

ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 708 – CAPITAL SUBVENTIONS AND MAJOR SYSTEMS AND EQUIPMENT

15QJ – Redevelopment of the Hong Kong Sports Institute

Members are invited to recommend to Finance Committee –

- (a) the upgrading of part of **15QJ**, entitled “Redevelopment of the Hong Kong Sports Institute – preparatory works” to Category A at an estimated cost of \$52.9 million in money-of-the-day prices; and
- (b) the retention of the remainder of **15QJ** in Category B.

PROBLEM

We need to have a major redevelopment of the Hong Kong Sports Institute (HKSI) to better support the development of high performance sports in Hong Kong by providing world-class training facilities for elite athletes.

/PROPOSAL

PROPOSAL

2. The Secretary for Home Affairs (SHA), on the advice of the Director of Architectural Services (D Arch S), proposes to upgrade part of **15QJ** to Category A at an estimated cost of \$52.9 million in money-of-the-day (MOD) prices for the preparatory works up to the pre-contract stage for the redevelopment of the HKSI (the Project).

PROJECT SCOPE AND NATURE

3. The full scope of works under 15QJ comprises –
- (a) demolition of the velodrome for the construction of a new 11-storey multi-purpose building situated at the site of the existing outdoor velodrome in Fo Tan, consisting of the following facilities –
 - a 12-lane bowling centre;
 - a sports information centre;
 - conference centre, lecture and coaching rooms and function rooms;
 - athletes' canteen / restaurant;
 - athletes' hostel (five storeys at Level 5 to 9 with a capacity for 370 athletes);
 - sports residence (two storeys at Level 10 to 11 for visiting athletes and sports personnel); and
 - offices and ancillary facilities;
 - (b) a new multi-purpose sports hall (for an indoor tennis court, a venue for training of wushu and two doubles squash courts convertible to three singles courts);
 - (c) a new 52-metre (m) international standard indoor swimming pool (connected with the existing 25-m pool);
 - (d) a new 2-storey rowing boat-house;

/(e)

- (e) demolition of the existing HKSI hostel wing for the construction of the new 120 m 4-lane warm-up track with new spectator stand;
- (f) upgrading of the existing indoor sports complex (to provide better facilities for table tennis, fencing, badminton, sports science laboratories, sports medicine clinic and fitness training centre with expanded, integrated recovery centre, coaches' offices, building services and fittings);
- (g) upgrading of the running / cycling trail with 3 m wide rubber finish;
- (h) refurbishment of 4 tennis courts and 2 new tennis clay courts and conversion of the surplus tennis courts and volleyball courts into a new multi-purpose outdoor venue;
- (i) a new covered walkway connecting the new 11-storey multi-purpose building and the existing indoor sports complex; and
- (j) integrated sports facilities for athletes with disabilities including, but not necessarily limited to fencing, boccia, table tennis, rowing, ten-pin bowling, swimming, track and field, warm-up and cross-training. Additional ancillary facilities will be specifically targeted for athletes with disabilities including residence, access, toilets and changing rooms, lifts, car-parks, wheel-chair storage etc.

4. The part of **15QJ** which we now propose to upgrade to Category A comprises the following preparatory works –

- (a) ground and slope investigations;
- (b) structural investigation;
- (c) condition survey of building services system;
- (d) topographical and tree surveys; and

/(e)

- (e) consultancy services for outline sketch design, detailed design, as well as tender documentation and assessment for the main works.

5. Subject to the approval of funding, the proposed preparatory works would commence in the third quarter of 2007 for completion in September 2008, and accordingly we would aim to seek funding for the main works in paragraph 3 above in the second quarter of 2008 with a view to completing the Project by the third quarter of 2011. The location map of the project site is at Enclosure 1, and the proposed Master Layout Plan¹ is at Enclosure 2.

JUSTIFICATION

6. The HKSI, managed by the Hong Kong Sports Institute Limited (HKSIL) with a government recurrent subvention, is the unique training facility for elite athletes in Hong Kong. First completed in 1982, the HKSI complex located at Yuen Wo Road, Shatin (Fo Tan venue), is now 25 years old. Concerns have been expressed by key stakeholders that the facilities cannot keep pace with the increased sophistication in sports development and elite training, both locally and overseas. Moreover, with a steady increase in the number of elite athletes under training, supporting facilities like hostel, and those for fitness training, sports medicine, sports science, etc. are inadequate in meeting the present day needs.

