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Public Works Subcommittee of the Finance Committee

Minutes of the 11th meeting held in the Chamber of Legislative Council Building on Wednesday, 23 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 Cyd HO Sau-lan

Hon Fred LI Wah-ming, JP

Hon James TO Kun-sun

Hon CHAN Kam-lam, JP

Hon SIN Chung-kai

Hon Andrew WONG Wang-fat, JP

Hon WONG Yung-kan

Hon YEUNG Yiu-chung, BBS

Hon LAU Kong-wah

Hon Miriam LAU Kin-yee, JP

Hon CHOY So-yuk

Hon Andrew CHENG Kar-foo

Dr Hon LAW Chi-kwong, JP

Hon TAM Yiu-chung, GBS, JP

Hon Abraham SHEK Lai-him, JP

Hon Henry WU King-cheong, BBS, JP

Hon WONG Sing-chi

Hon IP Kwok-him, JP

Hon LAU Ping-cheung

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Members absent:

Hon Eric LI Ka-cheung, JP Hon CHAN Yuen-han, JP Hon Emily LAU Wai-hing, JP Dr Hon TANG Siu-tong, JP

Public officers attending:

Mr Donald TONG

Miss Elizabeth TSE, JP Deputy Secretary for Financial Services and

the Treasury (Treasury)3

Mr John TSANG, JP Permanent Secretary for Housing, Planning

and Lands (Planning and Lands)

Mr Keith K K KWOK Acting Permanent Secretary for the Environment,

Transport and Works (Transport and Works) W1

Mr Rob LAW, JP Director of Environmental Protection

Miss Janice TSE Principal Assistant Secretary for Financial Services

and the Treasury (Treasury)

Mr Raistlin LAU Principal Assistant Secretary for the

Environmental, Transport and Works (Environment)1

Mr James CHAN Chief Assistant Secretary for the

Environment, Transport and Works (Works)4

Dr Samuel CHUI Assistant Secretary for the Environment, Transport and

Works (Environment)1A

Mr Raymond CHEUNG Director of Drainage Services

Mr David Y T CHEUNG Chief Engineer/Consultants Management

Drainage Services Department

Miss Joanna CHOI Principal Assistant Secretary for

Health, Welfare and Food (Health)2

Dr CHENG Man-yung Deputy Director (Professional Services &

Facilities Management), Hospital Authority

Mr Donald LI Executive Manager (Hospital Planning),

Hospital Authority

Mr C H YUE, JP Director of Architectural Services

Mr Edward LAW Principal Assistant Secretary for Health, Welfare

and Food (Food & Environmental Hygiene)2 Deputy Director of Food and Environmental

Hygiana (Administration and Dayslanmant)

Hygiene (Administration and Development)

Mr HUNG Chi-pai Assistant Director of Food and Environmental

Hygiene (Operations) 1

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Clerk in attendance:

Ms Anita SIT Chief Assistant Secretary (1)6

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 704 – DRAINAGE

PWSC(2003-04)11 208DS Outlying Islands sewerage, stage 1 phase

1 part 1 – Ngong Ping sewerage, sewage

treatment and disposal

Members noted that the item had been discussed at the meeting of the Panel on Environmental Affairs on 10 April 2003. Supplementary information on the cost comparison between adopting the Sequencing Batch Reactor (SBR) technology and the Biological Aerated Filters (BAF) technology and the explanation on further effluent reuse options had been circulated to the Panel on 16 April 2003.

2. Miss CHOY So-yuk, Chairman of the Panel on Environmental Affairs, advised that while some members of the Panel supported the proposal to develop a tertiary treatment plant for sewage treatment at Ngong Ping, Panel members expressed various concerns regarding the treatment technology to be adopted and the reuse of effluent. Some members urged the Administration to explore more reuse options so as to reduce the reliance on Dongjiang water for water supply. However, some other members considered that it might not be worthwhile to invest heavily on additional sewage treatment to bring the treated effluent up to the standard for sensitive uses.

