

## **ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE**

**HEAD 707 - NEW TOWNS AND URBAN AREA DEVELOPMENT**  
**Kowloon Development**  
**Civil Engineering - Land development**  
**469CL - South East Kowloon development at Kai Tak Airport - early  
development package**

Members are invited to recommend to Finance  
Committee -

- (a) the upgrading of part of **469CL**, entitled “South East Kowloon development at Kai Tak Airport - consultants’ fees and site investigation”, to Category A at an estimated cost of \$115.9 million in money-of-the-day (MOD) prices; and
- (b) the retention of the remainder of **469CL** in Category B, retitled as “South East Kowloon development - infrastructure at north apron area of Kai Tak Airport”.

### **PROBLEM**

We need to carry out detailed design of infrastructure and site investigation works for the planned developments in the north apron area of Kai Tak Airport (NAKTA) as part of the South East Kowloon Development (SEKD).

**/PROPOSAL .....**

## PROPOSAL

2. The Director of Territory Development (DTD), with the support of the Secretary for Planning and Lands, proposes to upgrade part of **469CL** to Category A at an estimated cost of \$115.9 million in MOD prices for site investigation and engagement of consultants to carry out detailed design of infrastructure for the planned developments in NAKTA.

## PROJECT SCOPE AND NATURE

3. We upgraded part of **469CL** to Category A in February 1998 for decontamination and site preparation works in NAKTA. The remaining works under **469CL** comprise the provision of infrastructure including roads, drainage, sewerage and a water supply system in NAKTA. The part of the project we now propose to upgrade to Category A covers site investigation works and engagement of consultants to carry out detailed design, Environmental Impact Assessment (EIA) study and preparation of tender documents for these provisions. Details are as follows -

- (a) construction of about 6 kilometres box culverts;
- (b) construction of new roads including flyovers and pedestrian streets, and upgrading of existing roads and associated drainage, sewerage and watermains;
- (c) construction of five sewage pumping stations and rising mains to convey sewage to the existing To Kwa Wan sewage treatment plant;
- (d) construction of drainage maintenance depots along with provision of plant and equipment for servicing the mega sized drainage culverts in NAKTA (i.e. item (a) above);
- (e) open space development and landscaping works;
- (f) demolition of remaining ex-airport facilities, including Kai Tak Car-parking Building and Passenger Terminal Building; and

/(g) .....

- (g) provision of necessary environmental mitigation measures including environmental monitoring and audit works.

\_\_\_\_\_ A site plan showing details of the works is at Enclosure 1.

## **JUSTIFICATION**

4. After the closure of the Hong Kong International Airport at Kai Tak (Kai Tak Airport) in July 1998, we plan to develop NAKTA as part of SEKD for integrated housing, leisure, recreation, tourism, education and other community developments. As the land in NAKTA is readily available, we plan to implement the developments at the earliest opportunity. The development works will create employment opportunities immediately. Also, the planned leisure, recreation, education and community facilities are much needed to supplement the shortfall in nearby districts and in the territory as a whole.

5. According to the current public housing development programme, the Director of Housing plans to commence housing construction in NAKTA in mid-2002 with population intake in phases commencing 2005. Also, we plan to accommodate 13 school sites (seven primary and six secondary schools) and one school village (comprising two primary and two secondary schools) in NAKTA providing a total of 17 schools. In addition, a stadium with a warm up track and some 40 hectares of area for amenity or open space are also planned in NAKTA.

6. In order to provide the necessary infrastructure to support the above development and in particular the housing development with population intake in 2005, we need to start site investigation and detailed design of the infrastructure in NAKTA in January 2002 for commencement of construction works in phases from August 2003 to March 2005. We aim to complete these supporting infrastructure works from mid-2005 to 2008.

## **FINANCIAL IMPLICATIONS**

7. We estimate the capital cost of the project to be \$115.9 million in MOD prices (see paragraph 8 below), made up as follows –

/(a) .....

		<b>\$ million</b>	
(a)	Site investigation works	34.0	
(b)	Consultants' fees for	71.0	
	(i) supervision of site investigation works	3.4	
	(ii) EIA study	3.0	
	(iii) detailed design	59.0	
	(iv) preparation of tender documents	5.6	
(c)	Contingencies	10.5	
	Sub-total	115.5	(in September 2001 prices)
(d)	Provision for price adjustment	0.4	
	Total	115.9	(in MOD prices)

Due to insufficient in-house resources, DTD proposes to engage consultants to supervise the site investigation works, carry out the EIA study and other detailed design, and prepare tender documents. A breakdown by man-months of the estimate for the consultants' fees is at Enclosure 2.

