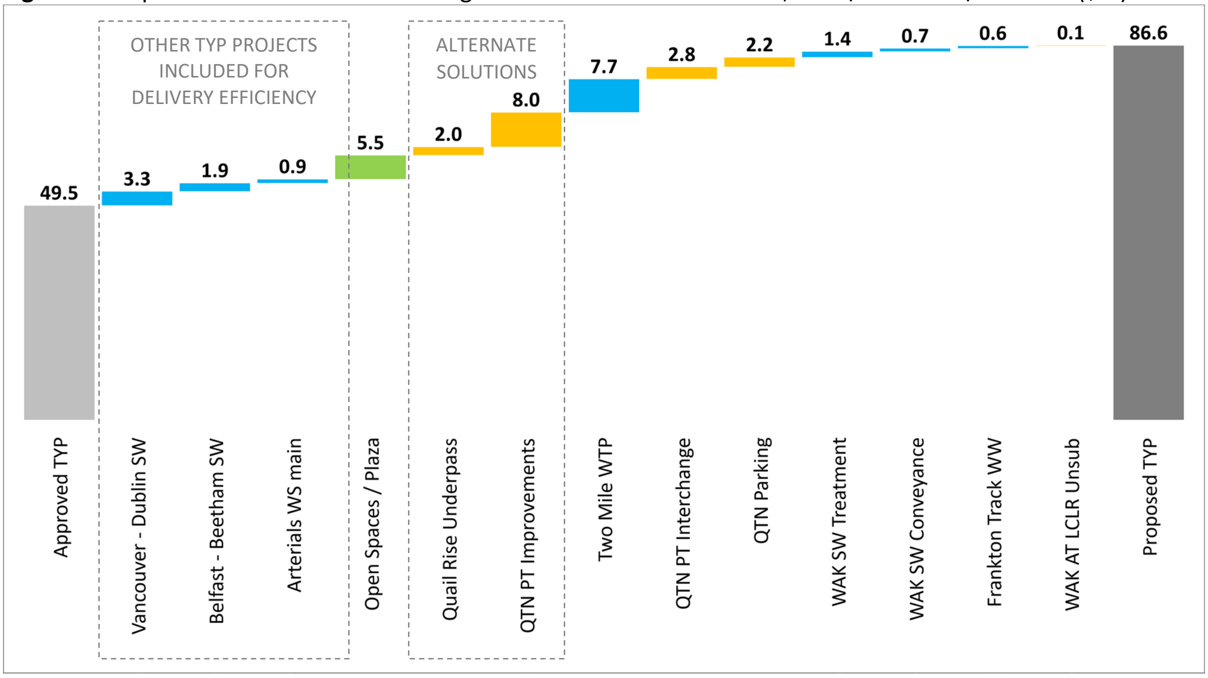
Notes: (a) QLDC committed to a $15.9m contribution in the CIP funding agreement; **(b)** 'other funded projects' represents existing approved TYP budgets to be delivered via the Arterials project for efficiency; **(c)** additional cost is comprised of added scope, cost increase, a proportion of overheads, and market escalation; **(d)** the value of land sales is based on market appraisal; **(e)** assumed CIP contingency is 75% of the total increase i.e. the difference between $65.9m and $86.6m; **(f)** CIP contingency assumption of 75% is proportionate to CIP's confirmed contribution to the original budget of $65.9m.

Impact of the increase on the TYP

23 The TYP budget ($49.5m) was determined by deducting 2020/21 expenditure ($3.8m) and the value of QLDC-owned land ($12.6m) from the CIP-agreed budget ($65.9m). An

increase of $37.0m is now required to enable the project to proceed; existing budgets are proposed to offset this increase (Fig. 3 refers).

Figure 3: Proposed increase to Arterial Stage One and associated offsets, 2021/22 – 2030/31 totals ($m)



Notes: (a) alternate solution budgets – interventions expected to be delivered by other parties - only QLDC local share of the total original budget has been repurposed; **(b)** $843k of Open Spaces/Plaza budget will deliver retaining walls to height required for Manawa site.

Inclusion of separate, budgeted TYP projects for delivery efficiencies

24 To be included:

- resolution of stormwater conveyance issues on Queenstown Hill,
- installation of a water supply pipeline, and
- retaining walls to the height required for the future Project Manawa site.

