

立法會
Legislative Council

LC Paper No. CB(1) 377/01-02
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by the Administration)

Ref : CB1/PL/PLW/1

Legislative Council
Panel on Planning, Lands and Works

Minutes of meeting
held on Monday, 7 May 2001 at 8:30 am
in Conference Room A of the Legislative Council Building

Members present : Dr Hon TANG Siu-tong, JP (Chairman)
Hon LAU Ping-cheung (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, JP
Hon James TO Kun-sun
Hon WONG Yung-kan
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, JP
Hon Albert CHAN Wai-yip
Hon IP Kwok-him, JP

Members attending : Hon NG Leung-sing
Hon CHAN Yuen-han
Hon Howard YOUNG, JP

Members absent : Hon LAU Wong-fat, GBS, JP
Hon Timothy FOK Tsun-ting, SBS, JP

Public officers attending : **Agenda Item IV**
Mr TAM Wing-kwong
Deputy Director (Special Duties)
Civil Engineering Department

Miss Winnie HO
Assistant Commissioner for Tourism
Tourism Commission

Mr CHAN Kin-kwong
Chief Engineer/Special Duties (Coordination)
Civil Engineering Department

Ms Kathy NG Tze-kwun
Senior Landscape Architect
Civil Engineering Department

Mr CHENG Ting-ning
Chief Assistant Secretary (Programme Management)
Works Bureau

Agenda Item V

Mr Daniel CHENG
Principal Assistant Secretary (Planning)
Planning and Lands Bureau

Mr CHEUNG Tai-yan
Project Manager (Hong Kong Island
and Islands Development Office)
Territory Development Department

Mr H H YEUNG
Chief Engineer/HK (1)
Territory Development Department

Mr Stephen HOU
Engineer/HK (5)
Territory Development Department

Clerk in attendance : Miss Salumi CHAN
Chief Assistant Secretary (1)5

Staff in attendance : Mrs Queenie YU
Senior Assistant Secretary (1)6

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I. Confirmation of minutes of meeting
(LC Paper No. CB(1) 1089/00-01)

The minutes of the joint meeting with the Panel on Environmental Affairs held on 9 February 2001 were confirmed.

II. Information papers issued since last meeting

2. Members noted the following information papers issued since the last meeting -

- (a) Information paper on slope safety (LC Paper No. CB(1)981/00-01);
- (b) Information paper on formation and servicing of area 36, Fanling — remaining works (LC Paper No. CB(1)1100/00-01);
- (c) Information notes on issues raised by Wanchai District Council members, Kwai Tsing District Council members and Heung Yee Kuk Councillors (LC Paper No. CB(1)1107/00-01); and
- (d) Information paper on reclamation works for district open space and Government/Institution/Community facilities in North Tsing Yi (LC Paper No. CB(1)1135/00-01).

3. The Chairman drew members' attention that the Administration would submit the papers mentioned in paragraph 2(b) and (d) above to the Public Works Subcommittee (PWSC) for consideration at its meeting in May 2001.

III. Date of next meeting and items for discussion

(LC Paper No. CB(1)1123/00-01(01) — List of outstanding items for discussion

LC Paper No. CB(1)1123/00-01(02) — List of follow-up actions)

Special meeting on 14 May 2001

4. Members noted that the following items had been scheduled for discussion at the special meeting to be held on Monday, 14 May 2001 at 10:45 am -

- (a) Stage II Study on Review of Metroplan; and
- (b) Planning Study on the Harbour and its Waterfront Area.

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Joint Panel meeting on 24 May 2001

5. Members noted that a joint meeting with the Panel on Public Service would be held on Thursday, 24 May 2001 at 2:30 pm to discuss the proposed Corporatization of the Survey and Mapping Office of the Lands Department.

Meeting arrangements for June 2001

6. Members noted that the Administration had proposed the following items for discussion by the Panel in June 2001 -

- (a) Creation of supernumerary directorate posts in Works Bureau;
- (b) Mandatory Construction Personnel Registration System;
- (c) Creation of directorate posts in Buildings Department; and
- (d) Planning and Development Study on Hong Kong Island South and Lamma Island — Stage I Findings.

