

ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 703 – BUILDINGS

Recreation, Culture and Amenities – Open spaces

396RO – District open space in Area 2, Tung Chung

Members are invited to recommend to Finance Committee the upgrading of **396RO** to Category A at an estimated cost of \$37.8 million in money-of-the-day prices for the development of a district open space in Area 2, Tung Chung.

PROBLEM

We need to provide more public open space for recreational purposes in Tung Chung.

PROPOSAL

2. The Director of Architectural Services (D Arch S), with the support of the Secretary for Home Affairs, proposes to upgrade **396RO** to Category A at an estimated cost of \$37.8 million in money-of-the-day (MOD) prices for the development of a district open space in Area 2, Tung Chung.

PROJECT SCOPE AND NATURE

3. The project site is about 7 680 square metres (m²) in size and the scope of **396RO** comprises –

- (a) a piazza for congregation, street performance and display of artwork;
- (b) a fountain garden;

/(c)

- (c) a landscaped area with sitting-out facilities, and a Tai Chi area;
- (d) catering facilities, including a general restaurant with an alfresco dining area;
- (e) kiosks for selling flowers, fruits and handicrafts, etc; and
- (f) ancillary facilities, including a service building with toilets, an equipment storeroom, a general storeroom, a chemical/mechanical storeroom and a staff roll-call point-cum-staff room.

————— A site plan is at Enclosure 1. We plan to start the construction works in July 2005 for completion in April 2007.

JUSTIFICATION

4. Tung Chung is a fast growing new town with a cluster of residential developments at its centre. Its current population is about 54 000 and is expected to be tripled by 2012. The existing provision of 27 000 m² of public open space is well patronised by local residents and is insufficient to meet the local need. As a reference, the Hong Kong Planning Standards and Guidelines suggests a provision of 108 000 m² of public open space for the present population of Tung Chung. The proposed project will help relieve the shortfall of 81 000 m² of open space in the area.

5. The project site is centrally located in the Tung Chung New Town, and is in the vicinity of a number of private and public housing estates, namely, Tung Chung Crescent, Seaview Crescent, Coastal Skyline, Caribbean Coast, Fu Tung Estate and Yu Tung Court. In addition, there are four primary and four secondary schools nearby with a total of around 4 500 students. We expect that the proposed district open space will become a popular recreational venue for the local residents and students.

6. A district open space in Area 7 Tung Chung, which is about 18 000 m² in size and is adjacent to the project site, is currently under construction. It provides a variety of active recreational facilities, including a 7-a-side artificial turf soccer pitch, two basketball courts and one children's play area. The proposed project, comprising mainly passive facilities, will complement the active facilities in this district open space to cater for the different needs of local residents.

7. The project site is located next to the Tung Chung Cable Car Terminal (the Terminal) which is currently under construction by Mass Transit Railway Corporation Limited. Upon the completion of the Tung Chung/Ngong Ping Cable Car Project in early 2006, the Terminal will become a tourist scenic point in Tung Chung attracting a large number of tourists as well as local people. Given its location just opposite to the Tung Chung MTR Station, we envisage that the proposed district open space will become a gathering point for visitors and its facilities will be well patronised. The general restaurant with alfresco dining facility in the proposed open space will offer a convenient catering outlet to park users to dine in a relaxed and pleasant park environment.

8. The extensive landscaped area and plantings to be provided under the project will beautify the area as well as greatly improve the living environment in the vicinity.

FINANCIAL IMPLICATIONS

9. We estimate the capital cost of the project to be \$37.8 million in MOD prices (see paragraph 10 below), made up as follows –

	\$ million	
(a) Site formation	3.3	
(b) Building	8.7	
(c) Building services	4.8	
(d) Drainage and external works	15.9	
(e) Soft landscaping works	1.6	
(f) Furniture and equipment ¹	0.2	
(g) Consultant's fee for contract administration services	0.3	
(h) Contingencies	3.5	
Sub-total	38.3	(in September 2004 prices)
(i) Provision for price adjustment	(0.5)	
Total	37.8	(in MOD prices)

/D Arch S

¹ Based on the furniture and equipment provided in existing/planned facilities of similar scale (e.g. office furniture, tools and equipment, litter bins and portable signages, etc).

D Arch S proposes to engage a consultant to provide contract administration services for the project. A breakdown of the estimate for the consultant's fee is at Enclosure 2. D Arch S considers the estimated project cost reasonable as compared with similar projects undertaken by the Government.

10. Subject to approval, we will phase the expenditure as follows –

Year	\$ million (Sept 2004)	Price adjustment factor	\$ million (MOD)
2005 – 06	8.4	0.99000	8.3
2006 – 07	21.2	0.98753	20.9
2007 – 08	5.8	0.99123	5.7
2008 – 09	1.9	0.99990	1.9
2009 – 10	1.0	1.01515	1.0
	38.3		37.8

11. We have derived the MOD estimates on the basis of the Government's latest forecast of trend rate of change in the prices of public sector building and construction output for the period 2005 to 2010. We will tender the project together with two other projects (namely, **394RO** – District open space in Area 39, Fanling/Sheung Shui; and **399RO** – District open space in Area 35, Tsuen Wan – phase 2) as a design-and-build contract. We intend to award the contract on a lump-sum basis because we can clearly define the scope of works in advance, leaving little room for uncertainty. The contract will not provide for price adjustments because the contract period will not exceed 21 months.