25 Corresponding TYP budgets ($6.9m) will be transferred to the project. The current estimated cost is higher than the existing TYP budgets so the transfer will only partially offset the indicated cost.

Additional investment costs, needs, and opportunities

26 Project cost increases are informed by the draft TOC. The Independent Estimator has reconciled these costs as being fair and reasonable. Scope and cost increases exist across roading, three waters, and land acquisition components of the project.

27 **Roading:** Additional requirements have been identified through detailed design and the fast-track consenting process. These include provision for temporary works, allowance for undergrounding of power, doubling of kerb and channel volumes, doubling of trees and tree pits, traffic management costs, the addition of a pedestrian overpass, and a corresponding increase in Preliminary and General and design costs.

28 **Three Waters:** Improvements to network capacity and resilience have been added to the original scope.

- A water supply main to enable the efficient transfer and supply of drinking and firefighting water around Queenstown. The Street Upgrades and Lakeview projects will also deliver sections of this watermain. When complete, the watermain will provide network redundancy, resilience, and capacity for demand growth.
- Duplicate stormwater pipelines will be developed. Stormwater from the road will be collected and treated, and the existing network will be monitored for contaminants.
- Existing wastewater infrastructure will be replaced to improve network capacity and resilience. The cost of installing this infrastructure is higher than originally anticipated due to deeper trenching requirements.

29 **Land acquisition:** Unbudgeted land acquisition needs ($9.3m) have been identified. Some of the land acquired to achieve the roading alignment will be on-sold (estimated value $5.9m), offsetting the total project cost (estimated net land cost of $3.4m).

Estimated net position

30 The original project budget agreed with CIP had a total value of $65.9m, of which QLDC's contribution was valued at $15.9m (this includes the monetised value of owned land at $12.6m).

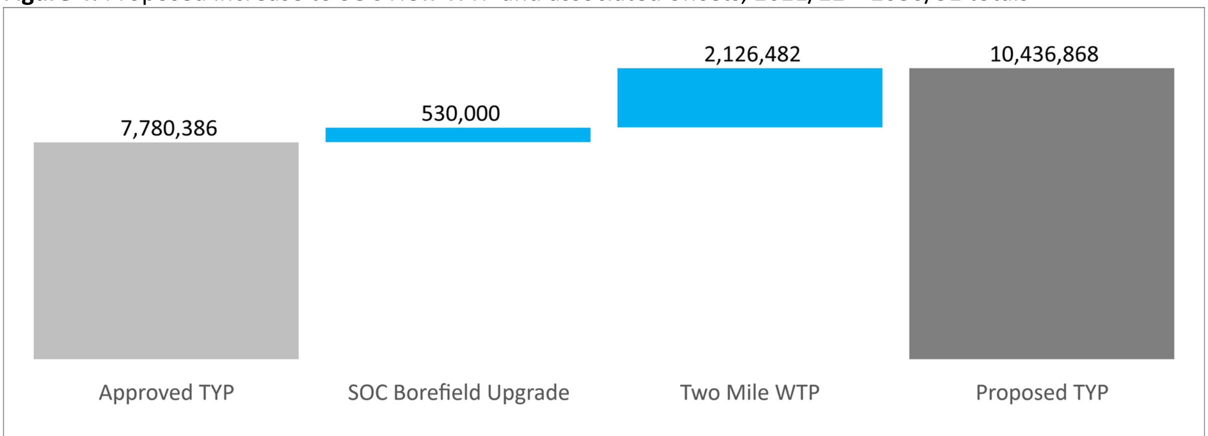
31 QLDC's contribution to the revised total is estimated to be $52.9m ($6.9m existing budgets, $3.4m net land acquisition costs, $12.6m owned land value, and $30.0m direct funding).

32 It is the intention to apply for additional CIP support for the project when the shovel-ready contingency fund is reassessed in the 2022/23 financial year. It is assumed any contingency support will be proportionate to CIP's original contribution to the project (approximately 75%). If this assumption is correct, it is estimated CIP will contribute a total of $15.5m towards the revised total project cost. This would reduce the total value of QLDC's contribution to $37.4m.