Effluent reuse

3. Mr LAU Ping-cheung sought information on the volume of effluent to be reused under the pilot scheme and the cost involved for the effluent reuse. In reply, the Director of Drainage Services (DDS) advised that under the pilot scheme, it was estimated that about 30% to 40% of the treated effluent, the daily volume of which would be 600m³ to 900m³, from the proposed sewage treatment plant at Ngong Ping (NPSTP) would be reused for flushing and landscape irrigation. The additional works required to facilitate the effluent reuse pilot scheme would cost \$4.1 million. Funds for these additional works had been approved under another public works project of the Water Supplies Department.

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- 4. Miss CHOY So-yuk opined that tertiary treatment of sewage should be adopted as far as possible as this was in line with the international trend and in fact, primary treatment and certain types of secondary treatment of sewage were already not considered adequate in many places in the Mainland. While expressing support to the proposed project in principle, Miss CHOY urged the Administration to explore other reuse options in addition to the proposed options of flushing and landscape irrigation to make better use of the treated effluent.
- 5. The Principal Assistant Secretary for Environment, Transport and Works (Environment)1 (PAS(E)1, ETWB) and the Chief Assistant Secretary for the Environment, Transport and Works (Works)4 (CAS(W)4, ETWB) explained that various effluent reuse opportunities not involving direct body contact had been duly considered, namely for washing cable cars, uses by cooling towers etc. The idea of cable car washing had been dropped because the MRTCL had indicated that its car washing operation would likely be conducted at the Tung Chung Terminal instead of at Ngong Ping. As such and given that the treated effluent could not be reused for purposes involving direct body contact, only about 30% to 40% of the treated effluent could be reused under the pilot scheme. He remarked that should the treated effluent be used for purposes with possible body contact, additional treatment would be required to treat the effluent to a higher standard for the protection of public health. The additional cost would be too expensive to be justified for this particular project.
- 6. While expressing support to the direction of enhancing the level of sewage treatment, Ms Cyd HO was concerned about the quality of the treated effluent. She asked how far the tertiary treatment could effectively kill the bacteria in the sewage so that the reuse of treated effluent would not pose any threats to public health. Pointing out that public acceptance of the concept of reusing treated effluent would be crucial to the success of the pilot scheme, she opined that clear standards should be set for the quality of treated effluent for various reuse options to ensure transparency in the effluent reuse scheme. Ms HO also asked why it was necessary to monitor the effect of using treated effluent for irrigation on the underground water and the surrounding soil, given the Administration's claim that the quality of the treated effluent after tertiary treatment would be high.
- 7. PAS(E)1, ETWB and CAS(W)4, ETWB explained that the tertiary treatment process was able to remove 95% of suspended solids/organic materials and 99.999% of bacteria. Nevertheless, the treated effluent might still contain traces of bacteria and could not be used as potable water nor would it be recommended for uses involving body contact unless the treated effluent had undergone a series of further treatment. As the pilot scheme on effluent reuse was the first formal reuse trial in Hong Kong, there was a need to adopt a more prudent approach to ascertain the effect of effluent reuse. The assessment of the effect of using treated effluent for irrigation on the underground water and the surrounding soil was aimed at assessing the environmental impact of the reuse scheme and to ensure that there would not be any pollution of the water catchment areas of Shek Pik Reservoir.
- 8. DDS supplemented that it would take time for the public to accept the concept of effluent reuse as this was a newly introduced concept in Hong Kong. He

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said that as a start, the pilot scheme could test the extent of public acceptance of effluent reuse for non-sensitive purposes like flushing. On Ms HO's concern that possible future extension of the reuse system to the Shek Pik Prison might not be fair to the inmates of the prison, CAS(W)4, ETWB pointed out that the Administration would collect more data on effluent reuse upon the commissioning of the NPSTP in 2005 and relevant parties including the Island District Council and green groups would be consulted on any proposed extension of the reuse system.