Improvements to existing buildings

7. In October 2005, HKSIL appointed a consultant to investigate the existing condition of the buildings and evaluate the sports facilities upgrading requirements. The resulting site inspection report identified a number of issues including, for example, inadequate/uneven illumination, ineffective mechanical ventilation and air conditioning systems, substandard fire services provision, water leakage at various locations, spalling concrete with visible cracks resulted from water penetration into reinforced concrete, deterioration of joints and sealants at various locations, corrosion of tubular steel space frame roof, deterioration of aluminium window frames, peeling paint and mosaic tiles, and generally inefficient mechanical and electrical as well as building systems in need of upgrading to reduce both annual energy and maintenance costs. Sample photographic records of defects in the existing buildings are provided in Enclosure 3. Comprehensive overhaul of the servicing conditions of the existing buildings to be retained is therefore considered necessary.

/Provision

¹ The proposed Master Layout Plan is tentative. This may be modified by the consultant in the light of findings under the stage of preparatory works. The site boundary is indicative and the site area is subject to final site measurement.

Provision of international standard sports facilities

8. For all sports, international standards continue to be refined and upgraded, and Hong Kong's elite training facilities need to keep pace with these changes. While piecemeal improvement works have been carried out in HKSI throughout the past 25 years, HKSI does not have sufficient international standard facilities for elite athletes such as a 52-m swimming pool, standard warm-up track etc. In view of this, we propose to upgrade and provide sports facilities with international standards which can keep pace with the increasing needs and modern international requirements of sports training for athletes in Hong Kong.

Expansion in support facilities to meet the increasing number of elite athletes

9. With a steady increase in the number of elite athletes under training (now totaling over 600), support facilities like hostel, fitness training centre, sports medicine centre, sports science laboratory etc. are inadequate in meeting the present day needs. Additional sports facilities need to be provided through the Project. At the same time, with increasing importance and prevalence of sport events for athletes with disabilities at international elite level, the redeveloped HKSI would provide integrated sports facilities, as well as additional ancillary facilities such as access, toilets and storage to support training of disabled athletes.

10. Being the delivery agent in high performance sports for talented sportsmen and sportswomen in Hong Kong, HKSI has to meet the projected demand for emerging new sports over the next 10 to 15 years.

Additional facilities conducive to promoting HK's position as a sports hub

11. The scientific support for elite sports in Hong Kong relies heavily on overseas institutional and academic networks. To be on a par with and contribute to the global scientific trends in athlete support systems, Hong Kong should develop the ability to facilitate various authoritative fora, such as conferences and seminars on sports, and to host exchange programmes regularly to benefit Hong Kong's elite athletes and coaches. Moreover, good international relations have played a key part in Hong Kong's increasing success in the international sports arena. Coaches and athletes spend a significant amount of time overseas in preparation for key events. In order to maximise the potential of equipping HKSI as a sports hub for international exchange, HKSI has proposed to put in place some enhanced facilities including conference facilities in the proposed new 11-storey multi-purpose building in the Project. This would help enhance the profile of HKSI, and ensure optimal use of the facilities at the redeveloped HKSI.

/Phasing

Phasing of the Redevelopment

12. Given that the HKSI is to be redeveloped in-situ, the Project has to be planned and phased very carefully to minimise disruption to HKSI's normal operation and athletes training. On the other hand, the aim is to complete the Project as early as possible to meet growing training needs, and to minimise inconvenience to the general public. The Project will proceed in two phases. Phase one will cover upgrading / refurbishment works of existing indoor sports complex in Fo Tan. HKSI will move back to Fo Tan venue and resume normal operation after the completion of phase one. Phase two works will proceed in parallel with the normal operation of HKSI. The existing hostels / offices will be relocated to the 11-storey building upon its completion in the third quarter of 2010.

13. Before embarking on the construction works for the Project, HKSI needs to conduct preparatory works including site and slope investigation, topographical, structural and building services survey, as well as develop detailed design and prepare tender documents for the main works. As HKSI does not have the staffing resources and expertise to undertake such specialist tasks in-house, it needs to engage professional consultants and in-house technical team to carry out these preparatory works.