Shotover Country New WTP (WS)

Increase: $2.7m | + 34%

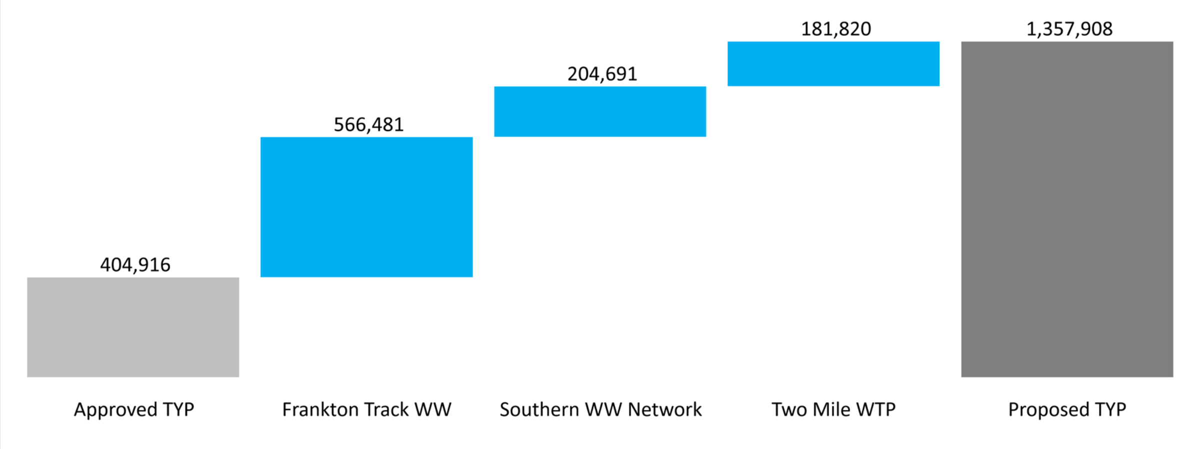
Figure 4: Proposed increase to SOC New WTP and associated offsets, 2021/22 – 2030/31 totals



33 An increase is required to continue contract works; the project is currently in delivery and cannot be completed without additional funding. Additional bores will be added to scope (originally programmed in the TYP for 2025/26), ensuring sufficient yield to meet demand. Completing these works now will eliminate the risk of installing future bores between production bores, and avoid remediation that would have been triggered by the future upgrades.

Shotover Country Rising Main – Bridge (WW) **Increase:** $953k | + 235%

Figure 5: Proposed increase to SOC Rising Main and associated offsets, 2021/22 – 2030/31 totals



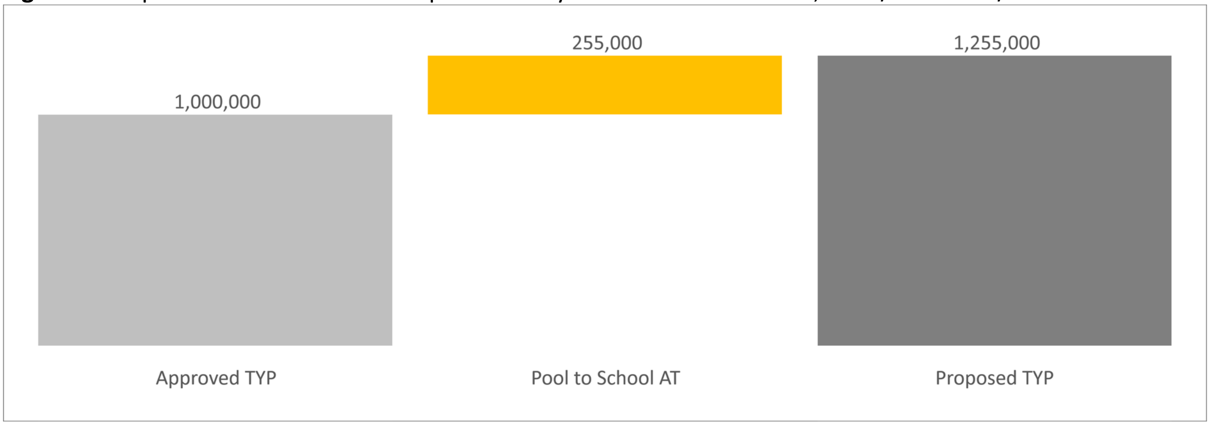
34 An increase is required to continue contract works; the project is currently in delivery and cannot be completed without additional funding. The additional costs are due to:

- Existing wastewater pipeline removal (scope change) – once the new wastewater pipeline is commissioned, Waka Kotahi require removal of the existing pipeline. The existing pipeline is in poor condition and obstructs access for bridge inspections. The removal accounts for $590k of the proposed increase.
- Watermain (scope change) – the opportunity to commission a new watermain over the Shotover Bridge as part of this project represents good value for money. This watermain will convey treated water from the Shotover WTP to Frankton, and requires approximately $180k of the proposed increase to complete.
- Resolution of a design defect – a portion of these costs are in dispute. We are working through the dispute process and if successful, the total cost to QLDC will be less than the proposed increase.

