

ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 703 – BUILDINGS

Environmental Hygiene – Retail markets and cooked food centres

14NM – General improvement works to Po On Road Market and Cooked Food Centre

Members are invited to recommend to Finance Committee the upgrading of **14NM** to Category A at an estimated cost of \$67.2 million in money-of-the-day prices for carrying out general improvement works to the Po On Road Market and Cooked Food Centre, Sham Shui Po.

PROBLEM

We need to upgrade the existing provisions of the Po On Road Market and Cooked Food Centre (CFC) to meet the latest statutory requirements relating to fire services and barrier-free access. We also need to improve the existing condition of the market and CFC with a view to providing a better environment for stall lessees and patrons.

/PROPOSAL

PROPOSAL

2. The Director of Architectural Services, with the support of the Secretary for Health, Welfare and Food, proposes to upgrade **14NM** to Category A at an estimated cost of \$67.2 million in money-of-the-day (MOD) prices for carrying out general improvement works to the Po On Road Market and CFC.

PROJECT SCOPE AND NATURE

3. The scope of **14NM** comprises –
- (a) upgrading of fire services installation;
 - (b) provision of barrier-free access to meet current statutory requirements including modification of an existing lift into a lift suitable for use by persons with disability;
 - (c) refurbishment works including replacement of internal finishes in common areas and vacant stalls to be let out, improvement of lighting, mechanical ventilation system, plumbing and drainage system, demolition and/or amalgamation of some vacant stalls; and
 - (d) addition of entrance and toilet facilities in the market area, and replacement of fixed tables in the seating area of the CFC.

———— The layout plans for the basement to second floor are at Enclosures 1 to 4
———— respectively and a computer rendered drawing for the proposed works is at
Enclosure 5.

4. We plan to start the proposed works in January 2008 for completion in June 2009. During this period, we shall arrange temporary closure of the market by zones so as to minimise disruption to the normal operation of the market and inconvenience caused to the public. Where necessary, affected stall lessees will be relocated to temporary stalls within the market. For food hygiene reasons, the stall lessees agreed to close the whole CFC for one month during the summer of 2008 for the improvement works. Rental waiver/reduction will be granted to the lessees affected by the improvement works in accordance with Government's established procedures.

/JUSTIFICATION

JUSTIFICATION

5. The Po On Road Market and CFC, which occupies the basement, ground floor and second floor of the Po On Road Municipal Services Building, was commissioned in 1988. It was built to meet the then resiting commitment of stall lessees in the old Cheung Sha Wan Market and eligible licensed wet goods hawkers and on-street cooked food stalls in its catchment area. In order to meet the full demand for resiting, a total of 732 market stalls and 35 cooked food stalls were provided.

6. With the passage of time, the Po On Road Market and CFC falls short of current standards in respect of fire services installations and provision of barrier-free access. Over the years, regular and scheduled maintenance works have been carried out to ensure the smooth operation of the facilities, but no major improvement works have been undertaken since the commissioning of the market and CFC in 1988. The existing internal finishes and building services installations of the market and CFC have been subject to normal wear and tear. It is therefore necessary to upgrade the conditions of the Po On Road Market and CFC to meet the latest statutory requirements and to improve its working and shopping environment for stall lessees and patrons.

FINANCIAL IMPLICATIONS

7. We estimate the capital cost of the project to be \$67.2 million in MOD prices (see paragraph 8 below), including \$56.4 million for the market portion and \$10.8 million for the CFC portion. Detailed breakdown is as follows –

	\$ million
(a) Building	36.4
(b) Building services	19.6
(c) Consultants' fees for construction stage –	4.0
(i) contract administration	2.0
(ii) site supervision	2.0

/(d)

		\$ million	
(d) Contingencies		6.0	
	Sub-total	66.0	(in September 2006 prices)
(e) Provision for price adjustment		1.2	
	Total	67.2	(in MOD prices)

We propose to engage consultants to undertake contract administration and site supervision of the project. A breakdown of the estimate for consultants' fees is at Enclosure 6. The total floor area to be refurbished is about 15 800 square metres (m²). The estimated construction unit cost, represented by the building and the building services costs, is \$3,544 per m² of floor area in September 2006 prices. We consider this unit cost reasonable as compared with similar projects implemented by the Government.

