

INTRODUCTION

GOOD afternoon

My name is Mary Murdoch, and I am grateful to be able to present a verbal submission today on the effect of inserting the Hydro Inundation Maps into the Hazards chapter of Plan Change 28 of the District Plan.

My husband Grant and I purchased land at Pukaki Airport in December 2015, primarily to provide hangarage for our plane. We have a large hangar, so we also provide hangarage for other planes as well as commercial accommodation for aviators, cyclists and other visitors within the confines of that hangar. After successfully gaining resource consent 2016, the build proceeded and This is our building which was completed in August 2018. We have run our business from this hangar since then. This is also our home.

IN July 2024 public consultation commenced on the Airport Strategy.

This is the first time any of us became aware of the Hydro inundation maps based on Hypothetical PUKAKI INLET Dam break scenario. The intention of the council was to put these maps into the Hazards chapter of PC 28. They are updated maps which originally had the airport as an Island and was therefore unaffected.^{3`}

We didn't realize initially, the impact this may have on our property situated at 10 Avro Ave Pukaki Airport, in the

Airport residential subdivision, until we viewed a **DRAFT copy of the COMMUNITY RESPONSE PLAN HYDRO INUNDATION 2024**. Grant discussed this with RICK RAMSAY former Pukaki Airport Board member who was able to give us a comprehensive background history of the Pukaki Airport subdivision. From then I was given a cascade of documentation that suggested to me the Hydro Inundation Mapping for Pukaki Airport and its inclusion in the District plan was not a new concept and was likely to have significant impacts on ourselves and the other section owners at Pukaki Airport far beyond just Civil Defence emergency planning.

Let me introduce you to the people who have invested in the Pukaki Airport subdivision because I am sure MEL representatives and MDC representatives have never met them

There are 14 permanent/semi-permanent residents living in 6 hangars and on one section.

Chris Rudge and his wife Tania Built this hangar at the northernmost point of the Airport subdivision in 2019 and Chris operates his Ag-CAT biplane adventure flights from this hangar. Chris is a long-standing resident of the Airfield having moved there 10 years ago, initially leasing a council built hangar and operating from there.

Pete Finnegan was the second resident to build a hangar/accommodation on Pukaki Airport and runs an Air BNB operation from his space capsules.

Pete Brough built his residence which is incomplete and still to have the hangar complex built. He has lived at Pukaki Airport since 2019

Lionel Green Built his hangar/house and is a part time resident. He has built a facility inside of his hangar to allow pilot training.

John and Maria Ten Have purchased this hangar and section from the Mackenzie district council in 2019 and live at the Airport at least 6 months of the year. John rents a hangar space to a variety of aircraft and is building his own airplane as we speak.

Liz Shadbolt, along with her now deceased husband, purchased their land at a similar time to us and built while we did. Prior to the unfortunate death of her husband Trevor, they ran a gyro copter training school. Liz rents out hangar space to an aviation tourism operator

Other Hangars that have been built

Oamaru Heliventures have operated their commercial helicopter operation out of this hangar since 2021 and employ helicopter pilots and groundcrew.

This hangar is where INFLITE run parachuting operations and Part time employee and tourist accommodation as well. INFLITE are the major users of the MDC run airport and are the major contributor to the landing fees that are gained from the Airport operation

This Blue round hangar has recently been acquired by Andrew McAllister from Rangiora and is currently storing aeroplanes.

This is a new hangar being built by Bruce Stevenson from Kawau Island. He is currently not planning to live at the airport but use the accommodation contained within as a holiday base when he flies in to go fishing and hunting

This is Tony Delaneys Hangar. It has, until recently, been used for many years by Otago Airspread and now contains aircraft.

Brett Doveys hangar was being used for aircraft restoration.

As far as we are aware there is only one other hangar planned to be built in front of Liz Shadbolt's, hangar and is going through the planning process.

I am here today on behalf of those people all because of this map

***HOLD UP THE BIG BLOWN UP MAP**

Meridian are insisting that the MDC include hydro inundation mapping in the DISTRICT PLAN and want this addressed in PLAN CHANGE 28 and acknowledged in Plan Change 30. The inclusion of these HYDRO INDUNDATION maps will lead to information for prospective owners being included in Land Information Memorandums.