Wānaka Airport Runway (PR)

Increase: $255k | + 26%

Figure 6: Proposed increase to WKA Airport Runway and associated offsets, 2021/22 – 2030/31 totals



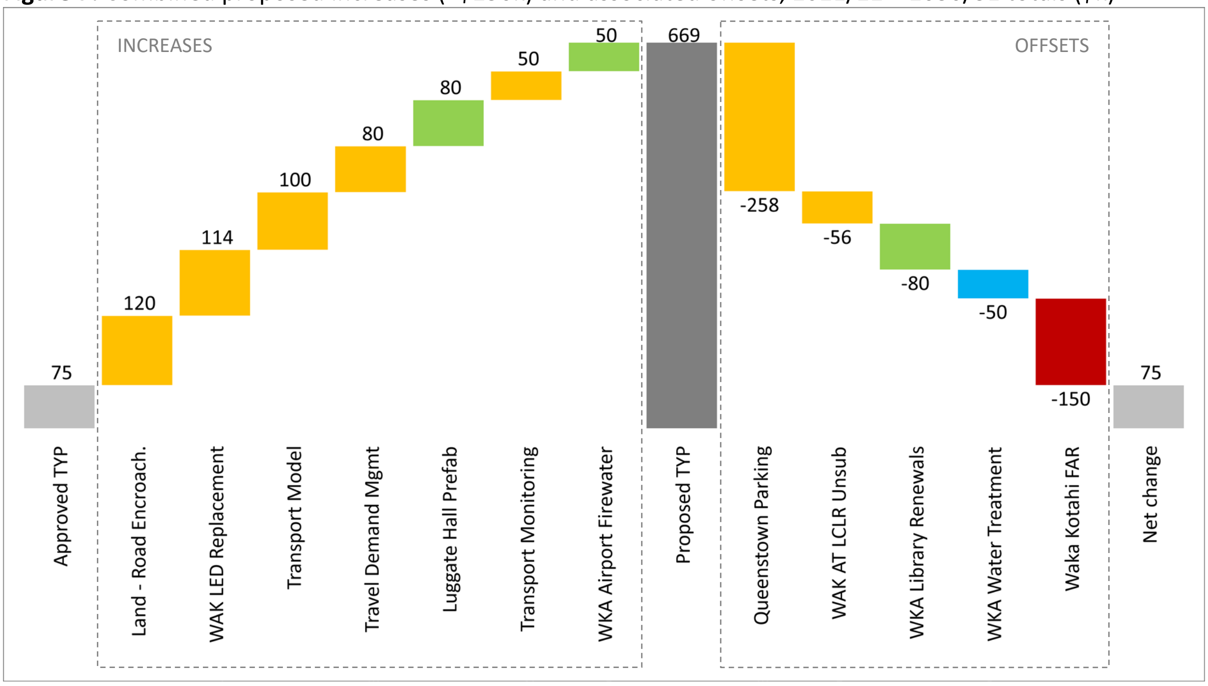
Note: the offset value is the amount of QLDC funding released by an unexpected provision for the Wānaka Schools to Pool active travel route in the NLTP. There is no net impact on the originally approved AT budget.

35 Wānaka Airport's runway is in poor condition and rapidly deteriorating; intervention is required now to avoid a more costly remediation later. The window to procure and execute physical works is constrained by event commitments (e.g. Warbirds over Wānaka). Short-term repairs can be achieved within the existing budget; however, the proposed increase will afford a long-term solution. The relative marginal cost increase represents good value for money.

Minor increases (combined)

36 Proposed increases less than $250k and their corresponding offsets have been combined into a single chart (Fig. 7 refers). Summary commentary provided below the chart indicates the relationship between the increases and offsets.

