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(These minutes have been
seen by the Administration)

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**Public Works Subcommittee of the Finance Committee
of the Legislative Council**

**Minutes of the 4th meeting
held in the Conference Room A of Legislative Council Building
on Monday, 15 December 2008, at 8:30 am**

Members present:

Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP (Chairman)
Hon Alan LEONG Kah-kit, SC (Deputy Chairman)
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon LAU Wong-fat, GBM, GBS, JP
Hon Miriam LAU Kin-yee, GBS, JP
Hon Andrew CHENG Kar-foo
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon Albert CHAN Wai-yip
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat
Hon CHEUNG Hok-ming, SBS, JP
Prof Hon Patrick LAU Sau-shing, SBS, JP
Hon KAM Nai-wai, MH
Hon Cyd HO Sau-lan
Hon Starry LEE Wai-king
Hon CHAN Hak-kan
Hon Paul CHAN Mo-po, MH, JP
Hon Tanya CHAN
Hon WONG Kwok-kin, BBS
Hon WONG Yuk-man
Hon IP Kwok-him, GBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Dr Hon Samson TAM Wai-ho, JP

Member attending:

Hon CHEUNG Man-kwong

Members absent:

Hon Fred LI Wah-ming, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Dr Hon LEUNG Ka-lau

Public officers attending:

Mr Joe C C WONG, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) ³
Mr MAK Chai-kwong, JP	Permanent Secretary for Development (Works)
Mr Raymond YOUNG, JP	Permanent Secretary for Development (Planning and Lands)
Ms Anissa WONG, JP	Permanent Secretary for the Environment
Miss Sandra LAM	Principal Assistant Secretary for Financial Services and the Treasury (Treasury) (Works)
Ms Sharon HO Ho-shuen, JP	Principal Assistant Secretary (Transport) ⁵ , Transport and Housing Bureau
Mr John CHAI Sung-veng, JP	Director of Civil Engineering and Development
Mr Joseph YUNG Cho-leung	Chief Engineer (Land Works), Civil Engineering and Development Department
Mr LEE Yan-ming	Chief Traffic Engineer (New Territories West), Transport Department
Mrs Joanna KWOK	Deputy Project Manager (New Territories East), Civil Engineering and Development Department
Mr David TO Kam-biu	Assistant Commissioner (Planning), Transport Department
Miss Amy YUEN Wai-yin	Principal Assistant Secretary (Planning and Lands) ² , Development Bureau
Mr HON Chi-keung, JP	Project Manager (Hong Kong Island and Islands), Civil Engineering and Development Department
Ms Mable CHAN	Deputy Secretary for Education (2)
Mr Raymond SY Kim-cheung	Principal Assistant Secretary (Infrastructure and Research Support), Education Bureau
Mr CHAN Wing-tak	Chief Technical Adviser (Subvented Projects), Architectural Services Department
Mr Kenneth CHEN Wei-on, JP	Under Secretary for Education
Mr Michael WONG Wai-lun, JP	Deputy Secretary for Education (1)

Miss Amy WONG Pui-man	Principal Assistant Secretary (Higher Education), Education Bureau
Mrs Dorothy MA	Deputy Secretary-General (1), University Grants Committee
Mr Andy LEE Shiu-chuen	Vice-President (Administration) and Secretary, Hong Kong Baptist University
Mr LAM Long-chau	Director of Estates, Hong Kong Baptist University
Professor CHING Pak-chung	Pro-Vice-Chancellor, The Chinese University of Hong Kong
Mr David LIM See-wai	Director of Campus Development, The Chinese University of Hong Kong
Mr MA Wai-kong	Senior Architect (Campus Development Office), The Chinese University of Hong Kong
Mr Peter LAU Ka-keung, JP	Director of Drainage Services
Mr MAK Ka-wai	Chief Engineer (Consultants Management), Drainage Services Department
Mr Elvis AU Wai-kwong, JP	Assistant Director (Water Policy), Environmental Protection Department

Clerk in attendance:

Ms Debbie YAU	Chief Council Secretary (1)6
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Staff in attendance:

Mrs Constance LI	Assistant Secretary General 1
Ms Angel SHEK	Senior Council Secretary (1)1
Ms Alice CHEUNG	Senior Legislative Assistant (1)1
Mr Frankie WOO	Legislative Assistant (1)2

Action

The Chairman informed members that a total of 43 capital works projects of an amount of \$12.255 billion had been endorsed by the Public Works Subcommittee (PWSC) in the 2008-2009 session so far.