- *there is internal erosion of the Dams,
- *there is massive flooding and
- *the Pukaki Lake is completely full at the maximum allowable resource consent level of 532.5 Metres which in itself is an increasingly rare event and if it is quickly used or spilled. The cynical amongst thinking this is justification for the very high power prices and therefore profits.

I think the scenario MEL are talking about can be summed up in this equally hypothetical scenario *PUT UP CAT PICTURE* of our building being blown to pieces by a cat on tank. UNLIKELY NOT ZERO.

MDC and Meridian are going to enormous expense and waste of resources to put this mapping into the DP when neither of them can seriously believe this is actually going to happen. This is evidenced by the fact that as far back as 2014 whilst going through PLAN Change 13, MDC and Meridian were directed by the Environment court to inform landowners about Hydro Inundation. This did not happen until July 2024 during nothing has appeared on LIMS. This is more than a decade ago despite Meridians assurances to the judge at the environment court that they had consulted with landowners. Submitting maps to the MDC does not constitute consultation to landowners.

A further question is .

WHY ARE the MDC and MEL pursuing PC 28 changes now, when many other councils are taking a wait and

We as a group of hangar owners who have invested significant resources into our buildings and businesses at Pukaki Airport are worried that the consequences for us will be as follows: * **PUT UP THE CONSEQUENCES POSTER**

1) Significant rise in insurance premiums or being declined insurance altogether.

2) Banks reducing their risk by denying the extension of funds for further development or requiring mortgages to be repaid. *I am now quoting from commercial Lawyer Samantha Roche of Rabo Bank, whose general advice I have sort over this.*

"To answer your first question, banks will consider what the likelihood is that a borrower may not be able to repay the loan (this is called credit risk). One subcategory of credit risk is what is the collateral (i.e. land and buildings) provided by the borrower as security for the loan. The hydro inundation flood mapping indicates a risk of severe damage (+2m of inundation) to the airport properties if the dam bursts. My view is that including this mapping on the LIM of affected properties would impact the credit risk of borrowers in this area, because it shows the property given as security is at risk in certain circumstances. Therefore, it would be a factor that a lender would consider when deciding to lend (or not). I can't speak to the weight that a particular lender would place on this specific information though. For example, if the

risk of this occurring is very low (1 in 10,000), then lenders may be comfortable to lend, provided the property is adequately insured against this risk. Banks also have internal valuation teams that consider information like the above when determining what a property is worth when provided as security. Internal valuers would likely become aware of the hydro inundation flood mapping being loaded against LIMs in the MacKenzie area and this may result in updated valuation methodology for impacted properties. In a worst case scenario, banks may take this type of information and make a decision that the affected region is too high risk to lend to as a matter of policy. For example, I believe this has been seen in coastal properties in Wellington.

- 3) Potential reduction in ability to sell and/or reduction in the value of our properties. *Quoted from Samantha Roche "if the risk represented by the dam increases insurance premiums significantly (or means the properties are uninsurable), this will absolutely impact the value of the property.*
- 4) Reduction in property rights with the inability to fully realize the potential of our sections as building restrictions are imposed upon us.

Whilst the risk of Hydro inundation is based on a Hypothetical dam-break scenario, the risk of this

mapping being included on the LIMS and in the District Plan to the landowners at Pukaki Airport are far from Hypothetical

Remember also we are not the only landowner that will be impacted here.

[click to land map](#) The MDC are the majority landowner at Pukaki Airport which they have a responsibility to administer on behalf of the ratepayers and work to get a good return on that investment. Given the amount of debt, they are currently in, they should be looking at ways to make this land bring in further revenue. This does beg the question as to why they are not sitting with the other airport landowners on this side of the table working through how their Strategic Asset can be protected from restrictions and devaluation, and looking after their responsibilities to the ratepayers. It is a conflict of interest that the MDC are also involved in the regulatory arm working to impose policies and procedures on the Airport in Plan Change 28. The council are aware of this conflict.

I quote from [this Background Discussion Paper on the Airport ZONE](#) prepared by the then MDC planning Manger Aaron Hakkaart for a council workshop in 2023.