Existing sewage treatment facilities at Ngong Ping and capacity of the proposed facilities to cope with future demand

- 9. Mr WONG Sing-chi expressed concern on whether the existing sewerage facilities at Ngong Ping were not treating the sewage effectively and in fact had been causing environmental pollution. He was in particular concerned about the newly constructed public toilets which were provided for tourists of the Tian Tan Buddha at a cost of \$9 million and sought information on the sewage treatment for disposal of sewage from these toilets.
- 10. DDS pointed out that at present, there were neither public sewers nor sewage treatment works at Ngong Ping. Sewage generated from Ngong Ping was either tankered away or disposed of through the privately owned septic tank and soakaway systems of the Po Lin Monastery. The existing sewerage facilities could not cope with the anticipated increase in tourists to Ngong Ping upon the commissioning of the tourist developments and the sewerage works under the present project proposal were therefore needed for improvement of sewage treatment for the area. The Chief Engineer/Consultants Management, Drainage Services Department (CE/CM, DSD) added that the sewage from the public toilets at the Tian Tan Buddha was tankered away. Given the limited sewage quantity generated in the area at present, the existing sewerage facilities at Ngong Ping could serve the area without causing environmental pollution. PAS(E)1, ETWB advised that with the significant increase in tourists from the existing level of 10 000 per day to 47 000 per day, the existing sewerage facilities would be inadequate to cope with the increase. Moreover, if the sewage from Ngong Ping continued to be tankered away upon completion of the cable car system and related developments, the frequency of the tankering arrangement would have to be very high to cope with the increase in quantity and the cost involved would increase substantially. Moreover, it would also seriously affect the road traffic to Ngong Ping.
- 11. Mr WONG Sing-chi and Mr TAM Yiu-chung expressed concern about the capacity of the proposed sewerage facilities. Referring to paragraph 7 of the paper which stated that a daily number of 47 000 visitors was expected to be attracted upon the commissioning of the cable car system and related developments, Mr TAM sought information on whether the Administration's estimation on the increase in sewage quantity had been derived on the basis of visitors on day trip or night stay.
- 12. In reply, DDS said that the proposed facilities could cope with the increase in sewage quantity generated in the area upon the commissioning of the planned tourist developments. CE/CM, DSD explained that the total number of residents at

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Ngong Ping, including some 100 visitors for a small hostel that provided accommodation, was about 700. The majority of the estimated number of 47 000 visitors to Ngong Ping would be on day trip only and the increase in sewage quantity was calculated on this assumption. Responding to Mr TAM's further enquiry on the capability of the proposed sewerage facilities to cope with further increase in the number of accommodation at Ngong Ping, DDS advised that land had been reserved at the proposed NPSTP for future expansion if needed.

Environmental implications

- 13. Mr WONG Sing-chi expressed concern about the environmental impact of discharging effluent into the southern waters at Tung Wan and sought information on how the Environmental Protection Department (EPD) would monitor the water quality at Tung Wan after the commissioning of NPSTP. Mr WONG Yung-kan, while expressing support to the proposed sewerage works in principle, also expressed concern about the impact of the effluent on the water quality at Tung Wan.
- 14. In response, the Director of Environmental Protection (DEP) explained that EPD worked in conjunction with DSD to monitor the quality of the treated effluent from all STPs in the territory. He advised that the disposal of effluent in Hong Kong was governed by conditions of effluent discharge licence issued under the Water Pollution Control Ordinance specifying the permitted physical, chemical and microbial quality of the effluent to be discharged. DSD undertook regular sampling of the treated effluent and both DSD and EPD conducted testing on the samples to confirm that the discharge parameters specified in the licence were achieved.
- Pointing out that the water movement in the surrounding waters at Tung Wan was slow, Mr WONG Yung-kan was concerned whether the treated effluent discharged at Tung Wan could be effectively carried away by water current and sought the Administration's assessment of the threat of water pollution caused by the disposal of effluent. In reply, CE/CM, DSD said that the SBR technology would be adopted for the treatment of sewage at NPSTP. SBR was a kind of biological treatment process which utilized suspended growth of microorganisms to remove organic pollutants and nutrients from sewage. This was a very mature technology and had been adopted in other STPs in Hong Kong. Hence, the quality of the treated effluent to be disposed of at Tung Wan would surely achieve the set parameters under the effluent discharge licence. CE/CM, DSD further said that a hydraulic modelling analysis had been conducted under the Environmental Impact Assessment study for this project which had concluded that the treated effluent would not pose any threat to the quality of the surrounding waters.
- Responding to Mr WONG Yung-kan's further enquiry on whether seabed dredging would be required under the proposed project, DDS said that no dredging would be required as submarine pipelines for exporting effluent for disposal farther offshore would not be required. The treated effluent would be discharged into the sea through a pipeline to be mounted underneath an existing pier extending about 200 metres from the coast.