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

Year	\$ million (Sep 2006)	Price adjustment factor	\$ million (MOD)
2007 – 08	1.0	0.99900	1.0
2008 – 09	18.0	1.00649	18.1
2009 – 10	23.0	1.01656	23.4
2010 – 11	13.0	1.02672	13.3
2011 – 12	11.0	1.03699	11.4
	66.0		67.2

/9.

9. 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 2007 to 2012. We intend to award the contract on a lump-sum basis because we can clearly define the scope of works in advance. The contract will not provide for price adjustments because the contract period will not exceed 21 months.

10. We estimate that, upon completion of the project, the annual recurrent expenditure will be \$8.9 million.

PUBLIC CONSULTATION

11. The Legislative Council Panel on Food Safety and Environmental Hygiene discussed a range of market and cooked food centre improvement works including this project in March 2004 and indicated support for us to proceed with the project.

12. We consulted the Market Management Consultative Committee of Po On Road Market and CFC in April 2007. The stall lessees are generally supportive of the project. We also consulted the Environment and Food Committee of the Sham Shui Po District Council in May 2007, which delegated the Working Group on Market, Street Traders and Environmental Hygiene to consider the proposal. The Working Group indicated support for the project at its meeting on 23 May 2007.

ENVIRONMENTAL IMPLICATIONS

13. The project is not a designated project under the Environmental Impact Assessment Ordinance (Cap. 499) and will not cause long-term environmental impact.

14. We have included in the project estimate the cost of implementing suitable mitigation measures to control short-term environmental impacts. These include the use of silencers, mufflers, acoustic lining or shields for noisy construction activities, and frequent cleaning and watering of the site.

/15.

15. We have considered measures in the planning and design stages to reduce the generation of construction and demolition (C&D) materials where possible. These include the use of prefabricated building elements such as steel frame construction and ductworks, proprietary toilet partitions and counter top to reduce temporary formwork and construction waste. We will reduce demolition by retaining the existing construction and structures of the market as far as possible to minimise off-site disposal. In addition, we will require the contractor to reuse inert C&D materials on site or in other suitable construction sites as far as possible (e.g. the use of metal hoardings and signboards so that these materials can be recycled or reused in other sites), in order to minimise the disposal of C&D materials at public fill reception facilities¹. We will encourage the contractor to maximise the use of recycled or recyclable C&D materials, as well as the use of non-timber formwork to further minimise the generation of construction waste.

16. We will also 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. We will ensure that the day-to-day operations on site comply with the approved WMP. We will control the disposal of public fill, C&D materials and C&D waste at public fill reception facilities and landfills respectively through a trip-ticket system. We 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 2 250 tonnes of C&D materials. We will deliver 1 900 tonnes (84%) to public fill reception facilities for subsequent reuse. In addition, we will dispose of 350 tonnes (16%) at landfills. The total cost for accommodating C&D materials at public fill reception facilities and landfill sites is estimated to be \$95,050 for this project (based on a unit cost of \$27/tonne for disposal at public fill reception facilities and \$125/tonne² at landfills).

/18.

¹ Public fill reception facilities are specified in Schedule 4 respectively of the Waste Disposal (Charges for Disposal of Construction Waste) Regulation. Disposal of public fill at public fill reception facilities requires a licence issued by the Director of Civil Engineering and Development.

² 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 is likely to be more expensive) when the existing ones are filled.