“[Due to MDC being a significant landowner it is recommended that discussion occur in relation to managing any conflicts and that legal advice be](#)

sought as to the appropriate level of input from a council level in pursuing any plan change”

I am not seeing this happen here and I suspect this will leave the council wide open to legal challenge at the expense to the ratepayer, on this fact alone. The MDC cant afford legal challenges. They are over 50 million dollars in debt.

Why does Meridian want these maps in the district plan in the first place.

Meridians main aim is reducing their liability and absolving themselves from responsibility for their ASSET failing and creating the HYDRO flood inundation. Meridian definitely wants to see a Civil Defence emergency plan put in place to mitigate the risk to lives. They are not at all interested in the effect to the already built buildings, or the Council owned Airport which is a Strategic Asset, that are already there, as MEL does not see the need to do any further mitigation other than inform owners and prospective owners by including the maps in the DP and on LIMS and having a CD emergency plan in place. This is because they see the whole scenario as being **HYPOTHETICAL** the definition of which in plain English is being **IMAGINED** not **REAL** and that this event actually happening as being **VERY UNLIKELY** And any money spent on earth works to protect airport would better spent on ensuring the DAM does

not fail in the first instance. They already spend considerable money on DAM SAFETY including external audits. In fact at the meeting at the events centre last week on AF8 and in previous meetings MEL have been at pains to disclose that they are very confident that the DAM won't break in the event of AF8 or OSTLER 7plus magnitude earthquake.

Further evidence of this can be found in these quotes from a meeting that took place on April 18 2017 between Meridian, MDC and the Pukaki Airport Board regarding the Hydro Inundation Mapping over the Pukaki Airport of which I have an audio copy.

Jim Walker and Andrew Feierabend - Meridian

"This is spectacular mapping"

"its worst case Mapping"

"very extreme scenarios"

"and we believe that the dam will withstand that level of shaking without failure"

"so we expect it to withstand maximum critical earthquake"

"likelihood is extremely remote"

SO our HYPOTHETICAL(IMAGINED NOT REAL) scenario of PUKAKI INLET DAM BREACH Causing Hydro inundation over the Pukaki Airport of over 2metres is only possible if the WORST case scenario

*the dam breaks in an earthquake,

see attitude given central government are currently making changes to the RMA that may make all this work irrelevant except from the Civil Defence point of view, which we will get to. Especially given the enormous cost pursuing this by a council that owes over 50 million Dollars.

→ CELLPHONE
QUOTE

Before I go forward I am taking a step back and presenting some history because MDC and to a lesser extent MEL have had many changes in personnel. In particular the MDC planners.

History slide

1950 Sir Harry Wigley (Mt Cook Airlines) establishes Pukaki Sealed runway for Mt COOK airlines for landing passengers aircraft in HAWKER SIDLEY 748 when the MT Cook airstrip was closed, long before the Hydro project was built.

2000 Aviators in the Mackenzie basin approached the Mackenzie District council expressing concern about the proliferation of landing sites in the area and the need for a recognized public airfield

Council duly purchased the Pukaki Runway from Doc in 2002 and the surrounding land from the Camerons in 2003

Council commissioned a retired CEO of Ports of Timaru to recommend to the council the way forward for this project and in 2003 The Pukaki Airport board

was established and asked to report back to council with a plan to make the project viable. The board produced a forecast showing that it would be likely if relying solely on aviation, the losses accumulated by 2010 would be in excess of \$500,000.

- Therefore the Board proposed a subdivision project to the council establishing freehold owned aviation park with compulsory hangers but with an option for living accommodation, The council authorized the board to proceed with the project and to sell the freehold lots Meridian was complicit in this giving the Pukaki Airport board resource consent to take water for the subdivision

Selling was successful and by late 2006 the revenue forecasts were looking strong

terminal building slide

Public toilets were built and the small terminal building was shifted and refurbished

fuel facility slide

- 2007 a Fuel facility was established by BP and the main runway resealed
- 2008 Global financial crisis and activity slowed so in
- 2010 to spark some renewed interest the council built their own hangar on the airport which was quickly leased
- 2014 The Pukaki Airport Board introduced new buying options which created new activity and by 2019 all

hangar sites were sold and the council were was able to sell its own hangar

- In 2020 the Pukaki Airport Board disestablished and the control of the airport went back to the council not before however the board had presented to the council that the following must be done
 - Sort out the hydro inundation mapping and the civil defence emergency planning

