

BOARD OF INQUIRY INTO THE MCCRAE LANDSLIDE

Statement of Kevin Barry Hutchings

I, Kevin Barry Hutchings of **Irrelevant & Sensitive**, retiree, say as follows:

1. My 89-year-old mother-in-law, Pamela Pugh, is the registered owner of 6 View Point Road, McCrae (the **Pugh Property**). My mother-in-law is currently residing in a retirement home. Due to her age, our family has been acting on her behalf in relation to the recent McCrae Landslide.
2. I make this statement to provide the Board of Inquiry with my recollections of:
 - 2.1 the landslide that occurred on 14 January 2025, which originated at 10-12 View Point Road, McCrae and then collided with the house located at 3 Penny Lane, McCrae (the **Morans' Property**), a neighbouring property located to the northwest of the Pugh Property;
 - 2.2 the investigations I independently carried out from about 15 January 2025 to the date of this statement to identify the source of unexpected flows of water observed in McCrae before and following the landslide; and
 - 2.3 the investigations I undertook with John Bolch, a local resident of McCrae and commercial plumber, to identify the source of the water. As I explain further below, in late January 2025, John and I were informally appointed to undertake this investigatory work by several residents who are part of a group called the "McCrae Evacuees Residents Group".
3. In this statement:
 - 3.1 I refer to the landslide that occurred on 5 January 2025 as the "**5 January 2025 Landslide**", the landslide that occurred on 14 January 2025 as the "**McCrae Landslide**", and the two landslides collectively as the "**Landslides**";
 - 3.2 I refer to the area of land bounded by Point Nepean Road, Margaret Street, View Point Road, Prospect Hill Road and The Eyrie as the "**McCrae Exclusion Zone**"; and
 - 3.3 unless otherwise stated, where I refer to streets, roads, avenues or any other locations, they are situated in the suburb of McCrae in the State of Victoria 3550.

QUALIFICATIONS AND PROFESSIONAL EXPERIENCE

4. Between 1970 and 1975, I completed a 5-year apprenticeship in Mechanical Engineering at Thorn Electrical Industries and was qualified through the Engineering Industry Training Board in the

United Kingdom. In 2015, I graduated from the Stanford University Graduate School of Business's Executive Program. I have around 22 years' experience in the water industry.

5. Between 1995 and 2017, I was employed by South East Water (**SEW**) in various roles:
 - 5.1 from 1995 to 2005, I was a General Manager in Field Services. In that role, I oversaw maintenance of network infrastructure, which included assets including pipes, storage tanks and pumping stations for both the water, sewer networks and treatment plants. I was also responsible for overseeing teams of Mechanical and Electrical Engineers, Information Technology services, and water quality services;
 - 5.2 from 2005 to 2011, I was the General Manager for Utility Services. Utility Services created an alliance between private companies and SEW for the purpose of building and maintaining all of SEW's assets, providing new technologies and network construction services, and providing services to other water companies throughout Australia and New Zealand; and
 - 5.3 from 2011 to 2017, I held the role of Managing Director of SEW.
6. In 2017, I was appointed as a Board Member to the Infrastructure Sustainability Council of Australia. I resigned from my position as Board Member in around 2020 at the conclusion of my term.
7. Since 2021, I have periodically worked as a Consultant for Spicae, a company that provides consulting services focussed on business and performance improvement to clients in a broad range of industries.

THE PUGH PROPERTY

8. My mother-in-law and her late husband, Charles Pugh, purchased the land at 6 View Point Road in around 2002.
9. The two-storey house that currently stands on that land was built in around 2005. It was built at the top of the slope that runs from Point Nepean Road up to View Point Road.
10. The western boundary of the Pugh Property is shared with the property located at 10-12 View Point Road (the **Borghesi Property**), which was occupied by Gerry and Bronwyn Borghesi prior to the McCrae Landslide.

THE LANDSLIDES

The period leading up to the 5 January 2025 Landslide

11. From August 2024, our family was preparing to put the Pugh Property on the market, and so it remained vacant, save for occasional overnight visits from family members during the clearing-out

process. However, on 25 December 2024, my immediate family and I attended the Pugh Property for an annual Christmas lunch with our extended family. A total of 25 people were present. Lunch was served in the dining room, while the children played in other parts of the house.

