

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 33 – CIVIL ENGINEERING AND DEVELOPMENT DEPARTMENT

Subhead 000 Operational expenses

Members are invited to recommend to Finance Committee the creation of the following supernumerary posts in the Civil Engineering and Development Department for a period of five years from 1 April 2009 to 31 March 2014 –

2 Chief Engineer
(D1) (\$103,400 - \$109,700)

PROBLEM

The Civil Engineering and Development Department (CEDD) needs to create two supernumerary Chief Engineer (CE) (D1) posts to strengthen its capability in taking up the planning and implementation of the Kai Tak Development (KTD) and Liantang/Heung Yuen Wai Boundary Control Point (BCP) projects.

PROPOSAL

2. The Director of Civil Engineering and Development, with the support of the Secretary for Development, proposes to create the following two supernumerary CE posts in CEDD for five years with effect from 1 April 2009 –

- (a) one CE post in the Kowloon Development Office (KDO) to oversee the administration, planning and implementation of the proposed infrastructure works for KTD on the western side of the former apron area including the ex-runway, Kai Tak Nullah and Kai Tak Approach Channel; and

/(b)

- (b) one CE post in the Civil Engineering Office (CEO) to oversee the administration, planning and implementation of the proposed Liantang/Heung Yuen Wai BCP project.

JUSTIFICATION

3. In the coming years, CEDD will undertake a significant number of major infrastructure projects including the following two projects –

- (a) KTD – an urgent and highly complex development in the metro area of Hong Kong, which spans a planning area of over 320 hectares, covering the 280-hectare ex-airport site and its adjoining areas. The site would be developed for community, housing, business, tourism and infrastructural uses; and
- (b) BCP – a strategically important project to meet the growing needs of the cross-boundary traffic in the long run. The project will help further extend the economic hinterland of Hong Kong and Shenzhen, enhance the connection with Eastern Guangdong and promote regional development of Hong Kong, Shenzhen and Eastern Guangdong.

4. The implementation of the above projects will bring about both tangible and intangible benefits to Hong Kong at the macro and strategic levels. With the Government's commitment to boost the economy and create more job opportunities in the light of the recent global financial tsunami, we are making every effort not only to expedite the progress of on-going projects, but also to press ahead with the implementation of major infrastructure projects in the pipeline like the KTD and BCP. To ensure effective delivery of the above projects, CEDD needs to strengthen the current level of staffing resources in KDO and CEO.

Creation of a supernumerary CE post in KDO

The Kai Tak Development

5. The KTD has been the subject of a decade-long planning. Following extensive public engagement between 2004 and 2006, the development scheme was finally incorporated into statutory plans, i.e. the Kai Tak Outline Zoning Plan (OZP), and approved by the Chief Executive in Council in late 2007. There is now a common public aspiration for implementation of the KTD without further delay. To take this mega project forward, the KTD Engineering Review, which included a Schedule 3 Environment Impact Assessment (EIA) study, commenced in 2007. The EIA was completed for public inspection in December 2008.

6. The KDO of CEDD has been playing a key role in providing essential engineering input since the planning stage of the KTD, and has been extensively involved in the public engagement process vital to the formulation of the approved Kai Tak OZP. Now that the KTD is proceeding to the crucial implementation stage in 2009, the KDO will take up the demanding project management role to strive for timely delivery of infrastructure works to the quality requirements and within budget. The KDO is headed by Project Manager (Kowloon) (Principal Government Engineer (PGE)(D3)), who is underpinned by a Deputy Project Manager (Kowloon) (Government Engineer (GE)(D2)). The organisation chart of KDO showing the existing and proposed posts is shown at Enclosure 1.

Encl. 1

Increase of workload in coming years

7. With the total capital cost estimated in the order of \$20 billion, the KTD infrastructure works undertaken by KDO are of a massive scale programmed for staged completion within the next decade through a number of consultancies and works contracts, resulting in the creation of a total of about 10 000 jobs (about 2 000 for professional/technical staff and 8 000 for labourers during various implementation stages of investigation, design and construction). This arrangement will expedite the delivery of infrastructure enabling early commencement of pressing projects whilst providing opportunities for more consultants and contractors to participate in the development. We have already started the design of the advance infrastructure to serve the early developments in KTD, including public housing and the first berth of the cruise terminal scheduled for completion in 2013. We plan to start the associated construction works in the latter half of 2009. The design of the majority of the KTD infrastructure will also commence in 2009 for works to start progressively from 2010-11 onwards. These infrastructure works are planned for completion in phases as shown in the implementation timetable at Enclosure 2 to tie in with the development pace of KTD.

Encl. 2

8. We anticipate that the annual expenditure of infrastructure projects for KTD within KDO's ambit will significantly increase in the coming few years. In the 2008-09 legislative session, KDO plans to submit five public works items at a total estimated value of about \$1.1 billion to the Public Works Subcommittee/ Finance Committee for approval. Correspondingly, there will be a drastic increase in workload on KDO arising from detailed design, impact assessments, site investigation, tendering and supervision of consultancies and construction contracts, financial and programme control on these projects, in addition to the need to complete statutory procedures and public engagement through District Councils, Harbour-front Enhancement Committee and Advisory Council on the Environment, etc., when implementing the infrastructure works.

9. KTD is not only massive in terms of its size and scale measured by public works spending, but also in terms of its complexity due to the differing functional requirements of the various facilities to be installed and their interfaces in the phased implementation and commissioning. The Secretary for Development personally oversees the project at the Policy level whilst the Permanent Secretary for Development (Works) chairs a bimonthly inter-bureaux and cross departmental meeting to monitor progress. KDO, headed by Project Manager(Kowloon), takes up the central coordination role and manages the implementation of the projects and detailed planning and scheduling of activities in the various works programme. At the operational level, KDO faces a tremendous rise in workload in co-ordinating with different bureaux/departments in relation to different projects that would interface with the KTD. These include the cruise terminal, the Kai Tak Government Offices, the Shatin to Central Link, Central Kowloon Route and public housing, the Multi-purpose Stadium Complex and the various parks and the seawater district cooling system. These projects all have critical timetables and their estimated total capital cost is well over \$100 billion. These key projects will be implemented close to each other or on overlapped sites under a very tight programme for phased completion by 2013, 2016 and 2021. With multiple stakeholders, many of these projects have multi-level and complex interfaces with the KTD infrastructure requiring detailed planning and coordination by KDO so as not to affect their timely completion and intended functions.

