

立法會
Legislative Council

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Public Works Subcommittee of the Finance Committee

**Minutes of the 10th meeting
held in the Chamber of Legislative Council Building
on Wednesday, 9 April 2003, at 10:45 am**

Members present :

Ir Dr Hon Raymond HO Chung-tai, JP (Chairman)
Hon Albert CHAN Wai-yip (Deputy Chairman)
Hon Kenneth TING Woo-shou, JP
Dr Hon David CHU Yu-lin, JP
Hon Eric LI Ka-cheung, JP
Hon Fred LI Wah-ming, JP
Hon SIN Chung-kai
Hon Andrew WONG Wang-fat, JP
Hon YEUNG Yiu-chung, BBS
Hon LAU Kong-wah
Hon Miriam LAU Kin-yee, JP
Hon Andrew CHENG Kar-foo
Dr Hon LAW Chi-kwong, JP
Hon Henry WU King-cheong, BBS, JP
Hon IP Kwok-him, JP

Members absent:

Hon Cyd HO Sau-lan
Hon James TO Kun-sun
Hon CHAN Yuen-han, JP
Hon CHAN Kam-lam, JP
Hon WONG Yung-kan
Hon Emily LAU Wai-hing, JP
Hon CHOY So-yuk

Hon TAM Yiu-chung, GBS, JP
Dr Hon TANG Siu-tong, JP
Hon Abraham SHEK Lai-him, JP
Hon WONG Sing-chi
Hon LAU Ping-cheung

Public officers attending:

Miss Elizabeth TSE, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) ³
Mr Thomas TSO, JP	Deputy Secretary for Housing, Planning and Lands (Planning and Lands)
Mr Y C LO, JP	Permanent Secretary for the Environment, Transport and Works (Transport and Works)
Mr Mike STOKOE, JP	Deputy Director of Environmental Protection
Miss Janice TSE	Principal Assistant Secretary for Financial Services and the Treasury (Treasury)
Mr Eddie POON	Principal Assistant Secretary for Home Affairs (Recreation and Sport)
Mr C H YUE, JP	Director of Architectural Services
Mr Eddy YAU, JP	Assistant Director of Leisure and Cultural Services (Leisure Services) 3
Mr Patrick LI	Principal Assistant Secretary for Education and Manpower (Infrastructure & Research Support)
Mr TSE Man-shing	Assistant Director of Home Affairs (Administration)
Mr Andy LEUNG	Project Manager (2) (Acting) Housing Department
Mr William C G KO, JP	Director of Water Supplies
Mr LEUNG Mang-chiu, JP	Assistant Director of Water Supplies (New Works)
Mr H K WONG, JP	Director of Territory Development
Mr D Y HAYES	Chief Engineer (Yuen Long) Territory Development Department
Mr Edward LAW	Principal Assistant Secretary for Health, Welfare and Food (Food & Environmental Hygiene) ²
Mr HUNG Chi-pai	Assistant Director of Food and Environmental Hygiene (Operations) 1

Clerk in attendance:

Ms Anita SIT	Chief Assistant Secretary (1) ⁶
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Staff in attendance:

Ms Pauline NG	Assistant Secretary General 1
Ms Rosalind MA	Senior Assistant Secretary (1)9
Ms Caris CHAN	Senior Legislative Assistant 1
Mr Frankie WOO	Legislative Assistant 2

HEAD 708 – CAPITAL SUBVENTIONS AND MAJOR SYSTEMS AND EQUIPMENT**PWSC(2003-04)6 5QJ Renovation of the Wu Kwai Sha Youth Village of YMCA, Ma On Shan**

Members noted that this was the third time this item was submitted to the Public Works Subcommittee (PWSC) for consideration. When the item was considered at the PWSC meeting on 12 June 2002, members raised concern about the safety issues of the phased implementation of the project and the need to consult local residents on the precautionary measures. The item had thus been withdrawn and put to PWSC again at the meeting on 26 February 2003. The item had been withdrawn a second time at members' request to consult local residents living in proximity to the Wu Kwai Sha Youth Village.

2. The Assistant Director of Leisure and Cultural Services (Leisure Services)3 (AD(LS)3) advised that in response to PWSC members' request, the Administration had held two public consultation forums on 16 March and 6 April 2003 respectively to brief and consult local residents on the proposed asbestos removal works and the associated precautionary measures. Each forum was attended by around 10 to 20 representatives of residents living in the vicinity of the camp. The resident representatives expressed concerns about the possible health hazards and environmental nuisance caused by the removal works. However, they were generally satisfied with the monitoring and mitigation measures proposed by the Administration during the construction period. AD(LS)3 said that the Administration would arrange further consultation forums before and during the proposed works to brief local residents on the effectiveness of the mitigation measures and to gauge their views in this regard. A working group with representatives from relevant government departments, camp management and the Sha Tin District Council (STDC) would be formed to monitor the asbestos removal and reinstatement works.