12. While I was at the Pugh Property on Christmas Day, I did not observe anything on or around the Pugh Property to suggest there was a risk of a landslide occurring in the area.

5 January 2025 Landslide and my observations in its aftermath

13. I first became aware of the 5 January 2025 Landslide on 7 January 2025. On that day, at around 9:00am, my brother-in-law, Dayle Pugh, called me and said that he had heard a landslide had occurred next door to the Pugh Property. Dayle had found out about the landslide from a tradesman who was working in the area. I asked Dayle if the Pugh Property had been impacted and he confirmed it had not. I was not overly concerned about the landslide at that time, but, at midday, I decided to drive to the Pugh Property to make sure there were no issues.
14. At around 1:00pm, I arrived at the Pugh Property. I wanted to observe the landslide site. I went outside and stood on the balcony which encompasses the entire front of the second floor of the house, and part of the eastern and western sides. While on the balcony, I looked down towards the Borghesi Property and the Morans' Property. I saw water flowing out of the escarpment located on the Borghesi Property. The water's exit point was located approximately 10 metres from ground level on View Point Road, or approximately 6 metres from the base of the retaining wall on the Borghesi Property. While I noticed the water flow, I did not pay much attention to the rate at which it was flowing. I took a photo of the water's exit point and the surrounding saturated area on my phone.

Annexed to this statement and marked "KH-1" is the photo I took on 7 January 2025.

15. After observing the escarpment from the balcony, I exited through the garage door and followed the steps down to the rear boundary of the Pugh Property — the boundary closest to the Morans' Property — to get a closer look at the saturated area. Due to dense vegetation, and the steep incline of the land, I was unable to see the water flow, but I could hear it clearly. I would describe the sound of the water flow as reminiscent of a babbling brook.
16. After inspecting the Pugh Property, and seeing no visible signs of damage, I concluded that the 5 January 2025 Landslide had not adversely impacted it. I then spent a few hours clearing out the Pugh Property before leaving.
17. On 8 January 2025, I returned to the Pugh Property to continue to clear out the house. I walked out onto the balcony again to observe the landslide site. While on the balcony, I was able to see, once again, water flowing steadily from the escarpment. I used the zoom function on my phone and took a short video recording of the water.

Annexed to this statement and marked "KH-2" is a copy of that video.

18. On either 7 January 2025 or 8 January 2025, while I was standing on the balcony of the Pugh Property, I saw Mr Borghesi observing the landslide site. I called out to him and asked if I could come over and talk with him. He agreed. I met him on View Point Road, between his property and the Pugh Property. I asked him what had occurred and he told me there had been a landslide and that neither he nor his wife had seen any water running out of the escarpment previously from that particular area.
19. I did not return to McCrae between 9 January 2025 and 13 January 2025.
20. From the time of the 5 January 2025 Landslide until the McCrae Landslide, neither my family nor I received any communications from the Mornington Peninsula Shire Council (MPSC).

The McCrae Landslide — 14 January 2025

21. Early in the morning on 14 January 2025, I received a phone call from Dayle. He told me there had been a landslide at the Borghesi Property, next door to the Pugh Property. I immediately drove to the Pugh Property.
22. I arrived in McCrae at around 10:30am. I was unable to drive to the Pugh Property as there was a police vehicle parked in the middle of the road at the intersection of View Point Road and Prospect Hill Road preventing traffic from entering. I parked in a nearby street and walked over to View Point Road. Prior to accessing View Point Road, I spoke with a Victoria Police officer and told her that my mother-in-law owns the Pugh Property, so that I could walk closer to the Pugh Property. The officer allowed me to walk through and I saw Victorian State Emergency Services (VicSES) volunteers at the front of the Pugh Property. I told the VicSES volunteers that it was my mother-in-law's property. However, I could not access the Pugh Property because there was VicSES tape on the front gate prohibiting people from entering.
23. Shortly thereafter, I provided the VicSES volunteers with instructions on how to access the Pugh Property through a side gate to prevent any damage to the electric gate at the front of the property. I was then told by the VicSES volunteers that there was water flowing. I do not recall them telling me the location of the water flow. I could not see any water flowing, or even the landslide site from where I was standing. That is because it is not possible to see into the Morans' Property from View Point Road — the houses on View Point Road obstruct the line of sight.
24. There were many people standing in the vicinity of the Pugh Property most of whom I did not recognise. I overheard people saying words to the effect of, "*do you reckon it [(ie, the McCrae Landslide)] has anything to do with the water up the road?*". That was the first time I had heard about "*water up the road*". Due to all the activity that was going on, I cannot recall whether I asked where the "*water up the road*" was located, or if the location was more specifically described by the people conversing with one another. I do not know the names of the people who were providing this information. While I do not recall precisely when or what exactly was said, I recall that someone told me that there had been water flowing from Charlesworth Steet for 6 weeks.