Need for the CE post

10. To adequately cope with the operational demands in the coming years, it is necessary to create a supernumerary CE post in KDO for the implementation of KTD. The proposed CE post, designated as CE/Kowloon 4 (CE/K4) will be responsible to the Deputy Project Manager (Kowloon) to take charge of the overall administration, planning, design and construction supervision of infrastructure works for KTD on the western side of the former airport apron area. The projects will include works on the ex-runway, Kai Tak Nullah and Kai Tak Approach Channel, at an estimated cost of about \$8.5 billion. Apart from the need to resolve complicated interface issues speedily, CE/K4 will be responsible for the following innovative and challenging schemes incorporated in and evolved from the statutory OZP –

- (a) treatment of about 1 million cubic metres contaminated sediments at Kai Tak Approach Channel in compliance with the stringent environmental requirements;
- (b) creation of a gigantic piled deck providing a 600-metre wide opening at the former runway to improve water circulation; and
- (c) improvement of about 1 km of the existing Kai Tak Nullah to pursue the “Kai Tak River” scheme with leisure facilities.

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The proposed CE/K4 will also undertake budgetary control of the projects, drive for timely achievement of milestone targets and ensure that the projects are implemented to the quality requirements.

11. Having regard to the level and scope of responsibilities and the professional input required, it is considered that a supernumerary CE post should be created in KDO to provide directorate support to formulate implementation framework and manage resources for the projects which are to be implemented within a very tight timeframe. The officer will also need to maintain close liaison with a host of bureaux/departments to resolve complicated interface problems and ensure timely project delivery. In view of the time-limited nature of the projects with construction activities rising to a peak level in 2013-14, the CE post concerned is proposed for creation starting from April 2009, for a period of five years. The continued need for this CE post will be reviewed towards the end of 2013-14 taking into account the progress of KTD and the workload of CEDD at that time.

12. The feasibility of redeploying existing directorate officers in KDO to take on the work of the proposed CE/K4 post has been considered but found to be impracticable, as the existing three CEs (i.e. CE/K1, CE/K2 and CE/K3) in KDO are already fully occupied with major infrastructure projects being implemented within very tight timeframe, particularly in relation to the new cruise terminal, the KTD engineering review and advance works, the development near Choi Wan Road and Jordan Valley, and the West Kowloon Cultural District (WKCD) development, as explained in the following paragraphs.

13. The existing CE/Kowloon 1 (CE/K1) was tasked to coordinate technical input for and monitor the progress of the important cruise terminal project originally planned to be undertaken by the private sector under the land tender approach. Following the recent decision to implement the project through the Government-funded design, build and lease approach, the project management role of CE/K1 has been greatly expanded to take up the following new duties –

- (a) planning, design and construction supervision of the site formation works of the cruise terminal development, at an estimated cost of about \$2.4 billion, which is expected to start construction in late 2009 to enable the completion of the first berth in 2013; and
- (b) implementation of the advance infrastructure works for supporting the cruise terminal development, at an estimated cost of about \$1.5 billion, upon commencement of the stage 1 construction targeted for mid-2009.

/Given

Given the spiralling workload within a compressed timeframe, CE/K1 will need to continue devoting full time to the above infrastructure projects till the completion of the second berth in 2014, thereby ensuring firm leadership to fast-track the implementation programme and providing the necessary experience and expertise to promptly resolve complicated engineering/interface issues arising from, inter alia –

- (i) substantial dredging works in the Victoria Harbour in compliance with the stringent requirements of EIA Ordinance;
- (ii) diversion of the existing submarine gas mains for commissioning of the second berth;
- (iii) constraints due to the adjacent cruise terminal building works such as site access and availability, sewerage connections, water and power supplies arrangements;
- (iv) technical support in firming up user requirements and tenancy agreement for the cruise terminal project; and
- (v) assistance in formation of the adjacent heliport and promenade.

14. The existing CE/Kowloon 2 (CE/K2) is currently tasked with –

- (a) comprehensive engineering review, environmental impact assessments, land matters, coordination with interface projects and site preparatory works for the whole KTD;
- (b) implementation of major infrastructure and site formation works near Choi Wan Road and Jordan Valley; and
- (c) district administration matters for Wong Tai Sin, Kowloon City and Kwun Tong.

Upon creation of the proposed CE/K4 post, while continuing to be tasked with the responsibilities above, CE/K2 will take up the overall administration, planning, design and construction supervision of infrastructure works on the eastern side of KTD with forecast capital expenditure of about \$10 billion. He will provide the necessary drive and input to achieve early delivery of the works within budget and up to the quality requirements, which include –

- (i) Trunk Road T2 comprising an immersed tube tunnel of about 2 km long;
- (ii) major long-span structures above the sea level; and

/(iii)

- (iii) transport infrastructure linking Kai Tak and adjacent development areas.

15. The existing CE/Kowloon 3 (CE/K3) is responsible for district administration matters for Yau Tsim Mong and Sham Shui Po, and is currently fully occupied with the project management of the following –

- (a) Public Works Programme-funded infrastructure works within and surrounding the WKCD development;
- (b) remaining infrastructure works in the West Kowloon including roads D1, D1A and D12 near the future terminus of Express Rail Link;
- (c) planning and design of infrastructure works for developments at the southern part of the former runway;
- (d) infrastructure works for potential land sale sites at Tai Wo Ping; and
- (e) various Government facilities associated with the Kwun Tong Town Centre Redevelopment.