Now to the present day and

REMEMBER THESE LANDOWNERS

SLIDE OF ALL OF US

We all purchased and/or built on Pukaki Airport after 2015. This is significant because MEL and MDC WERE DIRECTED BY THE ENVIRONMENT COURT to consult with the landowners and tourism operators. And we have evidence of this

I submit this Joint memorandum of counsel in relation to the hazards mapping jurisdictional issue 15 December 2015

PAB found this out to their horror in 2016 realizing the implications of not telling the people they were happily selling sections to, and engaged a lawyer to given them advice about this.

Derek Kirke then wrote to the MDC, mayor and councilors and CEO prior to a workshop to be held on the 18 April 2017 expressing the following

“These are some issues which Council and Councillors may not appreciate;

Both Council and Meridian were instructed by the Environment Court on a number of occasions during the last few years to identify and consult with land owners and affected parties.

Neither the Airport Board nor the airport private land owners were consulted in spite of the airport being clearly identified on the Hazard maps from 2011 onwards.

There also appears to have been such a focus within Council towards being an impartial regulator that sight has been lost of protecting Council's own assets. The Environment Court Judge instructed MDC to not only identify and consult with farm base areas but also “residential and tourism subzones identified on the Hazard map”.

The Council did not consult. In 2014 in a Memorandum to the Environment Court Meridian and Genesis assured the court, “That the draft maps have been discussed with all significantly affected stakeholders”. In the case of the Airport that did not occur.

If Meridian insist that the flood hazard be dealt with “within the context of PC13” there could be very significant legal risk to the Board and Council. The Board feel at least a moral responsibility to the Lot holders we sold sections to while Council had knowledge of the flood hazard issues and the hazard map. We are particularly concerned that we were selling in good faith during the period Council was instructed to consult the land owners and affected parties.

The Board and Council may have a multi-million dollar legal risk if it now turns out those buyers are not able to build on those Lots as they had previously planned.

On top of that risk there is the potential that this could substantially devalue the Council's unique and very valuable airport asset.

Two days later the workshop referenced occurred on the 18 April 2017

I submit to you a USB with the audio of this meeting which took place at the MDC offices in Fairlie.

Present at that meeting were Andrew Ferribend who is here today, meridian counsel Harry Tacom and Jim Walker who I presume was the author of the mapping. All of the MDC councillors were present along with the CEO and MDC legal counsel.

I submit to you now the transcript which I recommend you read as you listen to the Audio.

During the audio of the meeting Meridians spokespeople mentioned many times that the Hypothetical Dam break scenario is very unlikely to cause the potential Hydro inundation. That their main concern was to have a CD plan put in place, It was a waste of money to put in any mitigation in the way of bund walls as the money would be better spent on keeping the dam safe, They have high confidence in the dams not breaching due to the safety programme and audits. They are not the regulatory authority, and it is NOT their job to tell the MDC as regulatory authority what to do.

What also came out of that meeting was a desire to de-escalate the implications of the Hydro inundation mapping and this was to be done by Getting MEL desired CD emergency plan into action and distributed

AND

appropriate wording to be placed on the maps and in the LIMS.

Between that meeting in 2017 and to the best of my knowledge late last year absolutely NOTHING has been done, which is precisely why we are here today wasting ratepayers money

Evidence of this.

I submit to you a selection of LIMS and you will note that there is nothing on these LIMS suggesting risk from hydro inundation despite the MDC clearly knowing that there were maps to suggest there was, however unlikely, the potential for flood inundation may be

IN particular, it beggars belief that Mr and Mrs Ten Hav purchased their Hangar

THIS ONE

Off the council in 2019 and there is nothing about hydro inundation on their 25plus page LIM document. IF there had been even a hint of an issue these 2 would not have bought this property. They had just come out of a very long and traumatic trial (which they won) against the landowner of the airport at Golbun in Australia where they have a similar hangar house arrangement. They have no wish to be embroiled in any further dramas. They had no idea

about hydro inundation until I brought this to their attention earlier this year.