7. Members also noted that Kwai Tsing District Council members had, at their meeting with LegCo Members on 1 February 2001, raised objection to the Administration's proposed construction of two cement plants and a concrete batching plant in Tsing Yi. The issue was subsequently referred to the Panel for consideration.

8. To facilitate the Panel's discussion of all the items in paragraphs 6 and 7 above, the Chairman suggested and members agreed that two meetings be arranged in June. The first three items mentioned in paragraph 6 would be discussed at the regular Panel meeting on Monday, 4 June 2001 at 8:30 am and the items in paragraphs 6(d) and 7 be discussed at a special meeting on Monday, 11 June 2001 at 10:45 am.

9. Mr Albert CHAN Wai-yip expressed concern about the increase in the number of financial proposals discussed by the Panel in recent months. He pointed out that this had not only resulted in more special meetings of the Panel, but also the repetition of discussion of the proposals at Panel and PWSC/Establishment Subcommittee (ESC) meetings. The Clerk pointed out that the Committee on Rules of Procedure (CRoP) had submitted recommendations to the House Committee (HC) at its meeting on 12 January 2001 on measures to improve the working mechanism of panels and bills committees for the scrutiny of legislative and financial proposals. The recommendations endorsed by the House Committee included, inter alia, that the Administration should consult the relevant panel on major legislative and financial proposals before presenting them to the Finance Committee or its subcommittees or the Legislative Council. The number of proposals put forward by the Administration was expected to increase towards the end of a session. Ir Dr Raymond HO Chung-tai pointed out that he had advised the Works Bureau and the Finance Bureau that only

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major financial proposals should be put forward to the Panel for consultation, and that other financial proposals should be submitted to PWSC direct. Other members agreed that this approach should be adopted.

10. Members agreed that their views be referred to CRoP or HC for consideration.

Other discussion item(s)

11. Mr Albert CHAN proposed that the control measures adopted by the Administration over sales of uncompleted residential properties be discussed at a joint meeting with the Panel on Housing. The Chairman directed the Clerk to follow up the proposal.

(Post-meeting note:

- (a) At the request of the Administration, the agendas for the meetings on 4 June and 11 June 2000 were subsequently revised and issued to members vide LC Paper Nos. CB(1) 1384/00-01 and CB(1) 1355/00-01 on 31 May and 28 May 2001 respectively;
- (b) Member's views in paragraph 9 above had been considered by CRoP and HC at their meetings on 22 May and 15 June 2001 respectively; and
- (c) The subject in paragraph 11 above was discussed by the Panel on Housing at its meeting on 18 July 2001.)

IV. Infrastructure for Penny's Bay Development, Package 2

(LC Paper No. CB(1)1123/00-01(03) — Paper provided by the Administration)

12. The Chairman said that the Administration had briefed the Panel on Economic Services on the proposed works under "Infrastructure for Penny's Bay Development, Package 2" on 23 April 2001. In view of the scale of the proposed works, the Administration would also brief this Panel before submitting the proposal to PWSC.

13. The Deputy Director (Special Duties) of Civil Engineering Department (DD/CED) briefed members on the draft paper for PWSC (Annex to the paper provided by the Administration). He pointed out that the estimated cost of the proposed construction of infrastructure and associated works for Penny's Bay Development, Package 2 was \$3,917 million. He also mentioned that the proposed Environmental Impact Assessment (EIA) study for the decommissioning of Cheoy Lee Shipyard had commenced and the report would be submitted to the Environmental Protection Department for approval by the end of 2001. Infrastructure works that fell within the area of Cheoy Lee Shipyard would only be carried out in the second infrastructure contract to commence in July 2002.