25. After about three hours of speaking with several interested bystanders who had gathered on View Point Road, I left. I wanted to see the water on Charlesworth Street.

Inspection of flowing water at Charlesworth Street

26. I drove to the intersection of Charlesworth Street and Waller Place (**Waller Place Intersection**). When I arrived, I observed water-filled potholes and water flowing on the road. I took a short video recording of the water.

Annexed to this statement and marked "KH-3" is a copy of that video.

27. While I was inspecting the road, I spotted a manhole at the intersection of Waller Place and Charlesworth Street (**Waller Intersection Manhole**). A manhole is an access point to the sewer line — they tend to be located at points where the sewer line changes direction or intersects with other sewers. The water seemed to be coming from the area near the Waller Intersection Manhole, but not from the manhole itself. This observation, combined with the fact that the water did not have an odour, suggested to me that the water was unlikely to be water overflowing from the sewer. My immediate thought was that the water could be a result of drainage issues, trench flow and / or groundwater. I will explain trench flow and groundwater briefly:

27.1 Trench flow is the flow of water through porous materials that are used to backfill trenches in which pipes have been laid. Trench flow can provide much quicker and unnatural transport for water, especially if barriers made of, for example, cement stabilised sand or concrete foam (known as "stops/plugs") are not installed in the trench to prevent the flow.

27.2 Groundwater is water that exists below the land surface and moves underground through gaps in the soil and rocks.

28. Although I thought it was odd that there was a flow of water along the road, I did not look into it any further that day. I was still processing the fact that a major landslide had occurred and started thinking about whether, or how, my family should tell my mother-in-law about it. I left McCrae and returned home.

INVESTIGATIONS INTO THE SOURCE OF THE WATER

Circumstances that led me to become curious about the potential role of water in triggering the Landslides

29. On 15 January 2025, there was a meeting at Dromana Hall for residents of McCrae. I cannot recall how I became aware of this meeting but believe it may have been brought to my attention by a text message from MPSC. At this meeting, there were representatives from MPSC (including their lawyers), a geotechnical engineer engaged by MPSC named Dane Pope, and Victoria Police. As I do not live in McCrae, I did not know many people at the meeting.

30. At this meeting, I recall asking Mr Pope how hard the water was flowing near the Morans' Property on the day of the McCrae Landslide. Mr Pope explained that he used an empty bottle and captured 200ml of water in 1 second. My impression was that he captured this water at the bottom of the hill at or near the Morans' Property. While Mr Pope was explaining this, I did my own calculations and understood the flow of water to be about 12 litres per minute, which equates to 17.2 tonnes of water per day. It was at this point I became concerned because this flow of water would have put a significant amount of weight on the escarpment, which may have explained why the Landslides had occurred.
31. I could not explain any obvious source of the water flowing near the Morans' Property. There had been no major rain events in McCrae in the months leading up to 14 January 2025. To the best of my recollection, no one at the meeting mentioned where the water might have come from. I wanted to understand where the water originated from.
32. On 19 January 2025, Phil Johnson, a friend who lives near the Pugh Property, sent to me photos of a flyer from SEW entitled "*Community update – Supporting our customers in McCrae*" dated 17 January 2025. The flyer had been left in local residents' letterboxes. The update stated, amongst other things, that SEW had taken water samples to help determine the source of the water and that "*preliminary data from these tests indicate the water **is not** from South East Water's network*" (emphasis in original).

Annexed to this statement and marked "KH-4" are the photos of SEW's community update.