This Lim was for a section purchased 1 year ago. No mention of Hydro inundation. Every LIM I have acquired from landowners at the airport that was purchased prior to 2025 is the same.

Andrew McAllister who purchased his Hangar property in the last month, is the only person to date that we know has a LIM reflecting the hydro inundation risk. And given the way its presented, he didn't trawl through the far too much information where he would have to go to all the different District plan documents draft or otherwise to get clear information about the hydro inundation maps. He didn't know until I told him last week. Andrew purchased this section and hangar for just under \$400k in the last month, It has been advertised for 2 years for \$550k. That is a significant drop in value.

What might the residents want out of this

1. Removal of the Hydro Inundation maps from Plan Change 28 and Plan change 30. IT may be high hazard but it has been stated many times that hydro inundation is very unlikely

2. Removal of any building restrictions other than those that already existed when we all purchased land.

3. FINALLY WHAT should have been done years ago
Have the Hazard dealt with in Civil defence emergency planning that will actually be of some use.

I would like to point out that council have been very slow in getting this implemented, perhaps because they, like us, do not feel like we are at any actual risk of the Hypothetical Imagined scenario of Pukaki Inlet dam breach occurring and subsequent hydro inundation of over 2m down to Pukaki Airport. This is because Meridian on multiple occasions says it is VERY UNLIKELY

In fact, MDC have put their Civil Defence emergency meeting place, at the AIRPORT, *in this Terminal building,* complete with emergency gear and a *very expensive generator and a \$2000 plug to plug in the generator*

4. Given the proposed escape route in the draft plan is over to the other side of the Twizel bridge toward town, why would you have your civil defence volunteers heading in the other direction to the airport if you thought that the Airport Zone was such a hazard.

5. The draft plan hasn't got past the draft stage and it is a plan that needs reviewing as it is probably not fit for purpose given the place to evacuate to is over **bridge picture** the Twizel bridge which is far less likely to survive an earthquake or major flood than the inlet dam is. That option to evacuate may not likely open to us.

I think that a siren and emergency text message of which the technology already exists would be a very good place to start

Signage at the airport gate like this

slide of my sign would inform visitors who come out to the airport. A picture of the map and where to go

All commercial operators at the airport who have public coming and going from their buildings to have signage as part of their evacuation planning and commercial accommodation operators like us to have 24 hour onsite management would ensure that any visitors staying overnight are safe

As for the residents, we are not stupid people, we can make up our own emergency plan (much like Lake Ohau did for the fires that saved lives)

WE have lots of escape options

On our roofs of our hangars

Fly away in our planes

Catch the boat that resides at the airport

But I jest.

if they relied on the council they would be dead

This is serious.

Our main concern if there is any mapping of hydro inundation over Pukaki Airport in any Council documents then very careful consideration needs to be given to how the information is presented and the explanation that surrounds it.

If Council and Meridian actions in PLAN Change 28 or Plan change 30 end up in causing any one of these 4 things to happen

Put the word consequences document back up

Significant rise in insurance premiums or being declined insurance

Banks reducing their risk by denying the extension of funds for further development or requiring mortgages to be repaid

Potential reduction in ability to sell and/or reduction in the value of our properties

Reduction in property rights with the inability to fully realise the potential of our sections as building restrictions are imposed upon us.

Then MEL and MDC could have significant multi - million dollar legal liability to contend with because
They Knew about hydro inundation
They were told to inform landowners and
They never told us.

Having spoken to the landowners who have developed their sections, all would not have purchased or built out at the airport had they known the existence of those maps and the implications for the sections they were considering buying.

Meridian may be able to afford the legal liability but the MDC council cant afford it, they are already 50 million dollars in debt

IF MDC and MERIDIAN seriously don't want any development at all downstream of the Pukaki Inlet DAM for whatever reason then buy us all out and we will go away.

*IT WILL NEVER BE CHEAPE
THAN TODAY*

You can not put those Hydro Inundation maps into the District plan which will affect the Lims of our properties without considering the consequences to ourselves, the council as landowners and therefore ratepayers

Thank you for your consideration of the matter I have brought to you today.