Figure 7: Combined proposed increases (<$250k) and associated offsets, 2021/22 – 2030/31 totals ($k)



Land Purchase – Historic Road Encroachment (new: $120k)

37 Privately owned land must (by law) be acquired due to a historic road encroachment. The funding requested will provide for a 10% purchase deposit and associated negotiation and conveyancing activities. Further funding will be required in the next financial year to complete the purchase.

38 **Offset by:** Queenstown Parking Improvements (TR)

Wakatipu LED Replacement (new: $114k)

39 Funding assistance is available from Waka Kotahi this year for the installation of previously procured luminaires. If QLDC does not match the subsidy provided, the initiative will need to be funded in full later to realise the assets' value.

40 **Offset by:** Wakatipu LCLR Active Travel (TR)

Transport Model (new: $100k)

41 Transport modelling is essential to inform investment decision-making. A full-scale model replacement is funded from 2023/24 of the TYP. To unlock funding assistance from Waka Kotahi for this upgrade (and other modelling related activity), an investment proposal needs to be prepared now.

42 **Offset by:** Queenstown Parking Improvements (TR)

Travel Demand Management (new: $80k)

43 Congestion and productivity losses are expected to worsen as demand on our constrained transport network increases. Low-cost physical and non-physical travel demand management (TDM) solutions will be a critical component of sustainably managing transportation demand in the district. Failure to commence TDM planning now puts ongoing Waka Kotahi funding assistance at risk, and will contribute to poor transport outcomes and the need for high-cost infrastructure solutions.

44 The NLTP has provisioned funding for TDM planning in the current financial year. QLDC needs to provide a proportionate local share to utilise this funding assistance.

45 **Offset by:** Queenstown Parking Improvements (TR)

Luggate Hall Prefab Relocation (new: $80k)

46 The temporary prefab building onsite requires relocation to allow development of the permanent Luggate Hall to proceed. Delivery of the new hall will be delayed if the funding requested is not approved.

47 **Offset by:** Wānaka Library Renewals (PR)

Wānaka Airport Firewater (increase: $50k/+67%)

48 The National Aeronautics and Space Administration (NASA) must provide a suitable firewater supply to support their onsite activities. There is an opportunity to consolidate Wānaka Airport's required firewater storage assets with NASA's. The combined solution will provide improved resilience to disaster events, and be of sufficient capacity to enable additional development and occupation of the airport to occur. The opportunity to capitalise on NASA's solution is time-limited; should the proposed increase not be supported, QLDC will need to implement a separate and more costly solution later.

49 **Offset by:** Wānaka Water Treatment (WS)

Transport Monitoring and Benefits Realisation (new: $50k)

50 Funding is required to scope procurement requirements for transportation monitoring and benefits realisation systems and processes. Subsequent funding will need to be provided through a future reforecast process to progress the initiative.

51 Improved monitoring and benefit realisation capability will ensure transportation investments are based on robust evidence, with arrangements to define and realise investment benefits. Without this enhanced capability, upcoming investment planning exercises will lack integration and are unlikely to fully unlock potential benefits.

52 **Offset by:** Queenstown Parking Improvements (TR)

PROPOSED BRING FORWARDS AND DEFERRALS

53 Bring forwards of $9.7m into 2021/22 are partially offset by deferrals of $3.1m. Movements are summarised below (Table 1 refers) and detailed in Attachment B.

Table 1: Proposed bring forwards and deferrals (2021/22 movement)

Code	Name	Type	Amount
CP7084	Arterial – Stage One (TR) CIP	Bring Forward	8,222,478
CP7690	Wānaka Schools to Pool Active Travel (TR)	Bring Forward	500,000
CP6939	Tennis Court Renewals – Wakatipu	Bring Forward	350,000
CP7489	EV Charging Stations - District	Bring Forward	225,000
CP6985	BP Roundabout – Kawarau Bridge Retic Ext (WS)	Bring Forward	111,600
CP7416	Water Sports Facility & Parking – Wānaka	Bring Forward	100,000
CP7450	Glenorchy - Carpark & Marina Improvements	Bring Forward	100,000
CP7355	Warren Park Landscape Design	Bring Forward	50,000
		Total bring forwards	**9,659,078**
CP6485	Shotover Country New WTP (WS)	Deferral	1,321,648
CP6932	Coronet Forest Revegetation	Deferral	1,000,000
CP7693	Mount Iron Capex Improvements	Deferral	385,900
CP6534	Wānaka Lakefront Development Plan	Deferral	356,723
		Total deferrals	**3,064,271**
		2021/22 bring forwards and deferrals – net change	**6,594,807**

54 **Arterial Stage One:** Subject to proposed transfers being approved, a bring-forward is required to align with forecast cashflow.