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Proposed dredging and reclamation works

Implications of dredging and reclamation works on marine environment

14. Mr WONG Yun-kan, Mr TAM Yiu-chung and Mr Albert CHAN pointed out that a case conference had been held with the Administration on the fish kill incidents occurred in 2000 at Ma Wan and Cheung Sha Wan Fish Culture Zones (FCZs) allegedly caused by dredging and reclamation works. Mr WONG said that according to the mariculturists, the fish kill incidents were mainly caused by soil dumping and the fact that the Administration had failed to put in place adequate preventive measures before commencing the dredging and reclamation works. Members therefore expressed grave concern about the implications of the proposed dredging and reclamation works at Yam O on the marine environment. They questioned whether water quality in the surrounding areas would still be suitable for fish culture after the completion of the works.

15. DD/CED stressed that the previous dredging works had been carried out in accordance with the requirements set out in the approved EIA report and the Environmental Permits issued. The Administration was also concerned about the fish kill incidents and had undertaken to commission an independent investigation to review their cause(s). Nevertheless, mariculturists at Ma Wan and Cheung Sha Wan FCZs were eligible for ex-gratia allowance under the existing policy. Mr WONG Yung-kan pointed out that the amount of ex-gratia allowance only represented less than 30% of the financial loss of the mariculturists concerned.

16. As regard the proposed dredging and reclamation works at Yam O, DD/CED assured members that all necessary preventive measures would be put in place to minimize impact on the Ma Wan FCZ, including the installation of silt curtain to reduce the release of sediment to surrounding waters. Ir Dr Raymond HO enquired whether the Administration had made reference to overseas experience on new preventive measures to minimize the release of sediment to surrounding waters by dredging works, such as segregating the dredging areas with the surrounding areas, or improving the geotextiles method for reclamation works. DD/CED replied that EIA studies would normally be carried out to address environmental issues before dredging works commenced and appropriate preventive measures would be put in place according to the circumstances of individual cases. Ir Dr HO urged the Administration to give further thought to the issue. Mr WONG Yung-kan and Mr Albert CHAN indicated that they would not support the current financial proposal if the Administration failed to put in place effective measures to prevent fish loss arising from dredging works of the proposed project.

17. In view of the fact that the fish kill incident in Ma Wan FCZ was still unresolved, Mr TAM Yiu-chung considered that the Administration should consult the mariculturists with a view to setting up a mechanism acceptable to both sides for assessing the implications of the proposed project on the marine environment. He said

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that to his knowledge, mariculturists had not entirely accepted the existing mechanism based on the collection of water samples from Government-operated monitoring stations. Other members supported Mr TAM's view. DD/CED undertook to consider Mr TAM's view.

Alternative methods

18. Ir Dr Raymond HO considered that dredging works should be minimized. He asked whether the Administration would consider alternative methods for land formation, such as using vertical drains to speed up the process of ground settlement of sediments for reclamation. Whilst appreciating the need to minimize dredging works, DD/CED pointed out that due to time constraint, dredging works had been carried out for a majority of the site formation works for Phase 1 works of the Penny's Bay development. As regards the remaining phases of the project, there was no plan to carry out dredging works for site formation works because sufficient time would be allowed for ground settlement of sea mud and sediments.

Entrusting Hongkong International Theme Park (HKITP) to carry out the works

19. Referring to paragraph 8 of the draft paper for PWSC (Annex to the paper provided by the Administration), Ir Dr Raymond HO was concerned whether it would be the best arrangement to entrust to HKITP the design of the Penny's Bay public transport interchange (PBPTI) and central pedestrian walkway, as the design might not be compatible with the planning standards and infrastructure in Hong Kong. DD/CED advised that the PBPTI and central pedestrian walkway were in the immediate vicinity of HKITP's works. In order to minimize interfacing and management problems, it was desirable to have a single party to carry out the construction work in the same area. This arrangement would also ensure that the design would be compatible with the landscape of the rest of the Hong Kong Disneyland (HKD) Theme Park. He assured members that HKITP would comply with the design standards set by the Government. Noting that a central pedestrian walkway about 900 metres in length including an underpass would be constructed, Ir Dr HO stressed that the design works should fully take into account the geological factors in Hong Kong.