8. Subject to approval, we will phase the expenditure as follows -

<b>Year</b>	<b>\$ million (Sept 2001)</b>	<b>Price adjustment factor</b>	<b>\$ million (MOD)</b>
2001 - 2002	5.0	1.00000	5.0
			/2002 - 2003 .....

2002 – 2003	33.0	0.99700	32.9
2003 – 2004	50.0	1.00398	50.2
2004 - 2005	27.5	1.01101	27.8
	<hr/>		<hr/>
	115.5		115.9
	<hr/>		<hr/>

9. We have derived the MOD estimates on the basis of the Government's latest forecast of trend labour and construction prices for the period from 2001 to 2005. We will award the proposed consultancy on a lump sum basis with provision for price adjustment as the consultancy period will exceed 12 months. We will tender the site investigation works under standard remeasurement contracts because the quantity of works involved may vary depending on the actual ground conditions. The contracts for the site investigation works will not provide for price adjustment as the contract periods will not exceed 21 months.

10. The proposed site investigation works and consultancy have no recurrent financial implications.

## **PUBLIC CONSULTATION**

11. We consulted the Legislative Council Panel on Planning, Lands and Works (PLW) on 8 June 2000 in respect of the SEKD Preliminary Layout Plan. Members supported the plan in general.

12. We consulted the Legislative Council Panel on PLW on 4 December 2000 concerning funding application for site investigation and detailed design of the infrastructure works in NAKTA. The Panel raised no objection to the project.

/13. ....

13. Following substantial completion of the comprehensive feasibility study for the revised SEKD scheme under 440CL “South East Kowloon development – comprehensive feasibility study”, we presented the study findings to the EIA Sub-committee of the Advisory Council on the Environment on 3 September 2001. The Sub-committee had no adverse comments on the proposed infrastructure works.

14. We consulted the Kwun Tong, Wong Tai Sin and Kowloon City District Councils on 11 June 2001, 12 June 2001 and 14 June 2001 respectively. All the District Councils raised no objection to the infrastructure works in NAKTA. In fact, we have received requests to proceed with the infrastructure works as soon as possible.

15. We circulated an information paper on this project to the LegCo Panel on PLW in October 2001.

## **ENVIRONMENTAL IMPLICATIONS**

16. The proposed site investigation works and consultancy will not have environmental implications. Under the comprehensive feasibility study for the revised SEKD scheme, we have completed an EIA report for the entire scheme. The report was subsequently approved by the Director of Environmental Protection on 25 September 2001 under the EIA Ordinance.

17. The infrastructure works in NAKTA covered by the proposed consultancy require an environmental permit under the EIA Ordinance. We will carry out a separate detailed EIA study as part of the detailed design process to assess the environmental impact of the project. We will incorporate all the measures recommended in the EIA report into the detailed design and relevant works contracts. We will apply for and obtain the necessary environmental permit before we start the construction of the works.

18. The proposed site investigation works and consultancy will only generate a minimal amount of construction and demolition material (C&DM). We will require the consultants to fully consider measures to minimise the generation of C&DM and to reuse/recycle C&DM as much as possible during implementation of the construction project in future.

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## LAND ACQUISITION

19. The proposed site investigation works and consultancy do not require any land acquisition.

## BACKGROUND INFORMATION

20. We included **469CL** in Category B of the Public Works Programme in September 1996 for the engineering works in NAKTA.

21. On 27 February 1998, the Finance Committee approved the upgrading of part of **469CL** to Category A under the title of **494CL**, "South East Kowloon development at Kai Tak Airport - decontamination and site preparation". Works started on site in October 1998 and the northern part of NAKTA is largely ready for development to proceed. We will complete the remaining decontamination and site preparation works in NAKTA in early 2002.

22. On 23 September 1998, we put forward PWSC(98-99)18 to upgrade part of **469CL** to Category A for site investigation and detailed design works of infrastructure for housing development in NAKTA. During the meeting, Members expressed concern on the scale of reclamation and the need for full public consultation on the SEKD project. The paper was subsequently withdrawn.