33. Around this time, I cannot recall precisely when or how, I saw another SEW statement. It stated that SEW had taken four water sample tests, which were sent to a laboratory for analysis. The statement included words to the effect that the testing revealed that there was low chlorine and fluoride detected in the water. I understood this to mean that SEW was saying that the water from the area on or around Charlesworth Street was not from SEW's network — more specifically, that the water was not drinking water. When I read this statement, I thought it was reasonable and did not query any of the test results. I did not take a photo or record of the statement.

Initial steps taken to locate the source of the water

Finding out about a burst water main

34. The McCrae Landslide was a huge source of stress for my family. At home, we spoke about the McCrae Landslide often, sharing our thoughts and recollections of conversations we had with other family members or news we had read. In addition to these discussions, I began looking at maps of McCrae to identify possible sources of water. I reasoned that this unexplained water must come from a higher source as it clearly had enough pressure (head) to push bitumen up from the roads, flood roads and leach from nature strips. I also reasoned that naturally the water would then make its way downhill on its journey to the bay. I therefore focussed my attention on areas higher up on the Arthurs Seat hillside for sources of water. I identified a stormwater storage

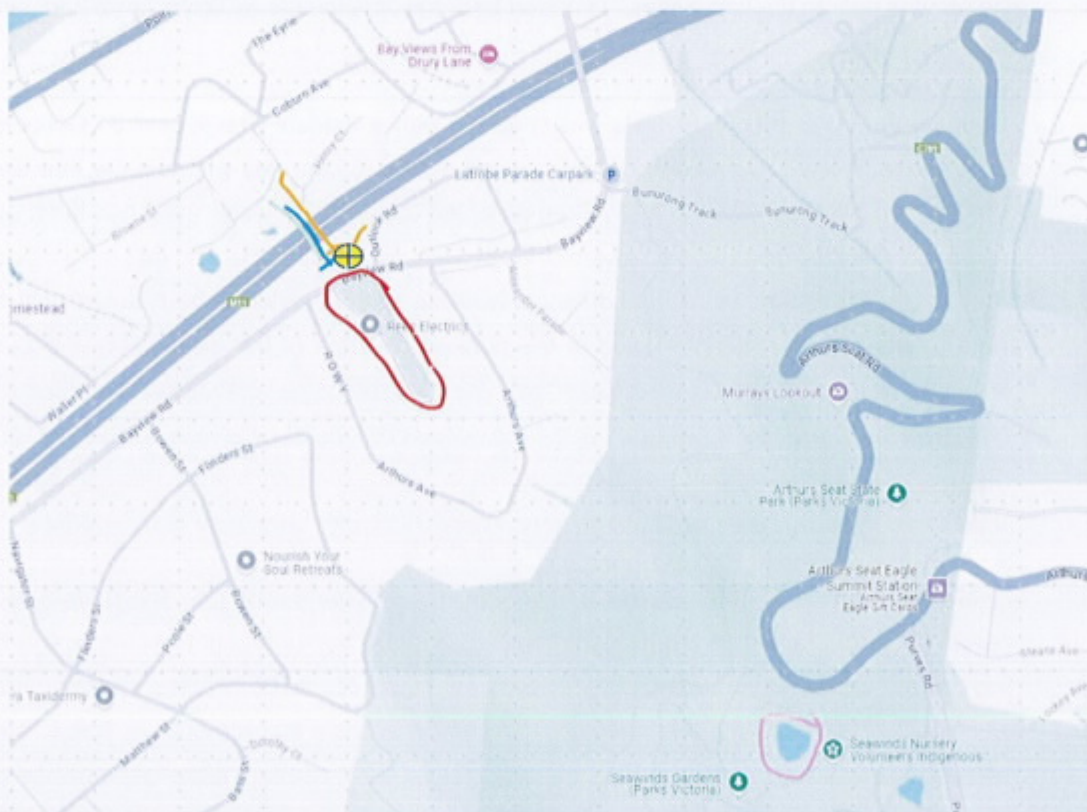
basin located in The Boulevard (the **Boulevard Stormwater Storage Basin**) and a dam located within Seawinds Garden, which I wanted to look at in person.