Participation of local companies

20. Mr LAU Ping-cheung was concerned whether the Administration would put in place a mechanism to enable participation of local companies in the proposed project, particularly in design works, so as to enhance the technical know-how of local companies. DD/CED said that to his knowledge, local architects, engineers and consultant companies would be engaged by HKITP in the design and construction works of the project. The Chief Assistant Secretary (Programme Management) of Works Bureau (CAS/WB) pointed out that the works involved were not complicated technically. HKITP was required by the entrustment agreement to ensure that selection of the contractors for the entrusted works would be fair and open. To address

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members' concern, Mr Albert CHAN requested the Administration to provide a copy of the document entrusting HKITP to carry out the works items.

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21. In view of the scale of the project (\$ 3,917 million), Mr LAU Ping-cheung further asked whether the Administration would divide the proposed project into smaller works items for participation of more local companies so as to reduce the risks and create more job opportunities. DD/CED explained that the proposed contract packaging would be subject to time, programme and interface constraints. Nevertheless, some items such as fresh water service reservoir at Yam O Tuk, water and sewerage works from Siu Ho Wan to Yam O and the salt water supply system had been divided into small works contract packages. CAS/WB also pointed out the technical difficulties in completing the project on schedule if the project was divided into too many small works items for different contractors to carry out.

22. Mr LAU Ping-cheung considered that the scope of the proposed project outlined in paragraph 3(a) to 3(s) of the draft paper for PWSC could be divided into smaller contracts to enable small or medium-sized local companies of the construction industry to participate. In his opinion, the proposed construction of public piers, road system and landscape works could be divided as separate works items to provide more job opportunities and at the same time avoid inflation of the project cost by a few entrusting companies. Mr Albert CHAN and Mr James TO Kun-sun shared Mr LAU's view and requested the Administration to further consider the issue.

Cost control

23. Referring to paragraph 3(q) and 3(r) of the draft paper for PWSC, Mr LAU Ping-cheung noted that consultants would be employed for auditing the environmental monitoring works, site supervision of the proposed works, and certifying completion of the infrastructure works and GIC facilities undertaken by the Government. He queried why an independent consultant was not employed to conduct audit check on the project to enhance cost control. Responding to the Chairman, CAS/WB advised that cost limits for the works entrusted to HKIPT were specified in the entrustment agreement. CAS/WB assured members that an independent consultant would be appointed under the entrustment agreement to oversee the design and construction by HKITP to ensure that the quality of work would comply with the Administration's established policy and standards.

24. Mr LAU Ping-cheung held the view that cost control for other works items was also necessary. He pointed out that for housing and building projects undertaken by the Housing Department or the Architectural Services Department, and public organizations such as Kowloon-Canton Railway Corporation, Mass Transit Railway Corporation (MTRC), independent consultants were employed to conduct audit check on project cost. However, the same practice was not applied to infrastructure works. CAS/WB assured members that the Administration placed an important emphasis on cost control on all types of projects. For building projects, an independent Quantity Surveyor would be engaged for monitoring the project cost. For civil engineering projects, an in-house engineer would be engaged to assume overall control and responsibility for efficient project delivery. Mr LAU however stressed the importance

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of engaging an independent consultant, not an in-house engineer, to assume the responsibility. He strongly requested the Administration to put in place a mechanism for cost control of the proposed project.

25. Mr Albert CHAN requested the Administration to provide for members' reference a table showing a breakdown of works items and their associated costs in connection with the development of HKD Theme Park at Penny's Bay.

Consultation with Tsuen Wan District Council

26. Mr Albert CHAN noted from paragraph 15 of the draft paper for PWSC that the project was based on the Recommended Outline Development Plan for the Theme Park and Northshore Lantau Development which was generally supported by the Tsuen Wan District Council (TWDC) during consultation in March 2000. Mr CHAN pointed out that the Administration had only consulted TWDC on the scope of the two Development Plans, but not the environmental implications of the works items mentioned in the draft paper. In reply, DD/CED said that the Administration had consulted TWDC on the Recommended Outline Development Plan for the Theme Park, detailed roadworks including reclamation works and sewerage works proposals on three separate occasions. To clarify the situation, the Administration was requested to give an account of consultations with TWDC on the proposed project.