LAND ACQUISITION

18. The project does not require any land acquisition.

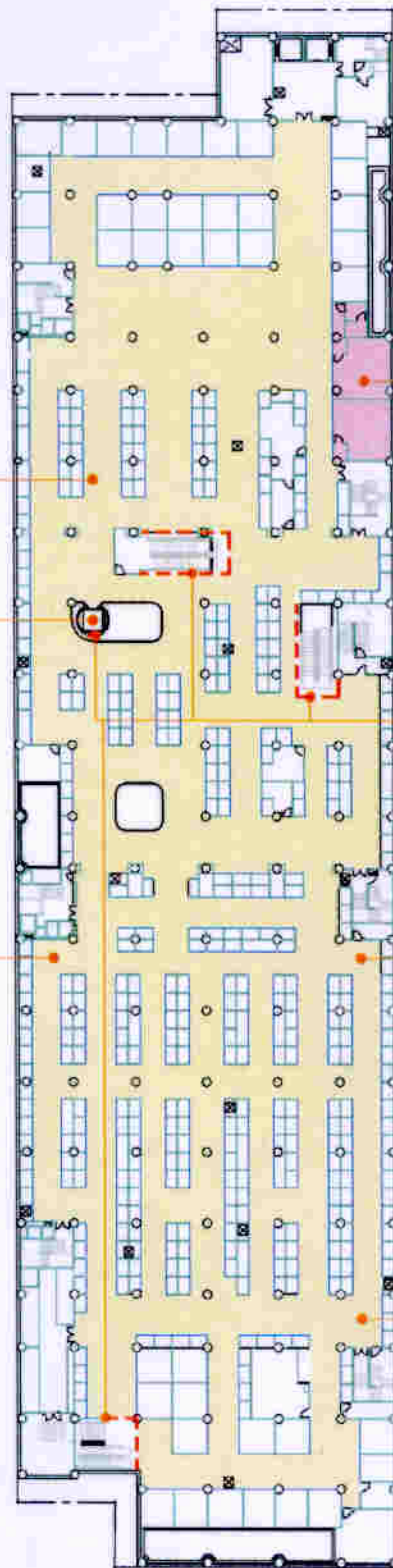
BACKGROUND INFORMATION

19. We upgraded **14NM** to Category B in October 2001. The original project scope covered the retro-fitting of air-conditioning system which was subsequently excluded as only 17% of the market lessees and 35% of the CFC lessees supported the proposed system and the sharing of recurrent running cost. We engaged consultants to undertake detailed design and tender documentation of the project at a total cost of \$2.4 million and charged 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 consultants are finalising detailed design and tender documents.

20. The proposed general improvement works will not involve any tree removal or planting proposals.

21. We estimate that the proposed works will create about 113 jobs (98 for labourers and another 15 for professional/technical staff) providing a total employment of 1 600 man-months.