- 17. Noting that the proposed twin effluent export pipeline would run in close proximity to the Shek Pik Reservoir, Mr Albert CHAN expressed concern about the pollution threat to the reservoir in case of any leakage/bursts of the pipeline. In response, DDS said that given the high quality of the treated effluent, there would not be any threat of pollution to surrounding waters near Shek Pik. Moreover, DDS advised that special features had been incorporated into the design of the pipeline to safeguard against any spillage of effluent to the reservoir even during incidents of pipeline leakage. Detailed environmental impact assessment (EIA) and risk analysis had been conducted on the impact of the construction and operation of the proposed project and it was concluded that the operation of the effluent export pipeline would not have any adverse impact on the Shek Pik Reservoir.
- 18. In response to Mr Albert CHAN's enquiry about whether the proposed project would have any conflict with the international agreement on conservation of the southern shoreline of Lantau, PAS(E)1, ETWB said that the disposal of effluent at Tung Wan would not have adverse environmental impact on nearby waters as the nearest gazetted public beach was two kilometres away from the discharge outlet and the existence of marine habitants such as the Chinese white dolphins were also distant from the outlet. Mr CHAN remained concerned about the possible violation of international agreement for conservation of the southern shoreline of Lantau given the sensitive location of the NPSTP and the alignment of the effluent export pipeline. He sought assurance from the Administration that the proposed project would not invite any international criticism on conservation. PAS(E)1, ETWB confirmed that the proposed project would not be in conflict with any international agreement for nature conservation. He explained that the Administration had consulted the Advisory Council on the Environment and relevant green groups and had got their support to the project proposal. The NPSTP, being the first tertiary treatment plant in Hong Kong, would produce high quality treated effluent and the disposal of the effluent would have no adverse impact on the environment. In response to Mr CHAN's enquiry on a beach close to Shek Pik Prison, PAS(E)1, ETWB said that that was not a gazetted public beach and it was about one kilometre from the effluent discharge outlet.
- 19. Miss CHOY So-yuk pointed out that as bleach had been widely used by the community for disinfection to contain the spread of the Severe Acute Respiratory Syndrome, she was concerned whether the increased content of bleach in the sewage would affect the effectiveness of SBR in the sewage treatment process. In reply, DDS advised that DSD would monitor the impact of the increased bleach content in sewage and carry out necessary mitigation measures during sewage treatment to reduce the chlorine level if excessive chlorine was detected in the sewage. He said that from the experience of the large-scale cleansing campaign carried out on 19 and 20 April 2003, the level of chlorine in the sewage was within the acceptable range.

Cost of the proposed sewerage works

20. Mr IP Kwok-him sought information on the comparison of both the construction and recurrent costs for the sewerage works at different levels of sewage

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treatment. DDS advised that apart from sewage treatment level, the construction and recurrent costs for the STPs would vary according to the size of the plant. In general, STPs of a smaller scale would incur higher unit cost as compared with large scale plants having the same treatment level. Quoting the example of the centralized treatment works at the Stonecutters Island which provided Chemically Enhanced Primary Treatment (CEPT) of sewage at a large scale of operation, the construction cost and recurrent cost were about \$1,500 per m³ and \$0.6 per m³ respectively while those for much smaller scale CEPT plant were \$3,500 per m³ and \$1.4 per m³ respectively. For small scale tertiary STPs such as the proposed NPSTP, the construction and recurrent costs were \$30,000 per m³ and \$6 per m³ respectively. The construction and recurrent cost for providing secondary treatment at the same scale would be \$24,000 per m³ and \$4 to \$5 per m³ respectively. Given the maximum handling volume of 2,900 m³ per day at the NPSTP, there was a \$1 to \$2 per m³ difference in recurrent cost between the provision of secondary treatment and that of tertiary treatment.