Cost-effectiveness of the proposed works

3. Mr Kenneth TING expressed concern about the cost-effectiveness of the proposed asbestos removal works. Referring to paragraph 5 of the paper that roof sheets of the residential cottages contained asbestos of a low risk type and presented no imminent health hazard if left undisturbed, Mr TING doubted whether it would be necessary to carry out the proposed works at an estimated cost

of \$23.7 million and an average cost of over \$0.5 million per cottage. In this connection, he sought information on the floor area of each of the 42 cottages.

4. In reply, AD(LS)3 advised that the floor area of each cottage was about 300 to 400 square feet. Although material sampling of the roof sheets had confirmed that they only contained asbestos of a low risk type, the roof sheets had been used for over 30 years and there had been natural wear and tear during these years. It was therefore considered necessary to replace the roof sheets with alternative materials before they deteriorated to an extent to cause health hazards to users and staff of the camp. Responding to Mr TING's concern about the cost of the proposed works, the Director of Architectural Services (D Arch S) explained that the project cost was mainly for the demolition and clearance of the asbestos roof sheets. As an asbestos abatement specialist contractor would be engaged for the removal works and a number of special environmental precautionary measures for removing and disposing these asbestos roof sheets would be implemented in compliance with the legislative requirements, the cost for the asbestos removal works was higher than normal renovation works.

5. Mr Kenneth TING asked whether the Administration had considered alternative measures to remove the risk of the asbestos roof sheets and at the same time achieve cost-effectiveness, such as demolishing all the 42 cottages and rebuilding new structures for the camp. D Arch S said that if the existing cottage structures were to be demolished and reconstructed, there would unlikely be any savings in the project cost since the necessary precautionary measures in the removal and disposal of asbestos roof sheets would still need to be implemented. On the contrary, it might result in a higher cost. He reiterated that to safeguard the safety of camp users and camp staff, the asbestos removal works were necessary. Mr Kenneth TING maintained his concern that the present proposal might not be the most cost-effective for removing health hazards associated with the asbestos roof sheets.

Consultation with local residents

6. Referring to the public consultation forums, Mr LAU Kong-wah pointed out that as far as he knew, the information provided in the Administration's invitation letters to individual households was incomplete in that it did not clearly set out that the proposed works in the camp involved the removal of asbestos roof sheets. He considered the consultation arrangements inadequate and expressed concern on whether all residents in the nearby developments had been informed of the proposed asbestos roof sheets removal works. He sought information on the Administration's plans for improving the public consultation process.

7. AD(LS)3 responded that the first public consultation forum held on 16 March 2003 was arranged through the Incorporated Owners (IOs) of the residential developments in the vicinity of the camp. A letter was sent to the Chairmen of the IOs, informing them of the proposed asbestos roof sheets removal works. Invitation letters were also issued to all the individual households (around 3 000 households) in the residential developments but he admitted that

information on the asbestos removal works had not been included in these letters. Nevertheless, the information had been included in the invitation letters issued to all these households for the second consultation forum held on 6 April 2003. Hence, all local residents in the vicinity of the camp had been informed of the asbestos removal works and they had been invited to give their views to the Leisure and Cultural Services Department by fax if they were unable to attend the forums personally. In reply to Mr LAU Kong-wah's enquiry, AD(LS)3 said that as mentioned earlier at the meeting, representatives of STDC would be invited to participate in the working group for monitoring the asbestos roof removal works and it would be at the discretion of STDC to nominate any representatives they considered appropriate. He assured members that the Administration would keep STDC informed of the works progress on a regular basis. At Mr LAU's request, AD(LS)3 undertook to provide members with copies of the letters issued to local residents notifying them of the consultation forums and the records of discussion at the two forums.

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8. Mr IP Kwok-him opined that information on dust levels within the site and in its vicinity should be provided to local residents to address their concerns about the possible health hazards during the removal works. Periodic reports on dust levels should also be provided to IOs of the residential developments nearby. In response, AD(LS)3 said that dust-level monitoring points would be set up at various locations near the residential developments in the vicinity of the works site. Periodic reports on dust levels within the works site and at the monitoring points would be posted at the entrance of the works site and sent to the management offices of nearby residential developments by fax.

9. The item was voted on and endorsed.

PWSC(2003-04)2	30EC	Construction works for schools in the final phase of the School Improvement Programme
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10. The item was voted on and endorsed.