FINANCIAL IMPLICATIONS

14. HKSI, in consultation with D Arch S, estimates the cost of the proposed preparatory works to be \$52.9 million in MOD prices. A detailed breakdown is as follows -

	\$ million
(a) Consultants' fees for	47.4
(i) outline sketch plan	11.3
(ii) detailed design	15.8
(iii) tender documentation and assessment	20.3
(b) Ground and slope investigations	1.5
(c) Structural investigation	2.0
(d) Condition survey of building services system	1.0

/(e)

(e)	Topographical and tree surveys	0.5	
	Sub-total	52.4	(in September 2006 prices)
(f)	Provision for price adjustment	0.5	
	Total	52.9	(in MOD prices)

A breakdown by man-months of the estimate of consultants' fees is at Enclosure 4.

15. Subject to approval, HKSI will phase the expenditure for the proposed preparatory works as follows -

Year	\$ million (Sept 2006)	Price adjustment factor	\$ million (MOD)
2007-2008	5.0	0.99900	5.0
2008-2009	30.8	1.00649	31.0
2009-2010	16.6	1.01656	16.9
Total	52.4		52.9

16. HKSI has derived the MOD estimates on the basis of the Government's latest forecasts of trend rate of change in the prices of public sector building and construction output for the period 2007 to 2010. HKSI will tender the ground and slope investigation works and the survey under fixed-price lump-sum contracts without provision for price fluctuation, as the scope of works can be clearly defined in advance and the works period will not exceed 21 months. For information, the main works as described in paragraph 3 above are estimated to cost about \$1,263.2 million (in MOD prices) subject to detailed design.

17. The proposed preparatory works has no recurrent financial implication for HKSIL.

/PUBLIC

PUBLIC CONSULTATION

18. We have consulted the key stakeholders of the sports sector, including the Sports Federation & Olympic Committee of Hong Kong, China, the National Sports Associations of the elite sports and the sports for the disabled, the Chinese YMCA of Hong Kong, as well as coaches, athletes, and the Board and staff of the HKSIL. They supported the Project and the phased development as outlined in paragraphs 3 and 12 respectively. They considered the Project meaningful and important for the betterment of elite athletes training and sports development in Hong Kong.

19. We also consulted the Culture, Sports and Community Development Committee of the Sha Tin District Council on 2 April 2007. Members welcomed the Project as the new and enhanced facilities at the redeveloped HKSI would benefit the Sha Tin District and the wider community. They have also indicated no objection to the proposed phasing and looked forward to an early commencement and completion of the Project.

20. We consulted the Legislative Council Panel on Home Affairs on 13 April 2007 and 11 May 2007. Members noted the Administration's plan to submit the Project to the Public Works Subcommittee on 23 May 2007 and have raised no objection.

ENVIRONMENTAL IMPLICATIONS

21. This is not a designated project under the Environmental Impact Assessment Ordinance. We undertake to carry out a Preliminary Environmental Review for the project at the design stage and agree the findings with the Director of Environmental Protection.

22. The proposed investigations, survey and detailed design works will not cause any adverse environmental impact. HKSI will implement environmental pollution control measures to minimise any potential impact during the site investigation works.

23. The proposed site investigation works will only generate a very small amount of construction and demolition (C&D) materials. HKSI will require the consultants to fully consider measures to minimise the generation of C&D materials and to reuse/recycle C&D materials as much as possible in the future implementation of the construction projects.

LAND ACQUISITION

24. The Project does not require any land acquisition.

BACKGROUND INFORMATION

25. In his 2006-07 Policy Address, the Chief Executive announced, amongst other initiatives to promote sports development in Hong Kong, the redevelopment of the HKSI to provide world-class training facilities for elite athletes in Hong Kong. We upgraded 15QJ – “Redevelopment of the Hong Kong Sports Institute” to Category B in May 2007.