23. The SEKD feasibility consultancy study was completed in December 1998. However, in view of the large number of objections to the scale of the proposed reclamation, we have conducted a series of extensive public consultations to collect views on the SEKD scheme. Afterwards, we carried out a quick review under the same consultancy in March 1999 to determine the minimum practicable reclamation option. The review recommended reducing the reclamation size for this development from 299 hectares to 161 hectares.

24. In November 1999, we commenced a separate consultancy to conduct comprehensive feasibility study for the revised SEKD scheme, based on the smaller reclamation scenario. The study was completed in June 2001. We propose to further reduce the reclamation size from 161 hectares to 133 hectares.

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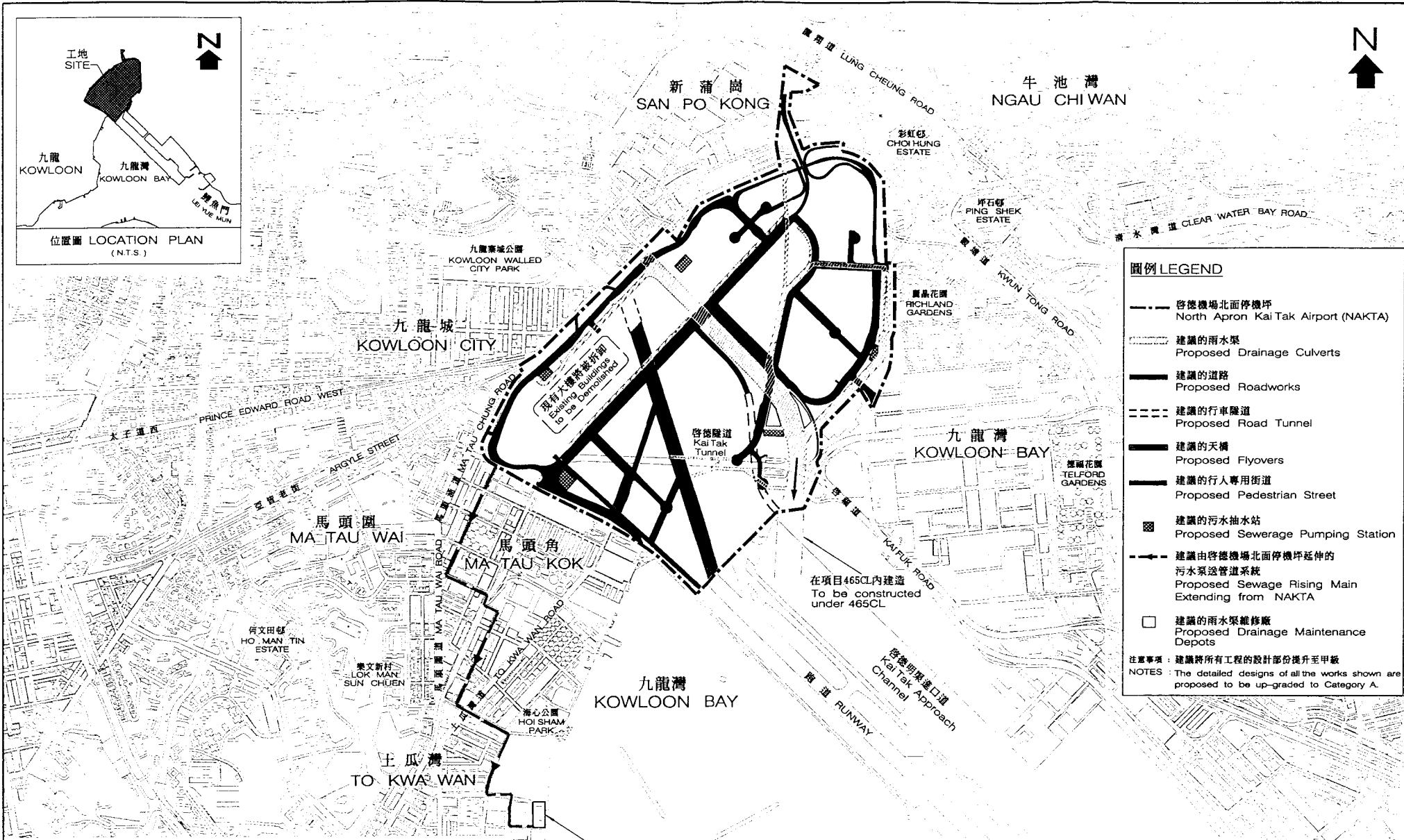
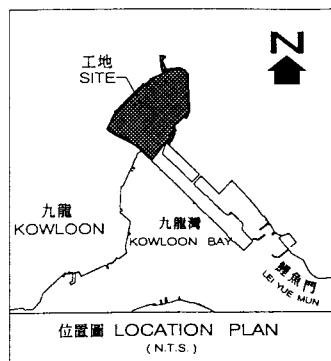
25. Now that the revised SEKD plan is substantially finalised, we plan to start the site investigation and detailed design works in January 2002 so that the proposed engineering works can proceed in accordance with the time scale mentioned in paragraph 6 above.