Health, Welfare and Food Bureau
June 2007



擬更新公眾地方之地台及牆身飾面
Proposed New Floor and Wall Finishes in Common Area

擬改建為殘疾人士升降機
Proposed Modification of Existing Lift for Persons with Disability

擬翻新天花油漆
Proposed Emulsion Paint to Ceiling


擬建洗手間
Proposed New Toilet

擬建防火捲閘
Proposed New Roller Shutter

擬改善公眾地方照明系統
Proposed Improvement of Lighting System in Common Area

擬改善機械通風系統
Proposed Improvement of Mechanical Ventilation System

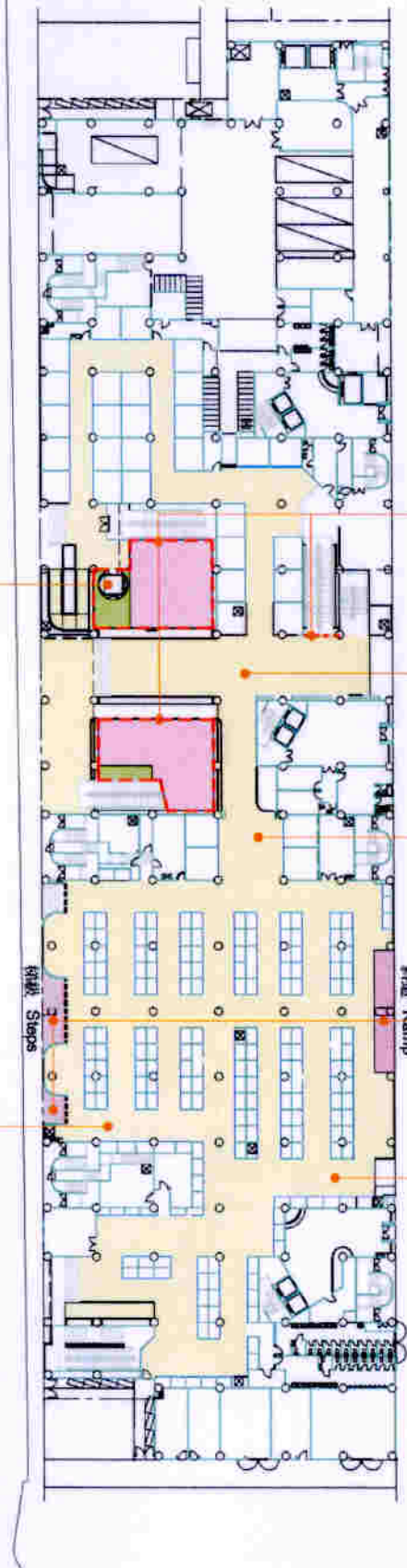
地庫平面圖
Basement Plan

title 014NM 保安道街市及熟食中心 一般改善工程 GENERAL IMPROVEMENT WORKS TO PO ON ROAD MARKET AND COOKED FOOD CENTRE	drawn by KENNETH HO	date 5/6/07	drawing no. POR-E01	scale 1:750
	approved JOE LAM	date 5/6/07		
	office PROJECT MANAGEMENT BRANCH 3			 ARCHITECTURAL SERVICES DEPARTMENT



順寧道 SHUN NING ROAD

保安道 PO ON ROAD



擬改建為殘疾人士升降機
Proposed Modification of Existing Lift for Persons with Disability

擬建防火捲閘及防火間隔
Proposed New Roller Shutter and Compartmentation

擬翻新天花油漆
Proposed Emulsion Paint to Ceiling

擬改善公眾地方照明系統
Proposed Improvement of Lighting System in Common Area

擬建入口
Proposed New Entrance

擬更新公眾地方之地台及牆身飾面
Proposed New Floor and Wall Finishes in Common Area

擬改善機械通風系統
Proposed Improvement of Mechanical Ventilation System

地下平面圖
Ground Floor Plan

title 014NM
保安道街市及熟食中心
一般改善工程
GENERAL IMPROVEMENT WORKS TO PO ON ROAD MARKET AND COOKED FOOD CENTRE

drawn by	KENNETH HO	date	5/6/07
approved	JOE LAM	date	5/6/07
office	PROJECT MANAGEMENT BRANCH 3		