35. On 21 January 2025, I drove to Arthurs Seat with my wife, Margaret. I first visited the dam at Seawinds Gardens, which is located near the Arthurs Seat Summit region. I saw a small footbridge and turned my attention to determine if water was flowing or had flowed under it or if there were any other noticeable flows nearby. I reasoned that if the dam's water had discharged recently, evidence would still exist in the surrounding environment. The area surrounding the dam (including under the footbridge) was very dry, which caused me to think that no water had flowed through the dam recently. I concluded that water flows from this dam could not account for the continuous flow of water on Charlesworth Street.
36. My wife and I then drove to the Boulevard Stormwater Storage Basin, which is on the southern side of the Mornington Peninsula Freeway. My wife remained in the car while I went to continue my investigations. Based on my assessment of Google Maps, it appeared to me that water flows from the Arthurs Seat hillside may be captured at the Boulevard Stormwater Storage Basin before progressing into the stormwater system. I walked the complete width of the basin and was unable to find any water. This led me to conclude that the flows from the Arthurs Seat hillside also could not account for the continuous flow of water on Charlesworth Street. I was disappointed at this stage, but I was not surprised as I understood that there had not been any substantial rainfall in the months prior to the Landslides. I headed back towards the car, which my wife had parked on Outlook Road.
37. When I returned to the car, my wife was speaking with a resident who lives at 31 Outlook Road. He introduced himself as Greg and I introduced myself to him. My wife told me that Greg had told her that *"there's been a burst"*. Greg repeated to me that a water main had burst opposite his home, which he only became aware of on 31 December 2024. He said that, on 31 December 2024, water in the area was turned off and a worksite was set up which had several vehicles and large trucks present. Greg pointed in the general direction of the area where the burst had occurred, which is located in the grassed area close to the corner of Outlook Road and Bayview Road (**Burst Site**). He explained that an area which had been excavated closest to his house was not the burst area, and that the actual repair was some 40 metres downhill by the thick vegetation. This was the first time I became aware of a water burst near Outlook Road.
38. I walked down to look at the Burst Site as there was still some daylight. The Burst Site can be described as consisting of two distinct areas: an area in front of a chain link fence and an area beyond the fence. There were signs of a recent repair at the Burst Site as orange barricade webbing was still up along the fence line. It was clear to me that the area in front of the fence had been recently excavated due to the presence of fresh soil and grass seed on the ground. The area beyond the fence was densely vegetated with trees, bushes and brambles. I did not closely inspect that part of the Burst Site on that occasion.

39. The ground at the Burst Site was not wet at that time, but there was evidence of significant water flows previously occurring at that location. I observed that the vegetation in that area had been stripped and there was scoring on the ground indicating that water had travelled across the surface. I thought that it was possible that the burst was not easily detected because it may have been covered by vegetation.
40. After learning of the burst water main from Greg, I checked the SEWmap – a SEW smart phone application which provides the location of sewer and water pipework in SEW's network, as well as details in respect of that pipework. Relevantly, SEWmap showed that opposite 31 Outlook Road is a water main, which is made of 150mm Unplasticized Polyvinyl Chloride (UPVC). According to SEWmap, that pipe was first installed in 1963. I was surprised to see the pipe was UPVC because, during the 1960s, I know based on my experience that it was more common for pipes made of mild steel or asbestos cement to be used.

Annexed to this statement and marked "KH-5" is a screenshot from SEWmap.

41. Set out below is a map I have prepared which shows: (i) the dam I inspected circled in pink; (ii) the Boulevard Stormwater Storage Basin circled in red; (iii) the Burst Site indicated by the yellow circle; and (iv) a rough indication of the stormwater, water and sewer lines flowing from the Burst Site as indicated by the green, blue and orange lines.



The second MPSC meeting

42. On 22 January 2025, there was another meeting held at Dromana Hall, which I believe was organised by MPSC. I recall that two representatives from SEW attended the meeting: Tim Lloyd (General Manager Service Delivery) and Lara Olsen (Managing Director). During this meeting, Mr Lloyd advised that SEW had reviewed their water network in McCrae and that it was performing well and above average. I understood this to mean that the water network in McCrae was not leaking as much as other suburbs. Based on my experience, I know that approximately 10% of water is lost from the water network through leakages.
43. Before the meeting, I spoke Ms Olsen, and after the meeting, I spoke with Mr Llyod. I suggested to each of them that digital meters should be installed throughout McCrae so that the acoustic noises made by any water leaks could be detected and located. Mr Lloyd said words to the effect that SEW were *"already on it"*. Similarly, Ms Olsen told me that SEW had already planned to take this measure.
44. Overall, I thought that the meeting did not give residents clear answers about the potential source of the water. The meeting was tense. At one point, a resident, whose name I cannot recall, said something along the lines of *"this is getting us nowhere"*.