The total estimated cost for the above projects amounts to about \$8.8 billion. CE/K3 will not have any spare capacity to undertake additional duties in view of his rapidly rising workload in the near future when the adjacent WKCD and Express Rail Link development together with the related infrastructure works migrate to design and construction.

16. If the proposed CE/K4 post is not created, CE/K2 will have to continue looking after the delivery of the bulk of the KTD infrastructure works. As the KTD project is moving from the engineering review stage to the implementation stage in the coming years, the substantial workload involved, given the complexity of the project and its scale of some \$18.5 billion in value, cannot possibly be handled by one CE, or else it would suffer undue delay.

Encl. 3 17. The job description for the proposed CE post is at Enclosure 3.

Creation of a supernumerary CE post in CEO

The Liantang/Heung Yuen Wai BCP

18. The Liantang/Heung Yuen Wai BCP, comprising the provision of new cross-boundary facilities and a 10-kilometre road connection to the existing

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Fanling Highway, is a mega-scale and complex project with an estimated cost of \$8.7 billion, resulting in the creation of a total of about 3 600 jobs (about 720 jobs for professional/technical staff and 2 880 jobs for labourers during various implementation stages of investigation, design and construction). The scope of the works will also include reprovisioning of an existing village within the Frontier Closed Area, re-training of a section of Shenzhen River and construction of road tunnels of a total length of about 3.5 kilometres. The project will be implemented under a fast-tracked programme, involving various complex tasks to be conducted in parallel, for completion in 2018, and will need to interface with the proposed Ta Kwu Ling/Ping Che New Development Area and the current planning study for reducing the coverage of the existing Frontier Closed Area. There will also be extensive liaison work with the Mainland authorities as well as wide-ranging environmental matters.

19. The early planning work for the BCP has been undertaken by the CEO of CEDD. The CEO is headed by a PGE underpinned by two Deputy Heads (GEs) for the Port and Land Branch (PL) and Project and Environmental Management Branch (PEM) respectively. The organisation chart of the CEO showing the existing and proposed posts is at Enclosure 4.

Encl. 4

Increase of workload in coming years

20. The PGE of the CEO will take up the Project Manager role and be responsible for the overall coordination, financial control and programming of the BCP project, which will enter into its implementation stage in 2009. He will also undertake the implementation of the bulk of civil engineering works, including the connecting road and the formation of the BCP site. To link up the proposed BCP with the existing road network, an interchange at Fanling Highway near Wo Hop Shek is being proposed. The design of the road connections concerned will be challenging taking account of the particular need to minimise disruption to the existing traffic flow and congested site condition. As regards the BCP site, Lands Department (LandsD) will need to relocate an existing village involving some 60 houses with support from the CEO in conducting negotiation with the villagers and providing infrastructure for the establishment of the new village.

21. The remaining packages of the project are undertaken by other departments such as BCP building works by Architectural Services Department, related improvement works of the Shenzhen River by Drainage Services Department, land acquisition and clearance by LandsD and inputs on traffic and transport facilities by Transport Department. Complicated interfacing issues would need to be resolved speedily to ensure timely delivery of the project. To this end, the CEO will conduct regular coordination meetings with all departments

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concerned to ensure consistency in programme, design and standards embedded in various packages. Apart from the usual planning and implementation responsibilities of roadworks and civil engineering works, the project team will have to be engaged in cross-border liaison with the Shenzhen side and in handling the interfacing between packages to ensure the consistency and timely resolution of technical, land, statutory and programming issues.

22. The consultancy for the BCP project, which is planned to commence in April 2009, will examine the detailed planning and complete investigation and preliminary design for the project scheme. As part of the consultancy, environmental impact assessment, traffic impact assessment and drainage impact assessment will also be conducted in mid-2009. Thereafter, consultation will start with the local stakeholders over the project's preliminary design and statutory gazettal of the road scheme will need to be arranged towards late 2010 and early 2011. In addition, we will consider the packaging of works contracts in detail so as to expedite the works progress, enhance tendering opportunities for more contractors to participate and optimise the overall cost-effectiveness of the contracts. In the coming few years, site investigation and geotechnical assessments which are essential for the detailed planning and risk assessment for the proposed construction of the road tunnels will also be carried out. The tasks concerned are challenging having regard to the multi-disciplines involved and the complex project interfacing.

Need for the CE post

23. To adequately cope with the operational demands in the coming years, it is necessary to create an additional CE post in the CEO for the BCP project. The proposed supernumerary CE post, designated as CE/Boundary Control Point (CE/BCP), will work under Deputy Head (Project and Environmental Management) of the CEO. He will be responsible for the delivery of the BCP project to meet the growing need of cross-boundary traffic and ensure that the impacts arising from the project are minimised and acceptable to all the stakeholders. He will take a pivotal role in handling all public engagements with rural committees, district councils, residents and representatives of the logistics industry. Through extensive liaison with the Mainland authorities, he will need to complete appropriate designs for the BCP to meet the different operational requirements of the two governments. In addition, he has to collaborate with relevant government departments to ensure that the connecting road satisfies all the statutory requirements and technical standards. He will also be responsible for the overall supervision of the construction works to ensure that the works are completed on time to meet the fast-tracked programme, within budget and in compliance with the approved procedures and standards.

24. As the BCP is a fast-tracked mega-size project with complex interfacing with the works planning of the Shenzhen side and of other government departments, the implementation of the project will entail high-level decisions and negotiation with the Shenzhen counterparts. Having regard to the level and scope of responsibilities and the professional input required, it is considered that a supernumerary CE post should be created in the CEO to provide directorate steer to formulate implementation framework and manage resources for the project. In accordance with the programme, we expect that the heavy workload in the planning, design and liaison work will remain at a high level in the coming few years to enable timely commencement of the construction works in 2013-14. The CE post is proposed for creation starting from April 2009, for a period of five years. We will review the continued need of the post near the end of the period taking into account the progress of the project and workload situation of CEDD.