- 21. Mr Albert CHAN pointed out that the requirement for the proposed sewerage works mainly arose from the expected increase in tourists upon the commissioning of the cable car system and related developments. He was therefore of the view that part of the cost for constructing the necessary sewerage facilities should be borne by the developer of the cable car system and related developments, i.e. the Mass Transit Railways Corporation Limited (MTRCL). He considered it unreasonable for the Government to subsidize the MTRCL for its profit-making tourist developments at Ngong Ping. Mr Jame TO shared Mr CHAN's concern and enquired whether the Administration had any plans to request MTRCL to share part of the construction cost of the sewerage facilities.
- 22. In response, PAS(E)1 explained that the Administration was committed to the promotion of tourism in Hong Kong and the Tung Chung cable car system and related tourist developments were important plans in this regard. While the Administration would provide the necessary infrastructure including inter alia sewerage facilities for the planned tourist developments, the developers and operators of the tourist facilities would shoulder the cost of the sewage services under the current polluter pays principle through the payment of the Sewage Charge and Trade Effluent Surcharge.
- 23. The Deputy Secretary for Financial Services and the Treasury (Treasury)3 (DS(Tsy)3) said that according to the normal practice for development projects, the proponent bureau and department would do detailed assessment during the initial planning on the respective scope of works to be undertaken by the developer and the Government and relevant provisions would be clearly set out in the tender document. The same arrangement had been adopted for the cable car system and related developments in Ngong Ping. It would be unfair to make adjustments to the provisions in the future contract with MTRCL at this stage. In response to Mr James TO's enquiry, DS(Tsy)3 assured members that when considering the mode of private participation in the cable car system and related developments, it had all along been the Administration's plan that the construction costs of public sewers and sewage treatment facilities would be borne by the Government.

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24. In reply to Mr James TO's question on the number of toilets to be provided by MTRCL under the contract provisions, PAS(E)1, ETWB said that the Administration would construct public toilets in Government land in accordance with the prevailing standard for the facility. MTRCL would decide on the number of toilets to be provided within its development and ensure that such toilets would be built up to the required standards. DDS also advised that developers were responsible for the construction of sewage pipes connecting their toilet facilities to public sewers for the discharge of sewage through the public sewerage system. Only for areas where no public sewers were available would the Government require the developers to also provide sewage disposal facilities such as septic tanks and soakaway systems.

25. PAS(E)1, ETWB undertook to relay to the Commissioner for Tourism Mr James TO's request for supplementary information on the provisions relating to the sewerage works to be undertaken by the Government and MTRCL, as stated in the tender document for development of the Tung Chung cable car system.

- Mr Albert CHAN expressed dissatisfaction that the cost for providing sewerage facilities to meet the increase in demand resulted from the profit-making tourist developments in question would be paid entirely out of the public money. He considered the arrangement unfair to the public and doubted why MTRCL was not required to bear the cost of providing the necessary sewerage facilities in connection with its planned developments. He stated his objection to the project proposal.
- 27. The item was voted on and endorsed. Mr Albert CHAN objected to the proposal.

HEAD 708 – CAPITAL SUBVENTIONS AND MAJOR SYSTEMS AND EQUIPMENT

PWSC(2003-04)9 48MM Redevelopment of staff quarters for the establishment of a rehabilitation block at Tuen Mun Hospital

- 28. Members noted that the item had been considered at the meeting of the Panel on Health Services on 21 January 2003.
- 29. Mr LAU Ping-cheung declared interest as the surveying firm he worked for might participate in the tendering of the consultancy contract for the proposed works.

Construction period for the proposed project

30. Mr TAM Yiu-chung expressed support for the project. He however expressed concern about the long construction period, which would last for four years from May 2003 to June 2007. In response, the Director of Architectural Services (D Arch S) explained that the project works, namely the refurbishment of

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Staff Quarters Block A for decanting the existing facilities in Staff Quarters Blocks B and C to Block A, demolition of Staff Quarters Blocks B and C, and the construction of a 12-storey rehabilitation block on the site of Staff Quarters Blocks B and C, had to be carried out sequentially. The works periods required for the three stages were about 8, 11 and 26 months respectively. He took note of Mr TAM's request for expediting the construction programme so that the rehabilitation block could be commissioned at an earlier date.