HEAD 703 – BUILDINGS

PWSC(2003-04)1	188SC	Community hall in Areas 4C and 38A, Sha Tin
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11. Mr LAU Kong-wah pointed out that the project was agreed at an earlier case conference between Legislative Council Members and the Administration. He expressed support for the project and commended the Administration for its efforts on the expeditious preparation of the project proposal.

12. The item was voted on and endorsed.

HEAD 709 – WATERWORKS**PWSC(2003-04)4 90WC Replacement and rehabilitation of water mains, stage 1 phase 1**

13. Members noted that the overall plan for replacement and rehabilitation of ageing water mains in the territory had been considered at the meeting of the Panel on Planning, Lands and Works on 13 May 1999.

Scope and effect of the proposed works

14. In response to Mr Henry WU's enquiry, the Assistant Director of Water Supplies (New Works) (AD/NW, WSD) referred members to paragraphs 20 to 23 for the estimated costs of the four earlier phases of 90WC approved by the Finance Committee. The Director of Water Supplies (DWS) added that some of the earlier phases prepared for the works under the present proposal and were all inter-related works under the replacement and rehabilitation of water mains, stage 1 phase 1 project. DWS advised that Hong Kong's fresh water and salt water supplies were provided through a network of 6 800 km of water mains, about 45% of which were laid some 30 years ago and were approaching the end of their service life. The Administration aimed to replace and rehabilitate these ageing water mains of some 3 000 km in stages over 20 years to prevent further deterioration of the water supply network. Whilst for the remaining 55% of water mains, DWS said that the conditions of these mains would be reviewed in the coming 10 to 15 years and plans for replacement and rehabilitation works would be made, where appropriate.

15. Mr Henry WU expressed concern about the situation of pipe failures (including bursts and leaks) after the completion of the 20-year replacement and rehabilitation programme of some 3 000 km of ageing water mains. Noting that the leakage rate of the water supply network would be improved from the current level of 25% to 15% upon completion of the programme in 20 years' time, Mr WU sought clarification on whether this improvement had taken account of the ageing of the remaining 55% of the water mains which were not covered by the 20-year programme. In reply, DWS explained that loss of water through leakage existed in all water supply networks and that a leakage rate of 15% was considered very good performance among water authorities worldwide. He confirmed that this estimated leakage rate had taken into account the conditions 20 years later of all the entire water mains in the entire water supply network.

Consultants' fees

16. Mr Henry WU queried that the consultants' fees which constituted over 10% of the total cost for the proposed works were too high, in particular the fees for site supervision. DWS responded that a higher consultants' fee for site supervision would be required because of the scattered locations of the work sites throughout the territory, as illustrated at Enclosure 1 of the paper.

Compensation for financial losses resulted from pipe failures

17. Mr Albert CHAN strongly criticized that the Administration was aware of the ageing of the water mains which had resulted in a high rate of pipe failures. However, the Government denied responsibilities for financial losses due to pipe failures, and ignored the hardship caused to victims. Referring to a case of an elderly complainant failing to obtain any compensation from the Government for his financial loss caused by water pipe bursts, Mr CHAN opined that the Government should be reprimanded for such unreasonable arrangements. He remarked that unless the Government undertook to compensate victims for pipe failures, he would not support the present proposal. In reply, DWS explained that in accordance with the legal advice given by the Department of Justice, the Government had no legal liability to compensate any parties for financial losses resulted from pipe failures if the failures were not caused by negligence of the Government. Mr Albert CHAN was dissatisfied with the response given by the Administration and pointed out that even utilities companies would consider providing compensation on compassionate grounds to those who suffered losses arising from utilities works. Therefore, he could not accept the Administration's position of denying its responsibility for victims of pipe failures. He said that he would object to all water works proposals if no improvement was made in this respect.

Choice of pipe materials

18. Mr Albert CHAN was concerned about the pipe materials to be used for the proposed water main replacement works. As the replacement and rehabilitation works would be done in a large scale, Mr CHAN requested the Administration to provide PWSC members with detailed information on the pipe materials to be used for water mains of different sizes, with comparison with other pipe materials used in recent waterworks projects of other countries, as well as the unit cost and main characteristics of various pipe materials to enable members to assess the cost-effectiveness of the materials used. In response, DWS assured members that the most suitable materials would be used in the proposed works. DWS advised that different materials would be used for different sections of the mains and generally speaking, mild steel with concrete lining was used for large pipes and polyethylene pipes were used for small pipes. He undertook to provide the information requested by Mr CHAN after the meeting.