Head 707 – New Towns and Urban Area Development
PWSC(2008-09)48 811TH Ping Ha Road improvement—remaining works (Ha Tsuen section)

2. The Chairman advised members that an information paper on the proposal had been circulated to the Panel on Transport on 21 November 2008. The proposal aimed to upgrade the remaining part of 811TH to Category A at an estimated cost of \$137 million in money-of-the-day (MOD) prices for the improvement of the section of Ping Ha Road (PHR) between Sha Chau Lei (SCL)

and Tin Ying Road.

3. Expressing support for the proposal, Mr CHEUNG Hok-ming highlighted the need for early implementation of the proposed improvement works to relieve the traffic congestion at PHR. Referring to Enclosure 1 to PWSC(2008-09)48, he was very concerned that cantilever noise barriers would be constructed along the PHR section far away from residential areas, while vertical noise barriers, which were less effective in mitigating noise impact, would be constructed for the section near the SCL village.

4. The Chief Engineer (Land Works), Civil Engineering and Development Department (CEDD) advised that an environmental review had been conducted for the proposed project in 2005. The consultant engineer had recommended the types of noise barriers to be used along the different sections of PHR based on the actual distance between PHR and the affected areas. Vertical noise barriers would be used for the PHR section facing an open space currently deployed as a container yard, whereas cantilever noise barriers would be constructed for the section near the SCL and an elderly home.

5. Mr CHEUNG Hok-ming pointed out that there was mismatch between the resources allocated for noise barriers and the need of local residents. He cited the case of To Yuen Wai in Tuen Mun and cautioned the Administration to avoid repeating the same mistake in the choice of noise barriers. The Chairman expressed similar concern and said that the Environmental Impact Assessment Ordinance (Cap 499) should be reviewed to ensure that appropriate noise barriers were constructed to reduce the noise impact on residents in the vicinity.

6. The Permanent Secretary for the Environment responded that in conducting environmental reviews, the latest road alignment as well as related traffic projections and population situations in the area concerned would be taken into account when assessing traffic noise impacts on noise sensitive receivers along a new road.

7. The Director of Civil Engineering and Development (DCED) supplemented that the Administration would evaluate the need to reduce traffic noise impacts to levels meeting statutory requirements against the cost-effectiveness of the types of noise barriers used. In the light of Mr CHEUNG Hok-ming's concern, CEDD would review with the consultant the types of noise barriers to be used for PHR.

8. The item was voted on and endorsed.

development of the new Central Harbourfront for two years. Some Panel members had suggested that the Administration should maintain flexibility in the design of the protection works to minimize abortive works. Upon members' request, the Administration had provided further information with detailed explanation on the breakdown of the proposed increase in APE.

Heritage Implications

15. Prof Patrick LAU expressed support for the proposal. Referring to the layout plan of the proposed protection works (Enclosure 1 to PWSC(2008-09)51), he sought confirmation that the alignment of Road P2 (i.e. one of the primary distributor roads under the approved scope of project 343CL) had not yet been finalized. He was eager to ensure that the road alignment would not affect any heritage site in the area, in particular the prospect of re-provisioning the Queen's Pier (QP) in-situ. Sharing the concern, Ms Cyd HO considered that the tentatively proposed site between Central Pier Number 9 and Number 10 was not an ideal place for re-provisioning QP because the frequent boarding and unboarding activities of vessels would deprive QP of a relaxing atmosphere.

16. The Permanent Secretary for Development (Works) (PS(W), DEVB) clarified that the drawing of Road P2 on the layout plan only served as a reference for indicating the location and scope of the proposed protection works. The Project Manager (Hong Kong Island and Islands), CEDD (PM(HK&I), CEDD) advised members that the proposed protection works would not entail any changes to the planned road network at CRIII nor pre-empt any option for re-provisioning QP.

17. The Permanent Secretary (Planning and Lands), Development Bureau explained that the locations for re-assembling QP and re-constructing the old Star Ferry Clock Tower were still being examined in the Urban Design Study for the New Central Harbourfront. He assured members that, if it was resolved in future that QP would be re-provisioned in-situ, the Administration would adjust the alignment of Road P2 where necessary, after consulting relevant parties.

The protection works

18. While supporting the proposal, Mr LEE Wing-tat was worried that the Administration would face legal challenge as the protection works might be considered a part of the construction works for CWB. He reminded the Administration to take forward the proposed works in a cautious manner. Mr KAM Nai-wai expressed similar concern and drew the Administration's attention to the submission tabled at the meeting, which stated that a member of the public had applied for judicial review against the present proposal.

19. PS(W), DEVB said that the Administration had considered the efficiency and risks in taking forward the protection works. The Administration should not presume the occurrence of legal challenges at this stage in the light of an anonymous submission until there was notice of leave granted for a judicial review

in this respect.