Construction of two public piers in Yam O

27. Responding to Mr WONG Yung-kan, DD/CED advised that piling works for construction of two public piers in Yam O would not adversely affect the water quality in the surrounding areas. The Administration would also take measures to reduce the impact of the construction works on the Chinese white dolphins in the areas.

Water supply system from Yam O to Penny's Bay

28. Whilst appreciating the need to construct a fresh water system from Yam O to Penny's Bay, Mr Albert CHAN queried whether a similar connection system for salt water supply was justified, having regard to the fact that it would be less costly to provide such a system for the Penny's Bay alone. DD/CED advised that for strategic development of North Lantau, the Administration planned to implement a salt water supply system for Tai Ho, Siu Ho Wan, Yam O and Penny's Bay. The proposed salt water supply system from Yam O to Penny's Bay was part of this system. At the request of members, DD/CED undertook to provide further information on the justification of the proposed salt water supply system.

Conclusion

29. In view of members' various points of concern expressed at the meeting, the Chairman requested the Administration to provide the required information and further consult the Panel on the proposal before submitting it to PWSC.

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(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide LC Paper No. CB(1) 1229/00-01 on 15 May 2001. The subject was further discussed at the Panel meeting on 4 June 2001.)

V. Central Reclamation Phase I, engineering works — increase in Approved Project Estimate

(LC Paper No. CB(1)1123/00-01(05) — Paper provided by the Administration)

30. The Chairman briefed members that the Administration proposed to increase the approved project estimate for the engineering works under Central Reclamation Phase 1 from \$2,564 million by \$80 million to \$2,644 million in money-of-the-day prices. The Administration planned to submit the proposal to PWSC for consideration in May 2001.

31. The Principal Assistant Secretary (Planning) of Planning and Lands Bureau (PAS/PLB) said that construction works of the project had commenced in 1993 and so far about 90% of the works had been completed. The proposed increase of \$80 million, representing about 3% of the total project estimate, was required to carry out the outstanding works. The increase was caused by a number of factors, namely, the unforeseen difficulties encountered in carrying out the construction works, provision of additional facilities at the request of the Central and Western District Council (CWDC), and the modification of layout plans of Central Piers 4 to 7 at the request of the Hong Kong and Yaumati Ferry Co Limited (HYF).

32. The Project Manager (Hong Kong Island and Islands Development Office) of Territory Development Department (PM/TDD) then gave a power-point presentation on the justifications for the proposal as detailed in the paper.

Outstanding works at Central Piers 4 to 7

33. Noting that the development proposal above Central Piers 4 to 7 by HYF had been dropped in 1998, Mr TAM Yiu-chung asked whether the Administration would identify a new developer for the proposal. PAS/PLB said that since the disputes between the Government and HYF over the issue were still unresolved, it would be more appropriate to consider the development proposal after the completion of the legal proceedings. Mr TAM considered that the Administration should carry out the outstanding works at Central Piers 4 to 7 as early as possible to provide the necessary facilities to meet passengers' needs. Responding to members, PAS/PLB and PM/TDD said that subject to the funding approval of PWSC in May 2001, the Administration aimed to implement the works before the end of 2001. While the outstanding works would take 24 months to complete, the essential works items would however be completed within one year.

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34. Responding to Mr TAM Yiu-chung, the Chief Engineer/Hong Kong (1) of Territory Development Department (CE/TDD) replied that the outstanding works for Central Piers 4 to 7 included installation of glass curtain walls, replacement of floor tiles and improvement of lighting facilities inside the ferry piers as well as landscaping works for areas outside the ferry piers. The works aimed to improve services provided for users and enhance passengers' safety. Mr TAM considered it important to provide good air ventilation system for the passengers waiting area. CE/TDD said that the design of the curtain walls inside the ferry piers would facilitate free and sufficient air flow.