Meeting the demand in the New Territories West cluster

- 31. Noting that the rehabilitation block would be a 12-storey building, Mr Albert CHAN queried whether the proposed redevelopment represented the maximum utilization of the site made available by demolition of two staff quarters blocks. Mr CHAN was particularly concerned whether the 12-storey rehabilitation block would have sufficient capacity to meet future increase in demand for general beds of the population in New Territories West (NTW). He asked whether there would be built-in flexibility in the foundation of the rehabilitation block for vertical expansion to meet future increase in demand, or whether there was land available in the vicinity for building additional blocks for the purpose. Ms Cyd HO also expressed concern about the possibility of expanding the rehabilitation block to cope with the future demand of the ageing population.
- 32. The Principal Assistant Secretary for Health, Welfare and Food (Health)2 (PAS(H)2, HWFB) advised that the redevelopment project in Tuen Mun Hospital would provide an additional 512 convalescent/rehabilitation beds and the upgrading and expansion of Pok Oi Hospital, a separate ongoing project, would provide an additional 272 acute beds. The completion of the two projects would meet the projected shortfall in general beds in the NTW cluster by 2010, achieving the standard of two general beds per 1 000 population in NTW. She pointed out that to construct additional storeys in anticipation of the need to cope with possible demand beyond 2010 might result in wastage of resources. The Deputy Director (Professional Services & Facilities Management), Hospital Authority (DD(PS&FM), HA) assured members that the current redevelopment proposal could cope with the estimated demand for general beds in NTW up to 2010. HA would monitor and assess future changes in demand for beds in NTW. The Executive Manager (Hospital Planning), HA (EM(HP), HA) added that from hospital planning perspectives, the high-rise design of hospital buildings was not preferred due to operational difficulties and efficiency problems it incurred, as experienced in Queen Mary Hospital and the United Christian Hospital. He also advised that while flexibility for vertical extention had been incorporated in the initial design of the Tuen Mun Hospital Main Block, the need to maintain normal operation of the hospital prohibited construction works for any vertical extension to be carried out. Moreover, if future demand would justify the provision of additional beds for NTW, HA could still explore making available another development site within the existing Tuen Mun Hospital compound which occupied around 10 hectares of land.
- 33. Ms Cyd HO pointed out that according to the Administration, the promotion of day surgeries would reduce the demand for general beds. She asked

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whether all relevant factors had been taken into account in the estimation of future demand for general beds. DD(PS&FM), HA assured members that the proposal to provide an additional 512 convalescent/rehabilitation beds at Tuen Mun Hospital aimed to cope with the demand for rehabilitation services in the NTW cluster after balancing all relevant factors affecting the demand.

Space provision, cost and facilities for the proposed rehabilitation block

- 34. Ms Cyd HO said that from her observation during visits to hospitals, the distance between beds was only in the region of 18 to 20 inches. She considered this undesirable and commented that the crowded hospital environment might expose patients to a higher risk of cross infection. In this connection, Ms HO sought information on the standard space provision for hospitalized patients in terms of the standard distance between beds in hospital wards. In response, DD(PS&FM), HA advised that hospital wards were usually planned with a distance of three feet between beds. Nevertheless, at times additional beds had to set up to accommodate patients in need and the standard of providing a three feet distance between beds could not be maintained under such circumstances. In reply to Ms HO's further enquiry, DD(PS&FM), HA confirmed that the standard provision of three feet between beds was adhered to in the design of the proposed rehabilitation block.
- 35. Mr LAU Ping-cheung was concerned about the cost of the project and asked how the unit cost of the proposed project compared to other similar hospital projects. In reply, D Arch S advised that the construction unit cost of \$11,872 per square metre of construction floor area (CFA) for the proposed project was comparable to that of the Kowloon Medical Rehabilitation Centre undertaken in 1996, which was about \$11,000 per square metre of CFA. Mr LAU Ping-cheung opined that given the substantial drop in labour and related costs of construction since 1997, the construction cost for the proposed project should be much lower than those for projects undertaken in 1996. D Arch S replied that the construction unit cost of the project in 1996 quoted above have been adjusted to the same price level (i.e. September 2002 prices) as that of the proposed project. Responding to Mr LAU's further enquiry, D Arch S informed that the CFA of 56 352 square metres of the rehabilitation block would accommodate the necessary rehabilitation facilities including hospital wards, day rehabilitation unit, related integrated rehabilitation and social support facilities, other facilities including hospital administration facilities, carpark and space for circulation.