25. The feasibility of redeploying existing directorate officers in the CEO to take on the work of the proposed CE/BCP post has been considered but found to be impracticable, as the four existing CEs in the CEO are already fully occupied with the existing projects within their respective ambit as detailed in the following paragraphs.

26. The existing CE/Special Duties (Works) (CE/SD(W)), who has helped in the early planning stage of the BCP project, is fully occupied with other existing projects relating to housing and tourism developments. The total cost of these projects, excluding the proposed BCP, currently under planning, design and construction amounts to \$10.9 billion. As the projects at hand require the substantial input of CE/SD(W) to ensure that the housing-related works are completed on time as well as to liaise with the Tourism Commission and other private undertakings concerned for smooth implementation of interfacing works, he would not be able to devote the necessary attention and efforts to the BCP project during the subsequent investigation, design and construction stages. Furthermore, he is tasked with a special duty to increase the water depth in the Kwai Chung Container Basin before 2013 so that the latest generation of cargo containers can berth at Hong Kong. This unprecedented work requires careful planning and close liaison with the operators to avoid interrupting with the existing operation during implementation in 2010. This timely completion of this special project is vital for keeping Hong Kong as one of the leading cargo ports in the world.

27. The CE/Fill Management (CE/FM) has been fully engaged in his current duties relating to the territory-wide management of construction and demolition materials (C&DM) and marine disposal for contaminated and uncontaminated sediments, which are crucial to the success of the major

infrastructure works announced by the Chief Executive in his 2007-08 Policy Address and require close liaison with the Mainland Authorities. In addition, he is also responsible for the enhanced control measures in connection with the sand ban imposed by the Ministry of Commerce in February 2007 and the running of the two temporary sorting facilities in Tuen Mun and Tseung Kwan O. Currently, CE/FM is responsible for the operation of the existing disposal facilities and planning and provision of new facilities of about \$10 billion in total value. All these facilities aim to provide suitable and timely capacities for disposal of C&DM and marine sediments generated from the infrastructure development in Hong Kong up to 2015.

28. The CE/Port Works (CE/PW) is responsible for regular inspections and maintenance works of port and marine facilities in the territory, including 313 public and ferry piers and landings, 120 km seawalls and breakwaters. In addition, he is also tasked with the maintenance of adequate water depth in navigation channels in the harbour including 145 kilometres of fairways, anchorage areas and major tidal river channels. These works are crucial to the daily operation of Hong Kong's port and marine facilities. Apart from the maintenance works, CE/PW provides advice and services to other departments on matters relating to marine works, including major infrastructure projects like the Hong Kong-Zhuhai-Macao Bridge. On average, there are 2 000 such submissions/requests per year. Currently, CE/PW is handling on-going projects of about \$380 million in total value, in addition to the maintenance works of about \$70 million per year. These projects/works aim to improve the port and marine facilities in Hong Kong and are vital for the future development of the Hong Kong port.

29. The CE/Land Works (CE/LW) has been tasked with a number of land formation, road and drainage projects, which are important in meeting the demand of housing, schools and associated infrastructure development in the territory. Furthermore, CE/LW is also responsible for the development and implementation of Greening Master Plans (GMP) in congested urban areas. This task requires extensive and interactive public engagements with the local communities and all stakeholders. Apart from the GMP, CE/LW has also taken up horticultural maintenance of greening works completed under the GMP projects, and maintenance of urban GMP works would amount to around \$25 million per year. Currently, CE/LW is handling construction works and projects under planning and design of about \$1,700 million and \$3,400 million in total value respectively.

30. The assignments undertaken by the four existing CEs in CEO after the BCP project is taken up by the proposed CE/BCP are listed at Enclosure 5.

31. If the proposed CE/BCP post is not created, the existing CE/SD(W) will need to continue to take care of the BCP. As mentioned in paragraph 22 above,

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the workload of the BCP will rise drastically following the commencement of the investigation and preliminary design stage in April 2009. Given CE/SD(W)'s heavy work commitment in the coming few years, the implementation programme of the BCP project would inevitably suffer substantial delay if additional staffing is not provided.

Encls. 32. The job description for the proposed CE post is at Enclosure 6 and the
6 - 7 proposed organisation chart of CEDD is at Enclosure 7.

Non-directorate Support

33. We will establish additional teams in CEDD through creation of new posts and internal redeployment of existing staff resources to support the proposed CE/K4 and CE/BCP posts. CE/K4 will be supported by three Senior Engineer (SE) and four Engineer/Assistant Engineer (E/AE) posts in the planning and implementation of the proposed infrastructure works for KTD on the western side of the former apron area. For taking forward the BCP project, CE/BCP will be supported by four SE and six E/AE posts. The formation of these new teams will necessitate the creation of four SE and seven E/AE posts.

Alternatives considered

34. In addition to exploring the possibility of the existing establishment in KDO and CEO to absorb the workload entailed by the KTD and the BCP projects, we have also considered the feasibility of redeploying existing directorate officers from other offices of CEDD to take on the work of the two proposed CE posts. It is found to be impracticable due to the following reasons –

(a) Existing workload in major projects

There are a total of ten CEs other than those in KDO and CEO. They have been deployed in the Headquarters, the Hong Kong Island and Islands Development Office, New Territories East Development Office and New Territories North and West Development Office. The holders of these posts have a full schedule in their respective Offices and do not have the spare capacity to absorb the work of the proposed posts for the KTD and BCP projects without seriously affecting their own work. CEDD has been heavily engaged in a number of major projects/tasks which are under implementation or will reach their critical stage in the coming years. These include the Central Reclamation Phase III, Wanchai Development Phase II, "Three-in-one" (covering Fanling North, Kwu Tung North and Ping Che/Ta Kwu Ling) and Hung Shui Kiu New Development Areas,

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Tseung Kwan O – Lam Tin Tunnel and the Cross Bay Link. It should be noted that to ensure smooth implementation of these projects, CEDD has to strengthen interaction with the community, work with stakeholders and react speedily for early consensus.