26. We estimate that the proposed site investigation and detailed design works will create some 115 new jobs comprising 40 professional/technical staff, and 75 labourers, totalling 1 785 man-months.

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Planning and Lands Bureau  
October 2001





**圖例 LEGEND**

- 啓德機場北面停機坪 North Apron Kai Tak Airport (NAKTA)
- 建議的雨水渠 Proposed Drainage Culverts
- 建議的道路 Proposed Roadworks
- 建議的行人專用街道 Proposed Pedestrian Street
- 建議的天橋 Proposed Flyovers
- 建議的污水抽水站 Proposed Sewerage Pumping Station
- 建議由啓德機場北面停機坪延伸的污水泵送管道系統 Proposed Sewage Rising Main Extending from NAKTA
- 建議的雨水渠維修廠 Proposed Drainage Maintenance Depots

注意事項：建議將所有工程的设计部份提升至甲級  
NOTES: The detailed designs of all the works shown are proposed to be up-graded to Category A.

2001年至2002年年度工務小組委員會文件  
PWSC Submission 2001 - 2002

現有土瓜灣污水處理廠  
Existing To Kwa Wan Sewage Treatment Plant

A	24 Aug 2001	修改標題框細節 Title block details amended	signed	signed
修訂 Rev.	日期 Date	內容摘要 Description	核對 Checked	核准 Approved

圖則名稱 Drawing title  
在啓德機場原址進行的九龍東南發展計劃-  
早期發展工程  
South East Kowloon development at Kai Tak Airport - early development package

繪圖 Drawn C F Ng	簽署 Initial signed	日期 Date 27 Jul 2001	項目編號 Item no. 469CL
核對 Checked Sam S.W. Lam	簽署 Initial signed	日期 Date 27 Jul 2001	比例尺 Scale 1 : 15 000
核准 Approved	簽署 Initial	日期 Date	圖則編號 Drawing no.

辦事處 Office  
**九龍拓展處**  
KOWLOON DEVELOPMENT OFFICE  
**拓展署**  
TERRITORY DEVELOPMENT

**469CL - South East Kowloon development at Kai Tak Airport -  
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**Breakdown of the estimate for consultants' fees**

<b>Consultants' staff costs</b>			<b>Estimated man- months</b>	<b>Average MPS* salary point</b>	<b>Multiplier</b>	<b>Estimated fees (\$ million)</b>
(a)	Supervision of site investigation	Professional	23	38	1.7	2.4
		Technical	31	14	1.7	1.0
(b)	EIA study	Professional	16	38	2.4	2.3
		Technical	16	14	2.4	0.7
(c)	Detailed design	Professional	304	38	2.4	44.1
		Technical	318	14	2.4	14.9
(d)	Preparation of tender documents	Professional	23	38	2.4	3.3
		Technical	49	14	2.4	2.3
<b>Total consultants' staff costs</b>						71.0

\*MPS = Master Pay Scale

**Notes**

- (1) A multiplier of 2.4 is applied to the average MPS point to estimate the full staff costs including the consultants' overheads and profit, as the staff will be employed in the consultants' offices. A multiplier of 1.7 is applied in the case of site staff supplied by the consultants. (At 1.4.2001, MPS pt. 38 = \$60,395 per month and MPS pt. 14 = \$19,510 per month)
- (2) The figures given above are based on estimates prepared by the Director of Territory Development. We will only know the actual man-months and fees when we have selected the consultants through the usual competitive lump sum fee bid system.