Air circulation for the proposed rehabilitation block

36. Mr Albert CHAN expressed concern about the design of the air-conditioning (A/C) system for the rehabilitation block to meet the requirements on air circulation and fresh air intake to prevent the spread of infections diseases such as the Severe Acute Respiratory Syndrome (SARS). Mr LAU Ping-cheung shared Mr CHAN's concern and asked whether a convective design would be used for air circulation in the rehabilitation block for preventing the spread of infectious diseases.

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- 37. In response, D Arch S advised that provision of central A/C was made in the design of the rehabilitation block. As the convective design for air circulation would minimize the use of A/C, it would necessitate a very different approach in design from the current one with central A/C system. A change in the design approach was impractical at this stage but the suggestion of a convective design could be further explored in future projects. D Arch S pointed out that although some of the windows could be opened under the existing design, it would not be advisable to do so since this would adversely affect the efficient operation of the A/C system. He also explained that the A/C system was designed with necessary disinfecting mechanisms to prevent the spread of virus through the A/C ducts.
- 38. In response to Mr LAU Ping-cheung's request for HA to consider further the provision of convective design instead of central A/C for the proposed rehabilitation block, DD(PS&FM), HA explained that the design of the central A/C system would provide for an increased volume of fresh air intake per hour. He further pointed out that as the virus of SARS was not air-borne, the use of central A/C would not cause the spread of the disease. Moreover, given the suburban location of the rehabilitation block, patients in the lower storeys of the block might have to suffer from the nuisance of insects if A/C was not used.
- 39. At the request of Mr CHAN, D Arch S agreed to provide information on the A/C system, illustrating how far the system could facilitate air circulation for preventing the spread of infectious disease such as SARS.
- 40. The item was voted on and endorsed.

PWSC(2003-04)10 50MM Remodelling of the Tuen Mun Polyclinic Building for the establishment of an ophthalmic centre

- 41. Members noted that the item had been considered at the meeting of the Panel on Health Services on 10 March 2003.
- 42. The item was voted on and endorsed.

HEAD 703 – BUILDINGS

PWSC(2003-04)12 15NM Retro-fitting of air-conditioning to Yue Wan Market and Cooked Food Centre, Chai Wan

43. 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.

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- 44. Pointing out that lessees of markets and/or cooked food centres (CFC) had to share the recurrent cost for the provision of A/C, Ms Cyd HO enquired about the arrangements to be made to meet the recurrent cost for A/C if lessees subsequently terminated their tenancies and no new lessees took up the vacant stalls because of the high recurrent cost for A/C. In response, the Principal Assistant Secretary for Health, Welfare and Food (Food and Environmental Hygiene)2 (PAS(FEH)2, HWFB) advised that as a general rule, vacant stalls in Food and Environmental Hygiene Department (FEHD)-run markets would be offered for public auctions. With the improved operating environment of the markets/CFCs after retro-fitting of A/C, he believed that stall operators would be attracted to bid for the vacant stalls and there would not be a problem of high vacancy arising from the A/C recurrent cost. Ms Cyd HO remained concerned about the burden of paying the recurrent cost for A/C in case of high vacancy in markets/CFCs. In this connection, she asked whether the A/C system would be designed in clusters of A/C units to facilitate the switching off of A/C units for zones where stalls were vacant so as to reduce the electricity cost. She pointed out that lessees of CFCs might be more supportive to the installation of A/C as they would likely be able to recover the recurrent cost with the improved business turnover after the retro-fitting works. However, this might not be the case for markets which faced strong competition from superstores and installation of A/C alone could not improve their competitiveness to an extent for recovering the increase in operation cost.
- 45. PAS(FEH)2, HWFB pointed out that in the case of Yue Wan Market, the majority of the stall lessees supported the retro-fitting works and agreed to pay the A/C recurrent cost. Staff of FEHD had explained to the lessees their rights and obligations upon the completion of the retro-fitting works. FEHD would continue its efforts in boosting the viability of the Market through publicity and promotional activities and provision of customer service training for the lessees. He also explained that the A/C recurrent cost would be borne by lessees on a pro-rata basis according to their stall areas with the Administration covering the share for vacant stall. D Arch S explained that the A/C system for Yue Wan Market was designed with four separate groups of A/C units and dividing the Market into A/C zones would be feasible with the provision of partitions to contain the cooling effect of A/C in each zone. Ms Cyd HO urged the Administration to allow the flexibility of installing necessary partitions for the Market to facilitate the provision of A/C by zones. In addition, she pointed out that the A/C design should take into account the need for energy conservation and cost saving.
- Mr WONG Sing-chi enquired whether all affected stall lessees had been consulted and well-informed of the arrangements. In response, the Deputy Director of Food and Environmental Hygiene (Administration and Development) (DD (A&D), FEHD) advised that FEHD had briefed and obtained the consent of all stall lessees of the Yue Wan Market and CFC on the proposed arrangement of a six-month and four-month closure of the Market and CFC respectively during the retro-fitting and improvement works. There would not be any relocation of stalls after the proposed works and all stall lessees could resume their operations at their original stall locations upon the completion of the works. The closure arrangement was made for expediting the works to minimize disturbance to stall lessees and members of the