Annexed to this statement and marked "KH-6" are minutes of the meeting, which Andrew Brick of MPSC sent to the "McCrae Recovery" email list on 24 January 2025.

45. After the meeting, my wife and I called into a café nearby. While at the café, John walked past me in clothes which indicated he was a tradesman. I recognised him from the meeting and decided to introduce myself and ask about his connection to the McCrae Landslide. It was during this conversation that I became aware John is a plumber with extensive experience in relation to burst water mains and specialised commercial plumbing design and construction. I told John of my own experience working in the water industry and we spoke about mutual colleagues. I do not recall if we specifically spoke about water being a contributory factor to the Landslides during that conversation.

Becoming aware of report to SEW in relation to water on Charlesworth Street

46. On or around 25 January 2025, Phil Johnson told me that he had reported to SEW unnatural water flows on Charlesworth Street. He said he had noticed the flows of water about a week or two earlier. He sent to me a screenshot of a response he received from SEW on 24 November 2024, which said, amongst other things, that SEW *"require[d] further information to assess if there is a leak coming up through the road"* and that it has *"no water assets in the location"*. Phil told me that he did not respond to SEW's response as other residents had contacted SEW to raise similar complaints.

Annexed to this statement and marked "KH-7" is a copy of the screenshot.

47. This is the first report, to my knowledge, that SEW received from local residents about the unnatural water on Charlesworth Street.

McCrae Evacuees Residents Group formally appoints John and me to conduct investigations

48. After the second meeting at Dromana Hall, the residents impacted by the McCrae Landslide were forming a closeknit community – sharing information and comforting one another. Someone, I cannot recall who, suggested the impacted residents get together. As a result, a group called the “McCrae Evacuees Residents Group” (**MERG**) was formed.
49. On or around 28 January 2025, I attended the first meeting held by MERG at the McCrae Yacht Club. John also attended this meeting. At the meeting, residents expressed their frustration with the lack of answers they were receiving from MPSC, SEW and VicSES. It became clear through our discussion that the task of obtaining answers about the cause of the Landslides and information about when people would be able to return to their homes was too immense for just one person. We collectively decided that particular individuals should be appointed to progress the interests of MERG. Due to our professional backgrounds, John and I were tasked with finding out where the water flow near the Morans’ Property was coming from.
50. Since about 31 January 2025 to the date of making this statement, I have worked independently, and at times with John, to investigate unexpected flows of water in McCrae (described above) and their impact on the Landslides. The work has included:
- 50.1 speaking to members of MERG and other local residents about their observations of excess water prior to, in between and after the Landslides;
 - 50.2 using publicly available material to conduct desktop investigations identifying the layout of water assets in the area within the McCrae Exclusion Zone, as well as locations close to, but outside, the McCrae Exclusion Zone (the **McCrae Landslide Area**);
 - 50.3 physically investigating the environment, including observing vegetation and flows of water through stormwater drains, cracked kerbing and water damage on roads in the McCrae Landslide Area;
 - 50.4 briefing a geotechnical expert, CivilTest Pty Ltd (**CivilTest**), on behalf of MERG to investigate the possibility of water originating at the Burst Site and a portion of that water arriving in the vicinity of the site of the Landslides; and
 - 50.5 conducting a walkthrough of the McCrae Landslide Area with MPSC on 7 March 2025 to discuss flows of water which we consider relevant to the Landslides.
51. I explain the nature of that work below.