In view of the heavy workload of the aforesaid on-going major projects, there is no scope for CEDD to take on the extra workload arising from the two major projects without creation of posts;

(b) Increase in Public Works Programme (PWP) expenditure

CEDD's rising workload is also evident from the significant increase in PWP expenditure managed by CEDD as presented in the table below –

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Estimated PWP Expenditure (\$B)	3.0	3.1	3.4	5.3	7.9	9.1	10.2
% increase in PWP expenditure using 2007-08 as the base year	N.A.	3%	13%	77%	163%	203%	240%

It is worth noting that, in terms of Public Works Programme, the expenditure level of projects currently undertaken by CEDD will have increases of over 70% from 2010-11 to over 200% in 2012-13, when compared with the expenditure level in 2007-08; and

(c) Reduced directorate establishment in CEDD

PWP expenditure has gone through a period of contraction before the recent picking up and projected surge. Correspondingly, CEDD has undergone extensive streamlining and productivity enhancement since 2004, with the merging of the then Territory Development Department and Civil Engineering Department. Specifically, since 2004, a total of 11 directorate posts had been deleted from CEDD, with six being directorate Engineer grade posts. Subsequent to 2005-06, an increasing number of projects have been allocated Category B status under the Resources Allocation Exercises. The impending workload to be imposed on CEDD arising from these Category B projects under planning is considerably higher than that experienced in previous years. There is basically no scope for

/redeployment

redeployment of directorate staff among different offices of CEDD to take up the tasks related to KTD and BCP without adversely affecting the discharge of their current duties.

FINANCIAL IMPLICATIONS

35. The proposed creation of the two supernumerary CE posts will bring about an additional notional annual salary cost at mid-point of \$2,553,600. The additional full annual average staff cost including the salary and the staff on-cost is about \$3,842,000. We will include sufficient provision in the 2009-10 draft Estimates to meet the cost of this proposal. The proposal is covered in ECI(2008-09)7 on “Update on Overall Directorate Establishment Position” and ECI(2008-09)9 “Forecast of Proposed Creation/Deletion of Directorate Posts in the 2008-09 Legislative Session” issued by the Administration in November and December 2008 respectively.

36. In addition to the two CE posts, the planning and implementation of KTD and BCP will necessitate the creation of four SE and seven E/AE posts at a notional annual mid-point salary cost of \$8,092,860 and the full annual average staff cost, including salaries and staff on-costs, is \$14,096,000.

PUBLIC CONSULTATION

37. We consulted the Legislative Council Panel on Development on the proposal of creating two supernumerary CE posts to plan and implement the KTD and BCP projects on 8 December 2008. In response to concerns raised by Members during the Panel meeting, we would like to provide progress or further information as follows –

- (a) creation of jobs under the two projects – figures of job creation arising from the KTD and BCP projects have been included in paragraphs 7 and 18 above respectively;
- (b) the possibility of splitting the projects into more work packages so that small and medium enterprises which employ local workers can be benefitted – CEDD would actively consider splitting the projects into more packages provided that it would not create practical problems in works coordination and interface, undermine works efficiency or lower the overall cost effectiveness;
- (c) temporary use of some of the land for KTD by the public – under the coordination of LandsD, short-term land use in Kai Tak will be arranged as far as possible;

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- (d) impact of the clearance of Chuk Yuen on livelihood of the affected villagers – CEDD would assist LandsD in the discussions and offer mitigation measures as far as possible;
- (e) possibility of redeploying the CE post responsible for the Hong Kong-Shenzhen Western Corridor (HKSWC) project, which had already been completed, for the BCP project – CEDD was not involved in the HKSWC project while Highways Department (HyD) was responsible for the implementation of highways system for the HKSWC project comprising 8.9 km of connecting roads (3.5 km for HKSWC and 5.4 km for Deep Bay Link) as well as widening of Yuen Long Highways. The works for the connecting roads were undertaken by two teams through internal redeployment. There were one CE, three SE and six E/AE posts which were responsible for the HKSWC and widening of the Yuen Long Highways. Upon commissioning of the HKSWC project in 2007, the posts concerned have been deployed to other new projects under HyD's purview e.g. Central Kowloon Route, Central - Wanchai Bypass and Widening of Tolo Highways. The other team in HyD responsible for the Deep Bay Link project and other projects was led by a CE with post lapsed in September 2006 upon completion of the said projects; and
- (f) feasibility of deploying existing staff from within CEDD to undertake the projects – CEDD has critically reviewed its staffing position at the macro level. Having regard to the deletion of 11 directorate posts in the Department since 2004 and the need to push in full swing a large number of major infrastructure projects in the coming years, the manpower situation of CEDD has already been very stringent and there is basically no scope for redeployment of existing directorate staff to take up the tasks related to KTD and BCP without adversely affecting the discharge of their current duties.

BACKGROUND

38. In the coming years, CEDD will be heavily involved in a significant number of major infrastructure projects to be implemented in the territory. Among the ten major infrastructure projects announced by the Chief Executive in his 2007-08 Policy Address for rapid action, four are under the purview of CEDD, namely, the Hong Kong – Shenzhen Joint Development of Lok Ma Chau Loop, West Kowloon Cultural District, Kai Tak Development Plan and New Development Areas. In view of the deletion of 11 directorate posts in CEDD since 2004 and the need to press ahead with a large number of major projects in the coming years, it is necessary for the Department to strengthen its capability in taking up the planning and implementation of projects by creation of two additional supernumerary CE posts for the KTD and BCP respectively.