55 **Wānaka Pool to School Active Travel:** QLDC needs to advance budget to ensure there is local share to match an unexpected provision in the NLTP.

56 **Tennis Court Renewals – Wakatipu:** Pressure from the community to advance funding to repair the Arrowtown and Jack Points tennis courts. If the budget is not advanced, resurfacing cannot commence for another season (October 2022).

57 **EV Charging Stations – District:** Charging stations are required for the additional electric vehicles (EV) to be added to QLDC's fleet this year. Funding for this purpose was budgeted last year; however, as no contract commitments were in place at the end of the financial year, a carry forward was not permitted. Accordingly, future funding must now be brought forward to meet this business need. The new fleet vehicles cannot be used without supporting charging facilities.

58 **BP Roundabout – Kawarau Bridge Reticulation Extension (WS):** A section of this watermain will need to be installed at the same time as NZUP works on State Highway 6. The advanced budget will be used to ensure the investment need is coordinated and aligned with the broader NZUP package. If the budget is not advanced, the NZUP works will proceed ahead of the watermain, requiring QLDC to intervene later at much greater cost.

59 **Water Sports Facility & Parking Wānaka:** QLDC has been successful in securing funding of $432k (50% of the project) from the Tourism Infrastructure Fund Round 5 (TIF 5). This project currently sits in year four of the TYP and funding of $100k is requested now to commence planning. It is expected that a request to bring forward the balance of project funding into 2022/23 will be made in a future reforecast.

60 **Glenorchy Carpark & Marina Improvements:** QLDC been successful in securing funding of $375k (50% of the project) from TIF 5. This project currently sits in year 7 of the TYP and funding of $100k is requested now to commence planning. It is expected that a request to bring forward the balance of project funding into 2022/23 will be made in a future reforecast.

61 **Warren Park Landscape Design:** Early funding is requested to commence the development plan, to align with a committed investment from Ngai Tahu. Ngai Tahu are developing the Te Pa Tahuna site next to Warren Park.

62 **Shotover Country New WTP:** Subject to proposed transfers being approved, a deferral into 2022/23 is proposed to reflect an optimism adjusted delivery timeline. A future bring forward will be required should project delivery remain on track.

63 **Coronet Forest Revegetation:** The Coronet Harvest is taking longer than first planned due to new market opportunities for smaller grades, which has increased the volume being recovered from the forest. Revegetation cannot proceed until the harvest has been completed.

64 **Mount Iron Capex Improvements:** Funding of $150k kept in year one for deer fence and signage required. Balance of funding deferred to offset increases elsewhere. No material consequences are attached to this deferral.

65 **Wānaka Lakefront Development Plan:** Stage 2 has seen an increase in scope due to the inclusion of car parking, stormwater treatment, and cultural elements. To fund the shortfall, it is proposed to repurpose $1.8m from Stage 5. Stage 5 will be delivered in 2022/23, and will utilise approved TIF 5 funding. An overview of each stage is provided in Figure 8.

Figure 8: Wānaka Lakefront Development Staged Implementation Plan

Stage	Status
1	Complete
2	Wanaka community signed off on detailed design. Plan to go to tender in November following additional funding approval 28th October reforecast.
3	Official opening on 11th October - still some minor works (e.g. planting). Have to go out to tender for this due to amount of spend.
4	Budgeted in years 2024-2026
5	Going public on concept design October with planning and design to run throughout 2021/22 and Construction planned 2022/23.

OPTIONS

66 Option 1: Approve the changes to the 2021 Ten Year Plan capital expenditure budgets as proposed in Attachment B (recommended)

Advantages:

67 QLDC's capital expenditure will be aligned to current estimates and delivery forecasts. This alignment ensures that priority investments can continue, and that forward planning is based on the most accurate information available.

68 The Arterial Stage One delivery TOC can be contracted with the Alliance.

Disadvantages:

69 The budgets used to offset additional funding needs will be more constrained, with reduced ability to respond to uncertainty.

70 Option 2: Do not approve the changes (do nothing option)

Advantages:

71 Budgets proposed as offsets will be retained in full, or potentially reallocated to other priority investment needs in the next full reforecast.