12. We estimate the annually recurrent expenditure arising from this project to be \$700,000.

PUBLIC CONSULTATION

13. We consulted the Islands District Council on 4 September 2002 on the scope of the project. Members strongly supported the project and urged for its early implementation.

ENVIRONMENTAL IMPLICATIONS

14. This is not a designated project under the Environmental Impact Assessment Ordinance. The project will not cause long term environmental impact. During construction, we will control noise, dust and site run-off nuisances to within established standards and guidelines through the implementation of mitigation measures in the relevant contracts. These include the use of silencers, mufflers, acoustic lining or shields for noisy construction activities, frequent cleaning and watering of the site, and the provision of wheel-washing facilities.

15. At the design stage, we will require the contractor to fully consider measures to reduce the generation of construction and demolition (C&D) materials and to reuse/recycle such materials as much as possible. D Arch S will require the contractor to introduce more prefabricated building elements into the project design to reduce temporary formwork and construction waste. We will use suitable excavated materials for filling within the project site to minimise off-site disposal. In addition, we will require the contractor to use metal site hoardings and signboards so that these materials can be recycled or reused in other projects.

16. D Arch S will require the contractor to submit a waste management plan (WMP) for approval. The WMP will include appropriate mitigation measures to avoid, reduce, reuse and recycle C&D materials. D Arch S will ensure that the day-to-day operations on site comply with the approved WMP. D Arch S will control the disposal of public fill and C&D waste to designated public filling facilities and landfills respectively through a trip-ticket system. D Arch S will require the contractor to separate public fill from C&D waste for disposal at appropriate facilities. We will record the disposal, reuse and recycling of C&D materials for monitoring purposes.

17. We estimate that the project will generate about 6 120 cubic metres (m³) of C&D materials. Of these, we will reuse about 3 690 m³ (60.3%) on site, 1 980 m³ (32.4%) as fill in public filling areas², and dispose of 450 m³ (7.3%) at landfills. The notional cost of accommodating C&D waste at landfill sites is estimated to be \$56,250 for this project (based on a notional unit cost³ of \$125/m³).

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² A public filling area is a designated part of a development project that accepts public fill for reclamation purposes. Disposal of public fill in a public filling area requires a licence issued by the Director of Civil Engineering and Development.

³ This estimate has taken into account the cost for developing, operating and restoring the landfills after they are filled and the aftercare required. It does not include the land opportunity cost for existing landfill sites (which is estimated at \$90/m³), nor the cost to provide new landfills (which are likely to be more expensive) when the existing ones are filled. The notional cost estimate is for reference only and does not form part of this project estimate.

LAND ACQUISITION

18. The project does not require land acquisition.

BACKGROUND INFORMATION

19. We upgraded **396RO** to Category B in January 2004. We engaged a consultant in May 2004 to carry out topographical survey and another consultant in September 2004 to prepare tender documents for the project, and also a term contractor in September 2004 to carry out site investigation at a total cost of \$260,000. We will charge this amount to block allocation **Subhead 3100GX** "Project feasibility studies, minor investigations and consultants' fees for items in Category D of the Public Works Programme". The consultant and the term contractor have completed the topographical survey and the site investigation respectively. The quantity surveying consultant is finalising the tender documents.

20. The proposed development of a district open space may involve removal of two trees, both to be replanted within the project site (subject to finalisation of design). All trees to be removed are not important trees⁴. We will incorporate planting proposals as part of the project, including estimated quantities of 40 trees, 8 000 shrubs and 560 square metres of grassed area.

21. We estimate that the proposed works will create about 45 jobs (35 for labourers and another 10 for professional/technical staff) providing a total employment of 600 man-months.

Home Affairs Bureau
October 2004

⁴ Important trees include trees on the Register of Old and Valuable Trees, and any other trees which meet one or more of the following criteria –

- (a) trees over 100 years old;
- (b) trees of cultural, historical or memorable significance;
- (c) trees of precious or rare species;
- (d) trees of outstanding form; or
- (e) trees with trunk diameter exceeding one metre (measured at one metre above ground level).

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Breakdown of the estimate for consultant's fee

Consultant's staff costs		Estimated man- months	Average MPS* salary point	Multiplier	Estimated fee (\$ million)
Contract administration	Professional	–	–	–	0.2
(Note)	Technical	–	–	–	0.1
				Total	0.3

* MPS = Master Pay Scale

Note

The consultant's staff cost for contract administration is calculated in accordance with the existing consultancy agreement for the design and construction of **396RO**. The post-contract stage of the assignment will only be executed subject to Finance Committee's approval to upgrade **396RO** to Category A.