ESTABLISHMENT CHANGES

39. The establishment changes in CEDD for the last three years are as follows –

Establishment (Note)	Number of posts			
	Existing (as at 1 December 2008)	As at 1 April 2008	As at 1 April 2007	As at 1 April 2006
A	51#	51	51	51
B	511	505	502	507
C	1140	1131	1131	1152
Total	1702	1687	1684	1710

Note :

- A - ranks in the directorate pay scale or equivalent
- B - non-directorate ranks the maximum pay point of which is above MPS Point 33 or equivalent
- C - non-directorate ranks the maximum pay point of which is at or below MPS Point 33 or equivalent
- # - as at 1 December 2008, there is no unfilled directorate post in CEDD.

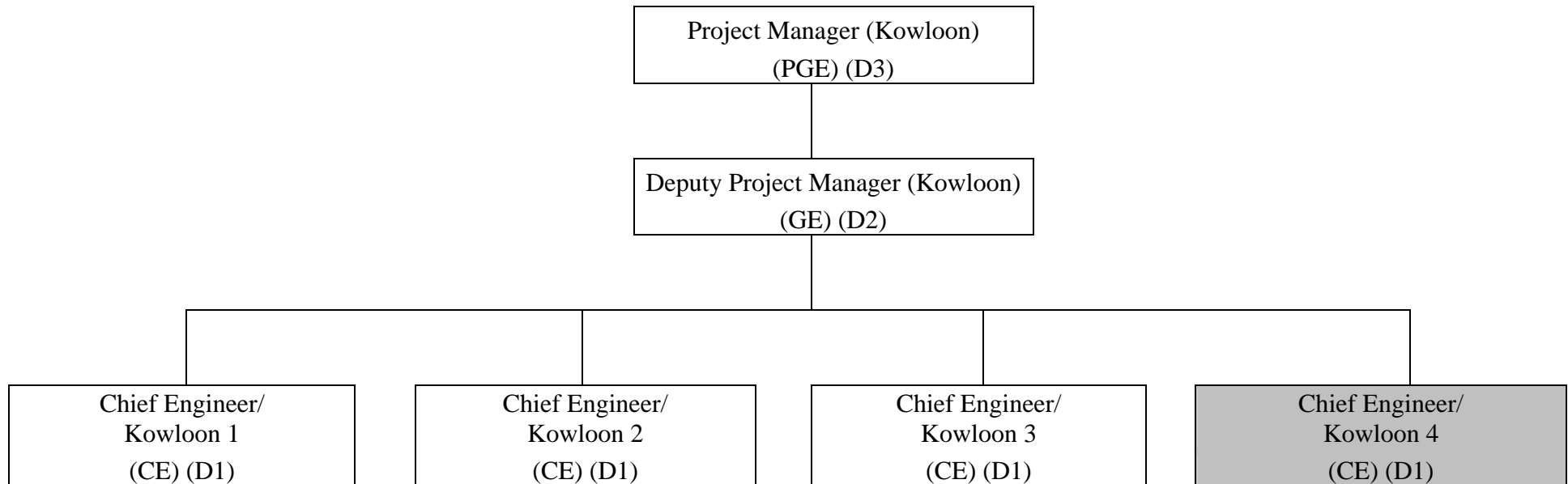
CIVIL SERVICE BUREAU COMMENTS

40. The Civil Service Bureau supports the proposed creation of two supernumerary CE posts to strengthen the directorate support in CEDD to take forward the planning and implementation of the KTD and BCP projects. The grading and ranking of the proposed posts are considered appropriate having regard to the level and scope of the responsibilities and the professional input required.


ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE

41. As the posts are proposed on a supernumerary basis, their creation, if approved, will be reported to the Standing Committee on Directorate Salaries and Conditions of Service in accordance with the agreed procedure.

**Organisation Chart of the Kowloon Development Office
of the Civil Engineering and Development Department**



Legend

 Proposed Chief Engineer post

PGE - Principal Government Engineer

GE - Government Engineer

CE - Chief Engineer

KAI TAK DEVELOPMENT
 (Programme of Infrastructure Works under Civil Engineering and Development Department)

Enclosure 2 to EC(2008-09)17

TASK	Estimated Cost (\$billion in Dec 08)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Advance works and infrastructure for Cruise Terminal Development (first berth) and Runway Park	0.5												
Infrastructure works at North Apron (phase 1), Housing Sites and Government Offices	1												
Kai Tak Approach Channel and Kwun Tong Typhoon Shelter improvement works	3.5												
Kai Tak Nullah modification works	1												
Infrastructure works at runway and Metro Park	4												
Infrastructure works at North Apron (phase 2)	2												
Trunk Road T2 and infrastructure at South Apron	8												

Legend:  Design  Construction

first berth completion

second berth completion

**Proposed Job Description
Chief Engineer/Kowloon 4**

Rank : Chief Engineer (D1)

Responsible to : Deputy Project Manager (Kowloon)