drawing no.	scale
POR-E02	1:750

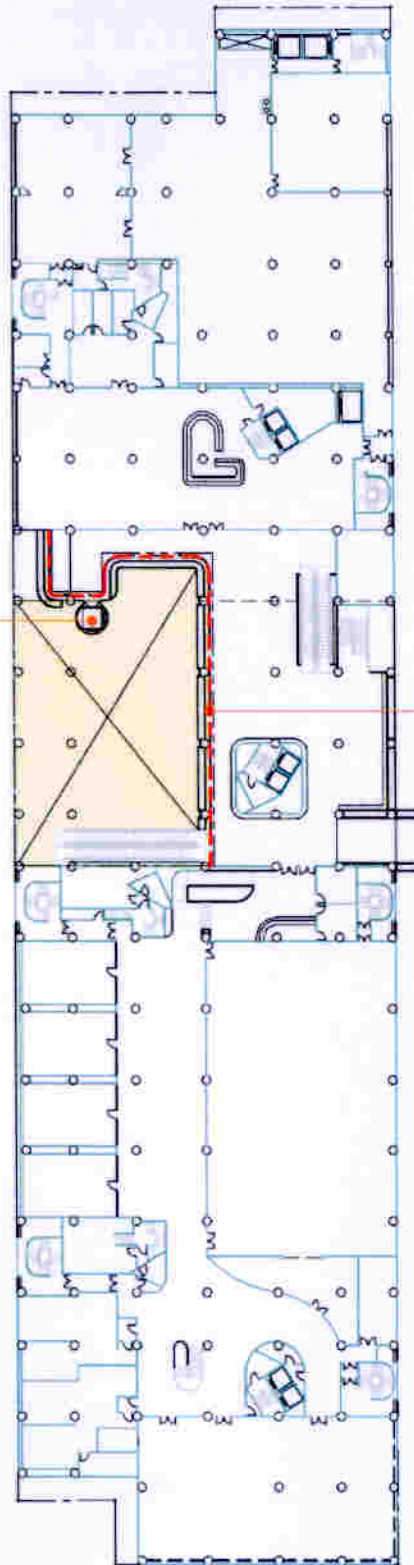


ARCHITECTURAL SERVICES DEPARTMENT




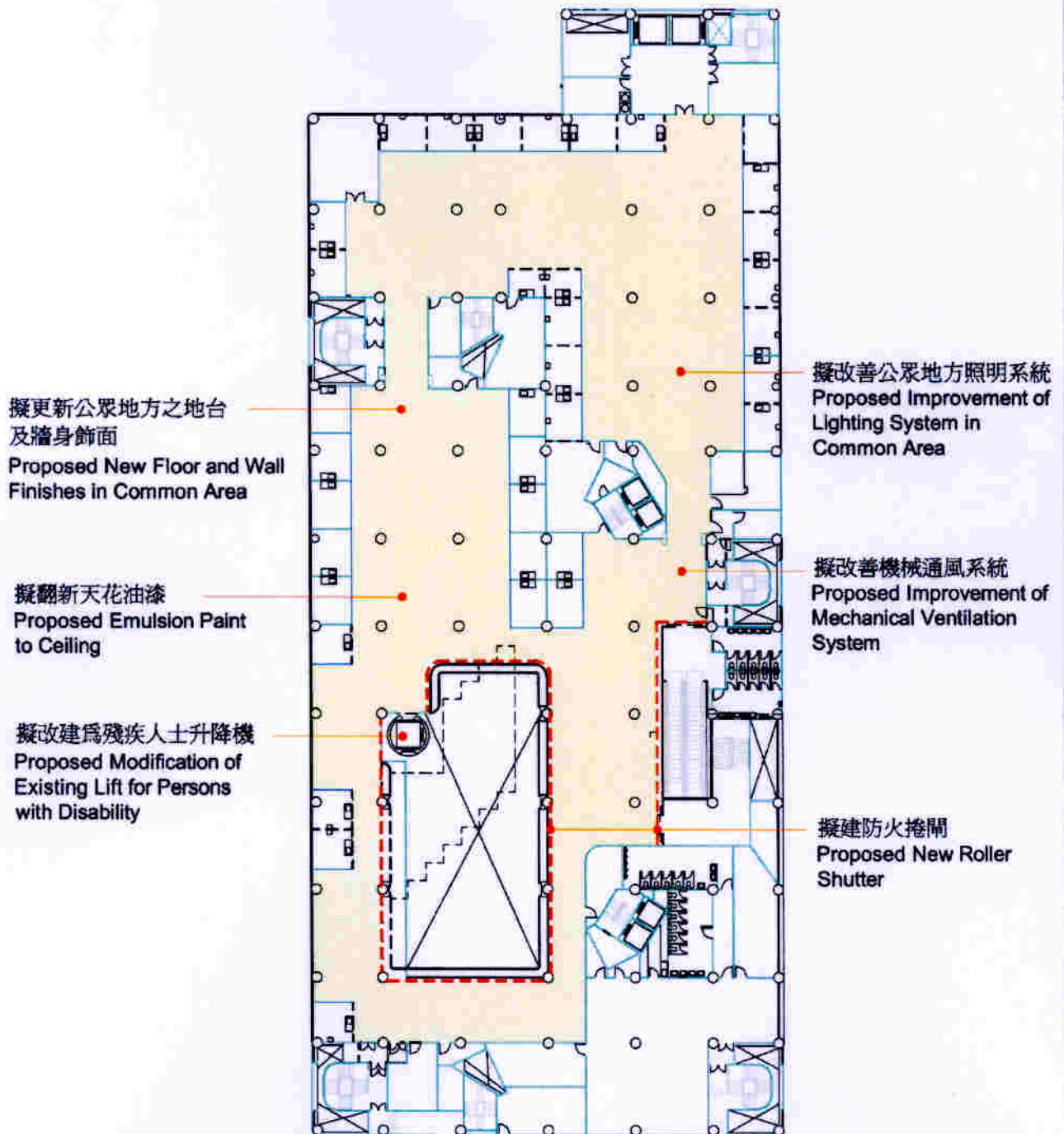
擬改建為殘疾人士升降機
Proposed Modification of
Existing Lift for Persons
with Disability