26. In support of the 2008 Beijing Olympic and Paralympic Equestrian Events (the Equestrian Events) to be co-hosted by Hong Kong, the HKSI has been temporarily relocated to YMCA’s Wu Kwai Sha Youth Village at Ma On Shan since January 2007. The HKSI site and facilities are being converted by the Hong Kong Jockey Club, which provides funding and undertakes the construction of venues for the Equestrian Events, into competition venues and supporting facilities for the Equestrian Events of the Olympic and Paralympic Events to be held in August and September 2008 respectively. Our plan is to reinstate the site by December 2008 after the Equestrian Events. To expedite the project, we and the HKSIL have decided that all pre-construction preparatory work be carried out in the intervening period (i.e. between now and end 2008) so that on site construction can commence immediately upon completion of the Equestrian Events.

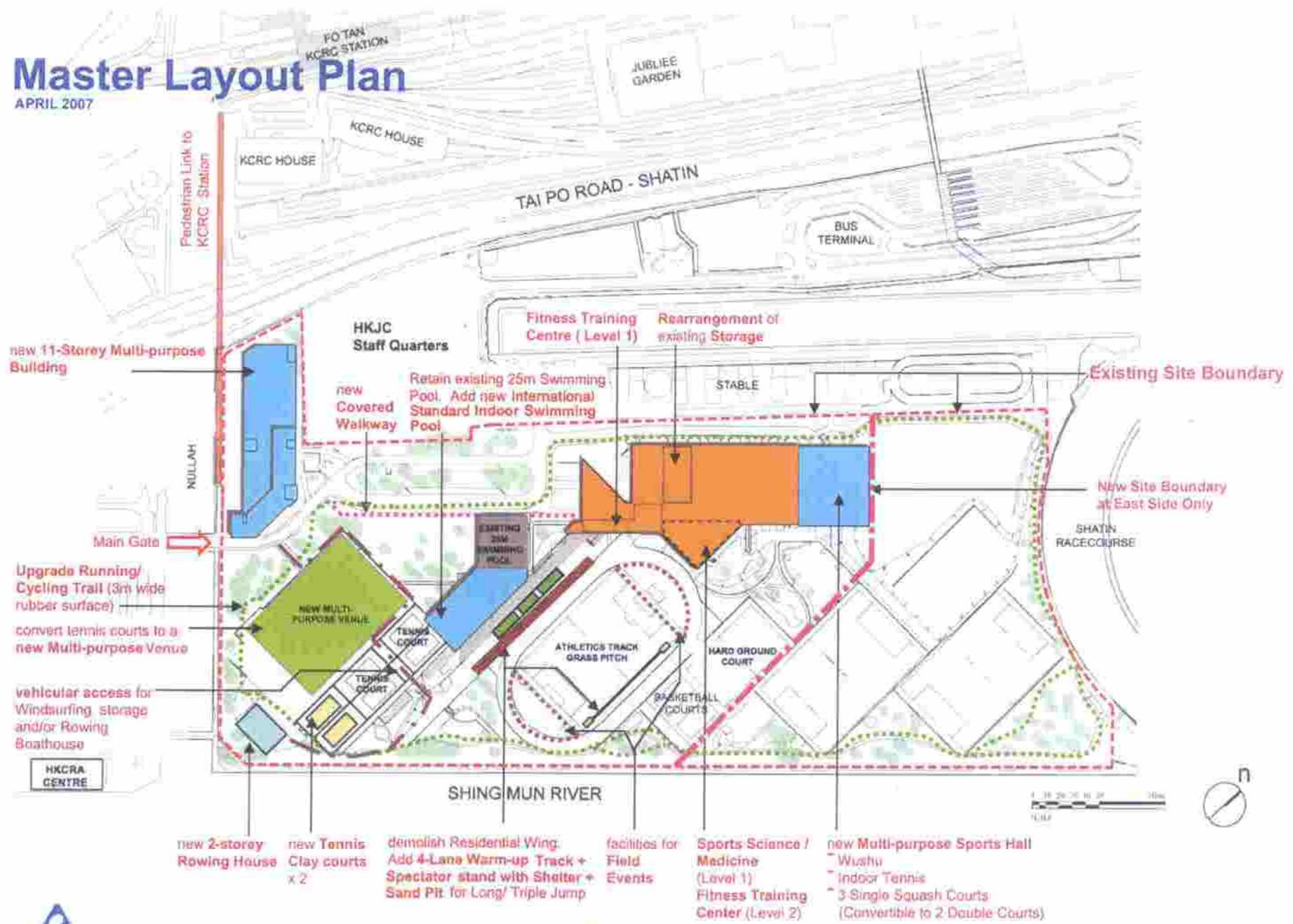
27. The proposed preparatory works will not involve any tree removal or planting proposal. A detailed tree survey will be carried out to identify measures to preserve trees in the project site during the construction stage.