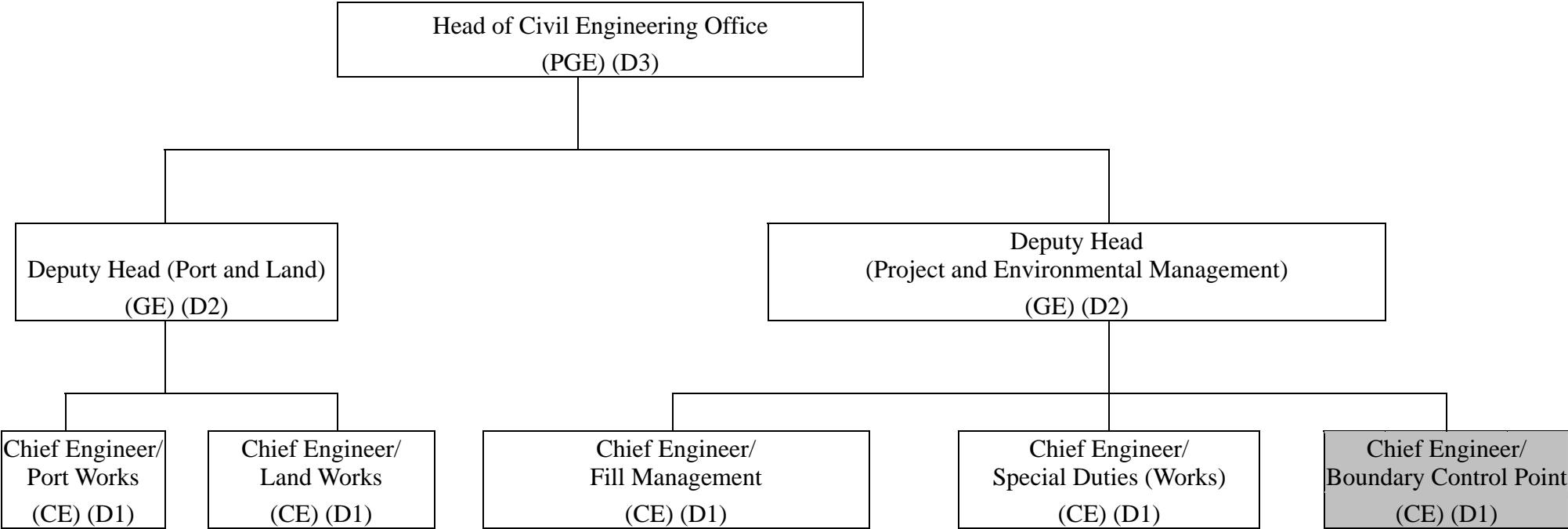
Overall Role and Objectives –

Chief Engineer/Kowloon 4 heads a Division of the Kowloon Development Office and is responsible for the overall administration, planning, design and construction supervision of works packages at the ex-runway and apron areas on the western side of Kai Tak Nullah, including the improvement on Kai Tak Approach Channel, the Kai Tak River and the structural deck at the ex-runway.


Major Duties and Responsibilities –

1. oversee the overall administration, planning, design and construction supervision of works packages under Kai Tak Development, with major focus on the infrastructure development at the ex-runway and apron areas on the western side of Kai Tak Nullah;
2. undertake budgetary control of project;
3. drive for timely achievement of milestone targets, coordinate and oversee timely resolution of interfacing matters with other projects and developments;
4. plan and conduct public engagement/consultation with a view to soliciting public support to project implementation;
5. supervise and ensure that projects are implemented to the quality requirements and within budget;
6. select and manage consultants and contractors; and
7. oversee the work of Senior Engineers under his purview.

**Organisation Chart of the Civil Engineering Office
of the Civil Engineering and Development Department**



Legend

-  Proposed Chief Engineer post
- PGE - Principal Government Engineer
- GE - Government Engineer
- CE - Chief Engineer

**Assignments of CEs in Civil Engineering Office
after the BCP project is taken up by the proposed CE/BCP post**

1. Chief Engineer/Special Duties (Works)

- (a) Planning, design and construction of Development at Anderson Road to provide 20 hectares of platforms for a population of about 48,000
- (b) Capital dredging for Kwai Chung Container Basin and its Approach Channel to remove about 5 million cubic metre of contaminated sediment to provide sufficient water depth for the latest generation cargo container
- (c) Demolition and decontamination works at Kwai Chung Incineration Plant and Kennedy Town Abattoir and Incineration Plant to saw down 4 chimneys of height varying from 35 metre to as high as 150 metre and to decontaminate about 57,000 cubic metre of soil polluted with heavy metals and hydrocarbons.
- (d) Overall control of infrastructural development Phase II at Penny's Bay
- (e) Coordination of government maintenance works in Penny's Bay Development Area
- (f) Implementation of government sewerage improvement works and provide support to Tourism Commission for monitoring of the implementation of Ocean Park Redevelopment

2. Chief Engineer/Fill Management

- (a) Strategic planning and management of construction and demolition materials
- (b) Design and operation of public fill reception facilities including three barging points and two fill banks
- (c) Liaison with State Oceanic Administration for the cross-boundary disposal of inert construction and demolition materials
- (d) Strategic planning and management of marine disposal for contaminated and uncontaminated sediments

/(e)

- (e) Design and operation of mud pits for contaminated sediments
- (f) Controlling the issuance of sand permits to meet the requirements of Ministry of Commerce and the Development Bureau
- (g) Design and operation of construction waste sorting facilities
- (h) Secretariat support to the Public Fill Committee
- (i) Secretariat support to the Marine Fill Committee

3. Chief Engineer/Port Works

- (a) Regular inspection and maintenance of port and marine facilities, including 313 public and ferry piers and landings, 120 km seawalls and breakwaters, 145 kilometres of fairways, anchorage areas and major tidal river channels
- (b) District administration matters, including providing technical advice to other departments on public and private developments relating to port and marine facilities
- (c) Preliminary feasibility study for Container Terminal 10 development
- (d) Planning, design and construction of the following projects:
 - Sai Kung Pier No. 2
 - Tai O slipway
 - Lung Mei artificial beach
 - Lei Yue Mun waterfront enhancement
 - Mui Wo promenade
 - removal of sediments in fish culture zones
- (e) Planning, design and construction of long term measures for replenishing 41 gazetted beaches and computer system to monitor the loss of sand

4. Chief Engineer/Land Works

- (a) Planning, design and construction of urban Greening Master Plans covering 9 urban districts with about 50,000,000 square metre of areas of works

/(b)