擬建防火捲閘
Proposed New Roller Shutter




一樓平面圖
First Floor Plan

title 014NM 保安道街市及熟食中心 一般改善工程 GENERAL IMPROVEMENT WORKS TO PD ON ROAD MARKET AND COOKED FOOD CENTRE	drawn by KENNETH HO	date 5/6/07	drawing no. POR-E03	scale 1:750
	approved JOE LAM	date 5/6/07	 ARCHITECTURAL SERVICES DEPARTMENT	
	office PROJECT MANAGEMENT BRANCH 3			



二樓平面圖
Second Floor Plan


title 014NM 保安道街市及熟食中心 一般改善工程 GENERAL IMPROVEMENT WORKS TO PO ON ROAD MARKET AND COOKED FOOD CENTRE	drawn by KENNETH HO	date 5/6/07	drawing no. POR-E04	scale 1:500
	approved JOE LAM	date 5/6/07	 ARCHITECTURAL SERVICES DEPARTMENT	
	office PROJECT MANAGEMENT BRANCH 3			



熟食中心電腦效果圖
Computer Rendered Drawing for Cooked Food Centre



擬改善工程電腦效果圖
Computer Rendered Drawing for Proposed Improvement Works

title 014NM 保安道街市及熟食中心 一般改善工程 GENERAL IMPROVEMENT WORKS TO PD ON ROAD MARKET AND COOKED FOOD CENTRE	drawn by KENNETH HO	date 5/6/07	drawing no. POR-E05	scale NTS
	approved JOE LAM	date 5/6/07	 ARCHITECTURAL SERVICES DEPARTMENT	
	office PROJECT MANAGEMENT BRANCH 3			

**14NM –General improvement works
to Po On Road Market and Cooked Food Centre, Sham Shui Po**

Breakdown of the estimate for consultants' fees

		Estimated man- Months	Average MPS* salary point	Multiplier (Note 1)	Estimated fee (\$ million)
Consultants' staff costs					
Consultants' fees for construction stage					
(i)	Contract administration (Note 2)	Professional	-	-	1.0
		Technical	-	-	1.0
(ii)	Site supervision (Note 3)	69.5	14	1.6	2.0
Total					4.0

*MPS = Master Pay Scale

Notes

1. A multiplier of 1.6 is applied to the average MPS point to estimate the cost of resident site staff supplied by the consultants. (As at 1 January 2007, MPS point 14 = \$18,010 per month.)
2. The consultants' staff cost for contract administration is calculated in accordance with the existing consultancy agreements for the provision of air-conditioning/other improvement works to existing public markets and cooked food centres. The assignment will only be executed subject to Finance Committee's approval to upgrade **14NM** to Category A.
3. The consultants' staff cost for site supervision is based on estimates prepared by the Director of Architectural Services. We will only know the actual man-months and actual costs after completion of the construction works.