Accountability for the additional expenditure

35. Mr IP Kwok-him asked whether the consultants responsible for the design of the project should be held accountable for the need to redesign some of the works items of the project. PAS/PLB pointed out that the scope of the project was extensive and that there were unforeseen circumstances as well as interface problems encountered during the construction stage. For example, the design of the affected cooling water mains and drainage works had to be modified because of the uncharted underground utilities of the site concerned. Moreover, having regard to the views of CWDC, an existing Refuse Collection Point (RCP) was proposed for relocation, and additional traffic diversion schemes and traffic management measures were implemented at Connaught Road Central to minimize disruptions to the traffic condition in Central.

36. Mr IP Kwok-him was of the view that some of the revised proposals, such as the proposed additional traffic diversion schemes near the Rumsey Street Flyover Extension, should have been included in the original design of the project. CE/TDD explained that the design of the original traffic scheme was based on the traffic flow in 1993. The traffic scheme was subsequently revised to take into account the time lag of the project and the need to tie in with the modified design of the affected cooling water mains and drainage works mentioned in paragraph 35 above. Ir Dr Raymond HO was not convinced by the explanations. Referring to paragraph 12 of the paper provided by the Administration, Ir Dr HO pointed out that the traffic schemes had been revised at the request of the then CWDC and the Police. In his opinion, the Administration had not considered the original proposal carefully. At the request of members, the Administration was requested to provide, in its submission to PWSC, the justifications and additional cost incurred for the revised traffic schemes.

37. Mr Albert CHAN pointed out that the additional expenditure incurred for the outstanding works of the project should be \$133 million, not \$80 million, as \$53 million had been offset by drawing down from the contingency provision. He further pointed out that the paper had not reflected in full the expenditure spent on the original design and plans which were not required in the revised proposal. For example, the piling works for Central Piers 4 to 7 should have catered for the original development proposed above the Piers. CE/TDD advised that HYF was required

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under the agreement with the Government to indemnify the Government for the additional costs arising from the modified layout. PAS/PLB said that as the court case involving the Government and HYF was still pending, it was not appropriate for him to comment further on the issue.

38. Mr Albert CHAN was also concerned about the additional expenditure of \$17.4 million incurred for the relocation of the RCP. PAS/PLB clarified that the relocation of the RCP was in fact a new item under the project. The Administration's original proposal was to relocate the existing bus terminus next to the Harbour Building to the east and north of the Building. However, after consulting the then CWDC, the plan was revised to relocate the bus terminus to the west of the Building where there was a RCP. The Administration therefore needed to relocate the RCP.

Pedestrian access to the Harbour front

39. Mr LAU Ping-cheung supported the landscaping works proposed for the covered walkways at the forecourts of the Central Piers, as it would provide additional scenic spots for the local people and tourists to visit and appreciate the view of the Victoria Harbour. He asked whether the proposed footbridge FB4 would be sufficient for providing convenient access for pedestrians. PAS/PLB advised that the issue would be considered in the planning of the Central Reclamation, Phase 3 works.

Central-Wan Chai ByPass

40. Responding to Ir Dr Raymond HO, PAS/PLB said that to his knowledge, the Central-Wan Chai ByPass would be constructed by phases and completed around 2010, subject to the progress of the reclamation works for Wan Chai areas and the Central Reclamation, Phase 3 works. Ir Dr HO urged the Administration to expedite the project. PAS/PLB undertook to convey his view to the Transport Bureau and the relevant departments for consideration.

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Breakdown of project cost

41. Referring to item (j) of Enclosure 2 of the paper, Mr LAU Ping-cheung requested the Administration to provide justifications for the proposed increase in consultants' fees, and to split the item into two, showing a breakdown of consultants' fees and MTRC's entrustment cost. PAS/PLB undertook to provide the information in the Administration's submission to PWSC.

(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide LC Paper PWSC (2001-02) 53 on 13 June 2001.)

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VI. Any other business

42. There being no other business, the meeting ended at 10:45 am.

Legislative Council Secretariat

21 November 2001