- (b) Planning, design and construction of the following projects:
- Development in Area 54, Tuen Mun to provide about 16 hectares of land for a population of about 33,000
 - Ping Ha Road
 - Tin Ha Road and Tan Kwai Tsuen Road
 - District open spaces in Kwai Chung, Sau Mau Ping and Choi Wan Road
 - Site formation works for a school development at Aberdeen Reservoir Road
- (c) Overall control and management of CEDD Term Contract for Minor Works and CEDD Landscape Term Contract

**Proposed Job Description
Chief Engineer/Boundary Control Point**

Rank : Chief Engineer (D1)

Responsible to : Deputy Head (Project and Environmental Management)

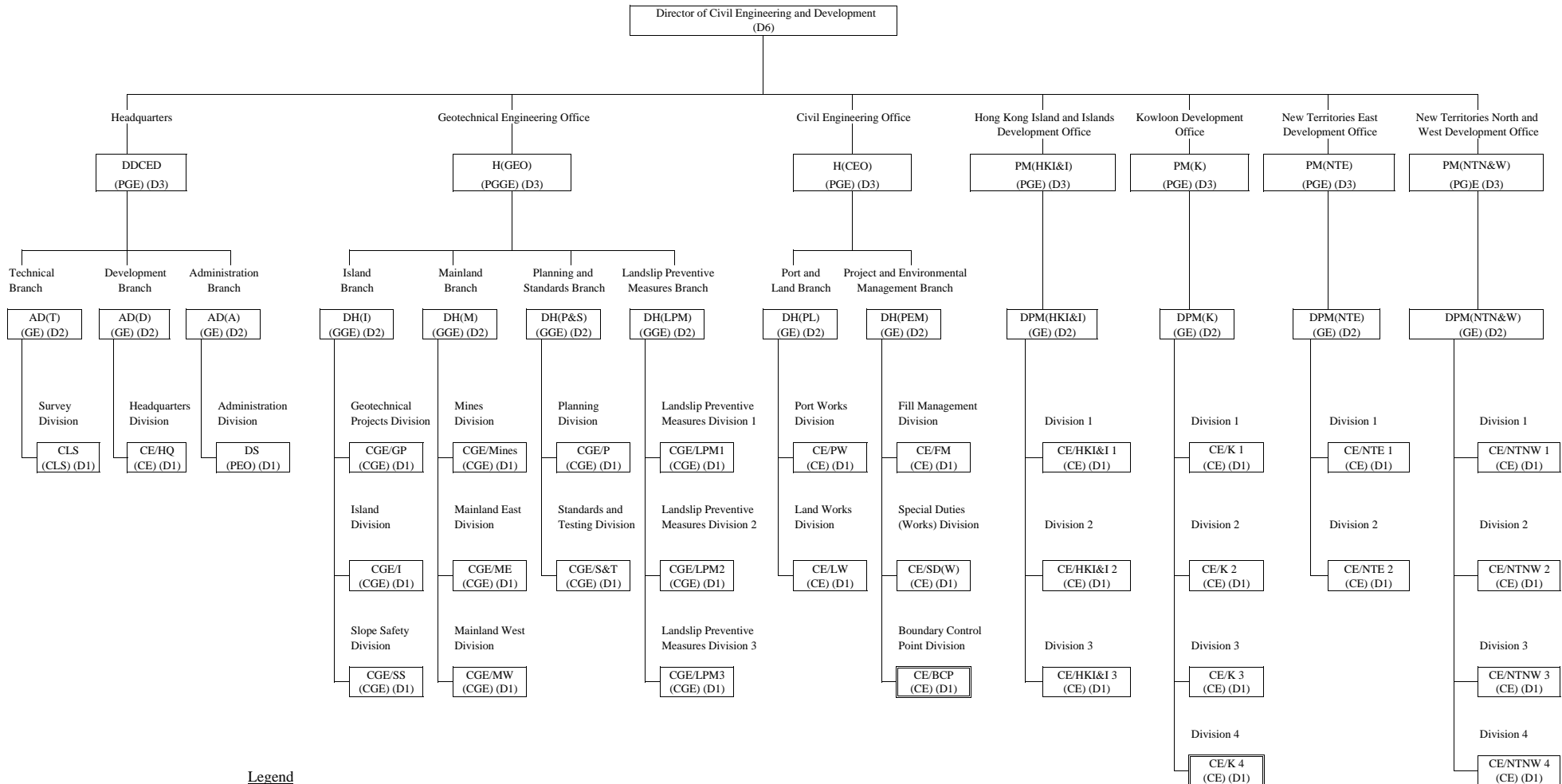
Overall Role and Objectives –

Chief Engineer/Boundary Control Point heads a Division of the Civil Engineering Office and is responsible for the overall administration, planning, design and construction supervision of the Liantang/Heung Yuen Wai Boundary Control Point and Associated Works Project, including the connecting roads, road tunnels, site formation works for the boundary control point and other associated works.

Major Duties and Responsibilities –

1. execute the strategy for delivering the project to meet all requirements and standards;
2. motivate and supervise his subordinates in the planning, design and implementation of the project;
3. consult and coordinate with relevant bureaux and departments in resolving interfacing issues;
4. procure and administer consultancies;
5. engage in cross-border liaison with the relevant Mainland authorities;
6. oversee the implementation of construction works, monitor the construction progress and ensure the works are completed on time, within budget and in compliance with the approved procedures and standards; and
7. oversee the work of Senior Engineers under his purview.

Proposed Organisation Chart of Civil Engineering and Development Department



Legend

AD Assistant Director
 CE Chief Engineer
 CGE Chief Geotechnical Engineer
 CLS Chief Land Surveyor
 DDCEd Deputy Director of Civil Engineering and Development
 DH Deputy Head of Office
 DPM Deputy Project Manager
 DS Departmental Secretary

GE Government Engineer
 GGE Government Geotechnical Engineer
 H Head of Office
 PEO Principal Executive Officer
 PGE Principal Government Engineer
 PGGE Principal Government Geotechnical Engineer
 PM Project Manager

Proposed Chief Engineer Post