28. HKSI estimates that the proposed preparatory works will create about 58 jobs (16 for labourers and 42 for professional / technical staff) providing a total employment of 800 man-months.



Master Layout Plan

APRIL 2007



Photos Record of Defects in the Existing HKSI Buildings

Photo 1

Internal rendering deterioration due to water leakage from external wall.



Photo 2

Concrete spalling at the column head at the exterior of 25m Swimming Pool



Photo 3

Corrosion of roof steel members at the welded connection at the interior of the Indoor Sports Complex.



Photo 4

Existing sprinkler head and pipe does not meet the latest FSD requirement and have to be replaced.



Photo 5

Existing chiller pipes insulation is badly corroded and the in-efficient system needed to be upgraded.

15QJ – Redevelopment of the Hong Kong Sports Institute

Breakdown of estimates for consultants' fees^(Note 1)

Consultants' staff costs			Estimated man- months	Average MPS* salary point	Multiplier ^(Note 2)	Estimated fees (\$ million)
A. Outline Sketch Plan						
(a)	Architectural	Professional	30	38	2.0	3.2
		Technical	28	14	2.0	1.0
(b)	Building Services	Professional	15	38	2.0	1.6
		Technical	22	14	2.0	0.8
(c)	Structural Engineering	Professional	15	38	2.0	1.6
		Technical	22	14	2.0	0.8
(d)	Quantity Surveying	Professional	9	38	2.0	1.0
		Technical	17	14	2.0	0.6
(e)	In-house Technical Team	Professional	6	38	1.6	0.5
		Technical	7	14	1.6	0.2

Sub-total						11.3

B. Detailed Design						
(a)	Architectural	Professional	36	38	2.0	3.9
		Technical	42	14	2.0	1.5
(b)	Building Services	Professional	20	38	2.0	2.2
		Technical	28	14	2.0	1.0
(c)	Structural Engineering	Professional	20	38	2.0	2.2
		Technical	28	14	2.0	1.0
(d)	Quantity Surveying	Professional	13	38	2.0	1.4
		Technical	28	14	2.0	1.0
(e)	In-house Technical Team	Professional	13	38	1.6	1.1
		Technical	17	14	1.6	0.5

Sub-total						15.8

			Estimated	Average		Estimated
Consultants' staff costs			man-	MPS*	Multiplier ^(Note 2)	fees
			months	salary		(\$ million)
				point		
C. Tender Documentation						
(a)	Architectural	Professional	32	38	2.0	3.5
		Technical	66	14	2.0	2.4
(b)	Building	Professional	27	38	2.0	2.9
	Services	Technical	56	14	2.0	2.0
(c)	Structural	Professional	26	38	2.0	2.8
	Engineering	Technical	39	14	2.0	1.4
(d)	Quantity	Professional	16	38	2.0	1.7
	Surveying	Technical	28	14	2.0	1.0
(e)	In-house	Professional	13	38	1.6	1.1
	Technical Team	Technical	17	14	1.6	0.5
(f)	Independent	Professional	6	38	2.0	0.6
	Checker	Technical	11	14	2.0	0.4

						Sub-total

Total consultants' staff costs						47.4

* MPS = Master Pay Scale

Notes

1. The figures given above are based on estimate prepared by the HKSIL. D Arch S has examined the figures and considered them acceptable. We will only know the actual man-months and actual fees when the HKSI has selected the consultants through the competitive bidding system.
2. A multiplier of 2.0 is applied to the average Master Pay Scale (MPS) point to arrive at the full staff costs for the staff employed by the consultants (including Independent Checker). The staff costs include the consultants' overheads and profit. (As at March 2007, MPS point 38 = \$54,255 per month and MPS point 14 = \$18,010 per month.) A multiplier of 1.6 is applied to the average MPS point to arrive at the full staff costs for the technical staff to be employed by the HKSIL specifically for the implementation of this project.