Investigations in early February 2025

52. In early February 2025, I was in an information gathering phase. Consequently, I captured photographic evidence of what I considered to be notable observations in the McCrae Landslide Area. On 7 February 2025, I took photos of three locations:
- 52.1 an area 40 metres away from the Burst Site, closer to Outlook Road and near a manhole. I observed that a large area had been excavated as there was fresh soil on the ground. I did not (and still do not) know the reason why the ground had been excavated. Annexed to this statement and marked "**KH-8**" is the photo I took of the area;
 - 52.2 the Waller Place Intersection. I observed that the road surface had been repaired. There were two large rectangular areas of new bitumen. The area looked dry. Annexed to this statement and marked "**KH-9**" is the photo I took of the repairs; and
 - 52.3 the intersection of Charlesworth Street and Coburn Avenue (**Coburn Intersection**). Unlike the Waller Place Intersection, the road at the Coburn Intersection was still damaged. Water was still flowing out of the road. Annexed to this statement and marked "**KH-10**" is the photo I took of the damaged road.
53. In early to mid-February 2025, John and I met to discuss the observations we had each made about the flows of water in McCrae. I cannot recall the specifics of the conversation, but we agreed that we needed to collect more information from residents about their observations.
54. In early to mid-February 2025, John and I went walking around Charlesworth Street and Waller Place. While walking around, I became interested in a grated stormwater drain which was located outside the front of 5 Waller Place (**Waller Place Stormwater Drain**). I saw and heard that the drain had a continuous flow of water, indicating to me that water was still entering into the Waller Place Stormwater Drain.
55. I looked over the front fence of 5 Waller Place, which is how I met the owner whose name is Brett Cooper. John and I told Brett that we were investigating the source of the unnatural water observed in McCrae in the context of looking into the cause of the Landslides. We asked him if he had any information about the water flows on Waller Place.
56. Brett said words to the effect of "*it was going off like crazy*" and it sounded like a "*jet engine*" before Christmas. During our conversation with Brett, he also told us that:
- 56.1 there is a stormwater easement running along his property to enable the relevant authorities access to a stormwater pit at the rear of his property (**Rear Waller Place Stormwater Pit**);
 - 56.2 before Christmas in 2024, he noticed an unusual noise coming from the Rear Waller Place Stormwater Pit and the Waller Place Stormwater Drain;

- 56.3 he believed the noise was being caused by a larger than normal amount of water flowing through the stormwater pipe that ran through the easement;
- 56.4 he had not heard noise of that volume from the stormwater pipe before, and this caused him to become concerned and prompted him to investigate the source of the water;
- 56.5 before Christmas in 2024, SEW came to investigate their assets at the rear of 5 Waller Place, looking for leaks in water mains. During these investigations, Brett told SEW staff that the water was coming from somewhere else and to look on the higher side of the freeway (i.e, southern side);
- 56.6 on Christmas Day (25 December 2024), Brett explored the surrounding areas and identified what he thought to be the origin of the water causing the noise in the Rear Waller Place Stormwater Pit. That point of origin being near the intersection of Bayview and Outlook Roads (immediately northwest to The Boulevard Reserve) (**Suspected Burst Site**); and
- 56.7 at the Suspected Burst Site, he could clearly hear running water and noticed he was sinking into the ground as he walked because it was completely saturated.
57. Set out below is a screenshot of an online map accessed on MPSC's Mapping GIS website. The map has been annotated to show: (i) the Waller Place Stormwater Drain circled in yellow; and (ii) what I understand to be the Rear Waller Place Stormwater Pit circled in red.



58. After I learned of this information from Brett, I started to connect the dots between the various pieces of information I had gathered. I realised that the leak near Outlook Road — that Greg first brought to my attention — may have caused trench flow or ground saturation, which is why there was a larger than usual volume of water flowing through the Waller Place Stormwater Drain. I thought that, if there was trench flow, a significant amount of water could have flowed from Outlook Road, under the Mornington Peninsula Freeway, through the old creek bed which travels perpendicular to Waller Place and into the drains, which caused the flow of water on Charlesworth Street.

Inspecting the Burst Site

59. From 21 January 2025 to the end of February, I visited the Burst Site on multiple occasions.
60. On 14 February 2025, John and I inspected the Burst Site together. I cannot recall exactly how long we spent there, but I believe the visit was short. I took a photo of the sewer manhole located in the Burst Site that is in front of the chain link fence. I estimate that the water main burst or started leaking from a point that is within 2-3 metres of that sewer manhole (**Suspected Burst Point**).

Annexed to this statement and marked "KH-11" is a photo I took of the Burst Site on 14 February 2025.