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Phasing of project expenditure

19. Noting that the proposed works were scheduled for completion in 2008, Mr Henry WU doubted why the expenditure would be phased up to 2009-10. DWS explained that under the established practice, final payment to the contractor would only be made upon the expiry of the maintenance period specified in the contract. To provide for fluctuations in the cost of labour, materials and other reasonable variations, a portion of the approved project estimate would be reserved for settling the final bill. The Permanent Secretary for the Environment,

Transport and Works (Transport and Works) (PSTW) supplemented that payment to the contractor would be made in phases as the proposed works would be implemented in phases. In addition to the final bill to be settled after the maintenance period, there would be a sum of retention money which was payable upon satisfactory completion of all works required during the maintenance period. Thus, expenditure would still be incurred until 2009-10 after the completion of the works in 2008.

Admin & Clerk 20. The item was voted on and endorsed. Mr Albert CHAN objected to the project proposal and requested this item be voted on separately at the relevant Finance Committee meeting.

PWSC(2003-04)3 76WC Improvement to Hong Kong Central mid level and high level areas water supply –remaining works

21. The item was voted on and endorsed.

PWSC(2003-04)5 39WS Reprovisioning of North Point salt water service reservoir and relocation of North Point upper salt water pumping station

22. The item was voted on and endorsed.

HEAD 707 – NEW TOWNS AND URBAN AREA DEVELOPMENT

PWSC(2003-04)7 22CD Main drainage channels for Yuen Long and Kam Tin – Tin Tsuen Channel

23. Members noted that the Administration briefed the Panel on Planning, Lands and Works on 13 June 2001 on the flooding occurred in the New Territories in June 2001. Information papers were provided to the Panel in August and September 2001 and the Administration committed to speeding up implementation of the remaining flood protection projects in North West New Territories to bring early relief to the flooding problem. An information paper on the proposed project was circulated to the Panel on 19 March 2003.

24. Pointing out that the proposed works were large in scale, Mr Albert CHAN requested the Administration to give more thought to beautifying the proposed drainage channel with the input of landscaping specialists. He opined that a majority of the landscaping design for capital works projects failed to demonstrate any distinct features or special themes and considered that improvements should be made with reference to aesthetic

landscaping designs in other countries.

Admin

25. In reply, the Director of Territory Development (DTD) said that landscaping would be provided in all capital works projects as far as possible for environmental beautification. He advised that the Landscape Architects in the Territory Development Department would work out suitable landscaping designs which could match and blend well with the surrounding environment. Referring to the plan at Enclosure 1 of the paper, DTD explained that as the majority of the proposed drainage channel would be constructed along an existing river, there would be limited space available alongside the channel for landscaping. He however undertook to take Mr CHAN's comments into consideration in future capital works projects, where possible. PSTW informed members that the Steering Committee on Greening had formulated the policy of "theme planting" and the Administration would proactively carry out beautification works and planting works in various locations of the territory in the coming year in accordance with the policy.

26. The item was voted on and endorsed.

HEAD 703 – BUILDINGS

**PWSC(2003-04)8 24NM Retro-fitting of air-conditioning to
Bowrington Road Cooked Food
Centre, Wan Chai**

27. Members noted that the item had been considered at the meeting of the "Subcommittee to follow up on the outstanding capital works projects of the former municipal councils" (the Subcommittee) held on 19 February 2003.

28. Mr IP Kwok-him supported the project proposal and pointed out that the proposal was also supported by the Subcommittee and the Wanchai District Council. Noting that expenditure on the project would be phased with payments up to 2006-07, Mr IP sought clarification on the payment arrangements and expressed concern about the timely completion of the proposed works in December 2004. D Arch S responded that while the proposed works were scheduled for completion in December 2004, payments to the contractor would be made in phases and a certain amount of the project cost would be reserved for contingency and as retention money. Normally, the final payment would be settled upon finalization of the contract after the expiry of the maintenance period and satisfactory completion of works requested during the maintenance period, which was usually one to two years after completion of the project. D Arch S assured members that the Administration would complete the proposed retro-fitting works on schedule to minimize disturbance to the operators of the cooked food centre (CFC).

29. Mr Albert CHAN requested to put on record his views on the retro-fitting of air-conditioning for CFCs. He pointed out that the patronage of CFCs had been

on the decrease, and it was questionable whether the installation of air-conditioning at the CFCs would help much in increasing the patronage of CFCs. Hence, it would be more cost-effective to offer a buy-back package to the CFCs operators instead of providing air-conditioning at a high average cost of \$2 million per stall. While he would not object to the proposed works, he urged the Administration to critically review its policy on CFCs to achieve cost-effectiveness in the long run.

30. The item was voted on and endorsed. Mr Albert CHAN requested that his abstention be recorded.

31. The meeting ended at 11:40 am.

Council Business Division 1
Legislative Council Secretariat
12 May 2003