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public. In reply to Mr WONG's further enquiry, DD(A&D), FEHD said that FEHD would waive the stall lessees of their rent during the closure period and the waiving of rent for the first two months of business resumption after the proposed works would be considered.

- 47. Mr Albert CHAN opined that while he had no comments on the provision of A/C for markets, he had different views on the arrangements for CFCs. He pointed out that CFCs were out-dated facilities the operation of which were found to be causing environmental nuisance in some cases. He was therefore of the view that instead of retro-fitting A/C for CFCs to improve the dining environment for their customers at high capital and recurrent costs, it would be more cost-effective to offer a buy-back package to the CFCs operators. He was dissatisfied that despite repeated efforts to request a more attractive buy-back package for CFCs operators in the past two years, the Administration still strictly adhered to the out-dated level of compensation at only \$60,000 per stall. He opined that the Administration should critically review its policy on CFCs to facilitate the voluntary withdrawal of CFC operators and achieve cost-effectiveness in the long run.
- 48. Mr CHAN Kam-lam supported the retro-fitting of A/C for markets and CFCs to improve their operating environment. Nevertheless, he considered the 85% support rate for the retro-fitting works to proceed unnecessarily high, causing difficulties for achievement of the support rate for a number of markets and CFCs. He urged the Administration to consider lowering the threshold from 85% to 70% or 75% so that more markets/CFCs could improve their operating environment through the provision of A/C. In reply, PAS(FEH)2, HWFB said that the Subcommittee had discussed at length the justifications for the 85% support rate. As explained at the meeting of the Subcommittee on 19 February 2003, a reasonably high support rate was crucial to the smooth implementation of A/C retro-fitting works and lowering the threshold would be against the wish of a sizeable group of incumbent lessees who preferred continuation of business in the current operating environment and at a relatively lower cost. He advised that the latest consultation outcome reflected that a support rate of 85% or over was indeed achievable for certain markets and CFCs. He further said that for the remaining markets and CFCs which had a support rate below 85%, the Administration would carry out essential improvement works in compliance with the latest statutory requirements and/or other general improvement works to improve their operating environment.
- 49. While supporting the implementation of essential and general improvement works to the remaining markets and CFCs which failed to achieve the 85% threshold for retro-fitting of A/C, Mr CHAN Kam-lam urged the Administration to continue its efforts on encouraging lessees of these markets and CFCs to agree to the A/C retro-fitting arrangement. PAS(FEH)2, HWFB advised that despite repeated efforts of FEHD staff in lobbying the stall lessees for support of the proposed retro-fitting works during the past six months, some lessees maintained their preference for continuation of business under a relatively low-cost operating environment. DD(A&D), FEHD informed members that FEHD had recently succeeded in boosting up the support rate of the San Hui Market to 85% and retro-fitting of A/C would also be arranged for the Market. He explained that as A/C

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recurrent cost formed a significant proportion of the operating cost of the stalls, the Administration had to acertain that the vast majority of stall lessees would be willing to pay the A/C recurrent cost before the retro-fitting works were embarked upon.

- 50. The item was voted on and endorsed. Mr Albert CHAN requested that his abstention be recorded.
- 51. The meeting ended at 12:55 pm.

Council Business Division 1 <u>Legislative Council Secretariat</u> 15 May 2003