72 Officers will have additional time to identify and analyse further funding options.

Disadvantages:

73 QLDC will be unable to execute the Arterial Stage One delivery contract. Pricing within the TOC will be subject to change, and is likely to increase in response to uncertainty and construction market and general price escalation. Future funding instalments from, and credibility with, CIP and wider central government will be at risk.

74 The Shotover Country Water Treatment Plant and Rising Main (bridge components) will need to be put on hold while the projects are de-scoped and/or additional funding is secured through future reforecasts.

75 QLDC will be unable to fully utilise and optimise pre-purchased assets (electric vehicles, LED lights).

76 Initiatives that have attracted Waka Kotahi funding support cannot be progressed until QLDC meets the local share expectation. Some current year NLTP allocations cannot be carried forward to future years.

77 This report recommends **Option 1** for addressing the matter as this option enables Council to continue to deliver on key capital priorities within the current TYP financial envelope. Further re-scoping and re-forecasting of essential items will continue, to address emerging capex needs, cost escalations and funding changes as they arise.

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

78 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because the proposed adjustments are not assessed as having a material impact to the district's environment or people, and will improve alignment of planned expenditure to central government expectations and QLDC's funding constraints.

79 Formal consultation on all proposed changes would compromise QLDC's ability to meet existing commitments within the current financial year; only the items that cannot wait until a full reforecast process have been presented.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

80 This matter relates to the financial risk category. It is associated with 'SR1 Current and Future Development neds of the Community' within the QLDC Risk Register. This risk has been assessed as having a high inherent risk rating.

81 The approval of the recommended option will support the Council by allowing the risk to be maintained by ensuring capital expenditure is appropriately prioritised based on the most current information available.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

82 Approval of the recommended option will reduce total budgeted TYP capital expenditure to $1.54bn.

83 Planned 2021/22 capital expenditure will increase to $287.4m (an increase of $4.8m).

84 The next full reforecast and draft 2022 Annual Plan will consider further changes to approved budgets to ensure budgeted capital expenditure is deliverable, and that QLDC's forecasted debt levels remain prudent.

COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA

85 The recommended option is consistent with the principles set out in QLDC's Significance and Engagement Policy. Although the decision is in respect to strategic assets (namely three waters, transport, and community services infrastructure), the decision does not involve the transfer of ownership, sale, or long-term lease of these assets.

86 This report considers changes to budgets that were consulted and approved through the 2021 Ten Year Plan adoption process.

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 0 TE KĀWANATAKA Ā-KĀIKA

87 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by ensuring that the right projects are completed at the right time,
- Can be implemented through current funding under the Ten Year Plan,
- Is consistent with QLDC's plans and policies, and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of QLDC, or transfer the ownership or control of a strategic asset to or from QLDC.

ACRONYMS AND DEFINITIONS

CBD	Central Business District
FAR	Funding Assistance Rate *The rate at which Waka Kotahi NZ Transport Agency will subsidise QLDC projects*
IAF	Infrastructure Acceleration Fund
IN	Infrastructure
LED	Light Emitting Diode

LCLR	Low Cost Low Risk *Waka Kotahi's LCLR work category provides for individual projects up to $2m. At the time of preparing the TYP, it was thought there would be significant funding support available through Waka Kotahi for LCLR projects.*
MBIE	Ministry of Business, Innovation and Employment
NASA	National Aeronautics and Space Administration
NLTP	National Land Transport Programme (2021 – 2024 unless otherwise stated) *The NLTP sets out how Waka Kotahi NZ Transport Agency will use national land transport funding over a three-year period*
NZUP	New Zealand Upgrade Programme
PR	Property
QLDC	Queenstown Lakes District Council
SW	Stormwater
TDM	Travel Demand Management *TDM focusses on the redistribution of private vehicle demand to other modes, times, and routes, and by reducing the need to travel all together.*
TOC	Target Outturn Cost
TR	Transport
TYP	Ten Year Plan (2021 – 2031 unless otherwise stated)
WLDP	Wānaka Lakefront Development Plan
WS	Water Supply
WTP	Water Treatment Plant
WW	Wastewater

ATTACHMENTS | NGĀ TĀPIRIHANGA

A	Proposed Offsets
B	2021 TYP Change Schedule – October 2021 Adjustment