61. Almost two weeks later, on 27 February 2025, John and I inspected the Burst Site together. We spent about 2 hours at the Burst Site. At some point, I believe Brett joined us.
62. Upon closer inspection of the area beyond the fence at the Burst Site, it was apparent to me that there had been a large amount of water in the area. Whilst the ground was not wet, I could tell that the ground had been devastated by water flow as the vegetation had been stripped and the sandy top soil was washed out.
63. Based on my observations and experience, I understand that it is often the case that a burst water main starts off as a small leak. That small water leak can saturate the soil around the pipe, which can then cause trench flow. Considering the information I had gathered, particularly Phil Johnson's report to SEW on 24 November 2024, I estimated that the ground at the Burst Site had been wet prior to the Landslides for a number of months.

Annexed to this statement and marked "KH-12", "KH-13" and "KH-14" are three videos I took of the Burst Site on 27 February 2025.

THE BURST WATER MAIN THEORY

64. Based on the investigations I have conducted since mid-January, my view is that water infiltration and saturation of the soil in the McCrae Landslide Area may be the source of the water that was observed flowing down the face of the escarpment after the Landslides. The accumulation of

water — which I believe may be caused by the failing / failed water main at the Burst Site — may have played a central role in putting weight on the escarpment and providing lubricant near the Borghesi Property, causing destabilisation of the ground behind the Morans' house and triggering the Landslides. I surmise that the method of travel from the Burst Site to View Point Road is a combination of pipeline trench flow and significant ground saturation.

Annexed to this statement and marked "KH-15" are two maps I downloaded from SEWmap on 24 February 2025 and 6 March 2025 respectively: (i) a map which shows water and sewer assets in the McCrae Landslide Area; and (ii) an annotated map I have prepared showing the suspected pathway of water flow from the Burst Site.

MPSC notified of theory

65. In late February 2025, John, on behalf of MERG, invited MPSC to attend the Burst Site. John and I intended to explain to MPSC our theory that there was water leaking from a pipe at the Burst Site and subsequently travelling to Charlesworth Street, Waller Place and Coburn Avenue. We were eager to share all the information we had gathered through our investigatory work.
66. On 7 March 2025, MPSC employees — including Derrek Rotter, David Kotsiakos and Emily Harkin (who I now know is MPSC's General Counsel) — as well as Mr Pope met John and me at Outlook Road. We explained to them our theory and showed them features of the Burst Site such as the fallen vegetation and signs of erosion.
67. During this visit, I observed that the Burst Site was wet again in almost the same location as the Suspected Burst Point. I thought that there had been another leak. I understand that Mr Pope reported this leak to SEW.
68. Neither John nor I have received a meaningful response from MPSC after this site visit.

REPAIR TO COBURN INTERSECTION

69. On 18 March 2025, the damaged road at the Coburn Intersection was repaired. As I do not live in McCrae, I was not present when the road was repaired. A member of MERG, Jo Thompson, sent me photos which she took of the repairs.

Annexed to this statement and marked "KH-16" and "KH-17" are two photos Jo sent to me that show the repairs to the Coburn Intersection.

70. Since the repair to the Coburn Intersection was completed, I have returned to McCrae on several occasions. I have noticed that the Coburn Intersection and Waller Intersection are visibly drier. I have not observed any signs of running water or water leaking from the road. Further, the nature strips near the intersections do not appear to be wet.

CURRENT STATUS OF OUR INVESTIGATIONS

71. On 29 April 2025, Daniel Tolan, a Geotechnical Engineer from CivilTest, provided to me a report that I had commissioned on behalf of MERG. Mr Tolan had been instructed to review information provided by MERG and topography and contour maps to determine the likely flow paths of water from the Burst Site. Mr Tolan expressed the view that:

"[T]he water allegedly originating from the burst water pipe was moving downslope with the natural contour ... Much of the water was likely in the form of subsurface groundwater flow, moving through the surface soils overlying the Dromana Granite. The water likely would have accumulated through the flow path over many weeks, leading up to the January landslide."

Annexed to this statement and marked "**KH-18**" is a copy of CivilTest's report.

72. As at the date of this statement, John and I have taken our investigations as far as we can. I have not ascertained or otherwise been informed of any other potential sources of the unnatural water flows that were observed at various locations in the McCrae Landslide Area in the months leading

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Irrelevant & Sensitive

 Kevin Barry Hutchings