20. PM(HK&I), CEDD further explained that the purpose of the protection works was to remove the constraint to developing the new Central waterfront arising from delays of the CWB project. The Administration had sought legal advice and it had been clarified that the protection works did not fall under the ambit of the Roads (Works, Use and Compensation) Ordinance (Cap. 370). As regards authorization of CWB, the Administration had gazetted an amendment to the Trunk Road Scheme on 5 December 2008 deleting the originally proposed temporary breakwater to the north of the Causeway Bay Typhoon Shelter, as it was no longer required after consultation with the users of the Shelter.

21. Mr LEE Wing-tat requested to put on record that the Democratic Party did not fully subscribe to the Administration's view that the proposed works did not constitute a part of the construction works of CWB.

22. Mr WONG Kwok-hing and Mrs Regina IP expressed support for the proposal as it would facilitate earlier implementation of the Trunk Road to alleviate the problem of traffic congestion in Central. The project would also create more job opportunities in the construction sector. However, Mr WONG was concerned that additional costs might be incurred when the top slabs of the protection works had to be removed for building the CWB, and then reconstructed afterwards. He considered that this could be avoided if the protection works were taken forward together with the construction of the tunnel box.

23. PS(W), DEVB advised that the purpose of the protection works was to facilitate future construction of the Bypass and to avoid opening up the ground surface. Similar methods using diaphragm wall were employed to facilitate construction of tunnel boxes of mass transit railways, especially along busy road areas. In this way, it was possible to maintain traffic flow on road surfaces while undertaking underground construction works. Addressing Mrs Regina IP's enquiry, PS(W), DEVB said that the proposed protection works could be handled by local expertise and labour, as this construction method had been used extensively in Hong Kong.

Project estimate and price adjustment

24. Mr LEE Wing-tat enquired whether the estimate for the proposed works had reflected the reduction in labour and material costs following the financial tsunami. PM(HK&I), CEDD advised that the estimate was prepared two months ago and had taken into account the latest financial situation. As indicated in Enclosure 2 to PWSC(2008-09)51, the original APE was made following the rate of forecast price movement based on the Government Economist's forecast of inflation for construction works in June 2002. This rate stayed in the negative region (-1.4% to -1.6%) for the project period from February 2003 to August 2008. A negative provision of \$58.5 million was allowed for in the original APE for price adjustment under such projection. However, given the rapid rise in material prices in the recent years, the provision for price adjustment turned out to be insufficient.

In accordance with the contract price fluctuation (CPF) mechanism applicable to the CRIII contracts and the actual price indices compiled by the Census and Statistics Department, the total payment for CPF under the project had amounted to \$392 million by end October 2008. Upon a review of the financial position of the project, the Administration considered it necessary to increase the APE by \$2,200 million in MOD prices to meet the cost for implementing the protection works and the higher-than-expected price fluctuation payment. PM(HK&I), CEDD said that, as the revised expenditures would be expended in phases from 2008-2009 to 2013-2014, it would be difficult at this stage to predict precisely the movements of construction costs in the years ahead.

25. Ms Miriam LAU expressed support for the proposed protection works and the construction of CWB. She expressed concern about the relatively high costs of \$1.6 billion for the construction of the diaphragm walls, top slab and other structures. She was eager to ensure that the proposed works would be value-for-money. PM(HK&I), CEDD said that the Administration had made reference to relevant projects in drawing up the estimates for the proposed protection works, having regard to the scale of the structures and complexity of underground works which would require a fairly long time for construction.

26. Ms Miriam LAU noted that under the approved project scope under 343CL, land would be provided for the construction of essential transport infrastructures, including the Hong Kong Station extended overrun tunnel and the North Hong Kong Island Line. Ms LAU considered that the Mass Transit Railway Corporation should bear part of the construction costs.

27. DCED and PM(HK&I), CEDD said that the proposed works targeted solely for the CWB. The proposed protection works would not have any relevance to other transport infrastructure projects planned in the vicinity because they were of different alignment and locations.

28. Responding to Mrs Regina IP, PS(W), DEVB said that the contracts of the CRIII project, including the proposed protection works, were subject to the CPF mechanism which allowed for upward or downward adjustment of payment to the contractors in tandem with changes in the material and labour costs.

The new Central Harbourfront

29. Mr LEE Wing-tat urged the Administration to take heed of the suggestions of the Subcommittee on Harbourfront Planning for a continuous waterfront promenade along the Victoria Harbour for public enjoyment. The planning of Roads P1 and P2 should take into account the need to provide more space along the promenade. PS(PL), DEVB responded that the design of these roads, which fell outside the scope of the current proposal, would be considered and discussed separately.

30. The item was voted on and endorsed.

Head 708 – Capital Subventions and Major Systems and Equipment**PWSC(2008-09)52 31EA Redevelopment of St Rose of Lima's School at Embankment Road and Duke Street, Kowloon**

31. The Chairman advised members that the Panel on Education had been consulted on 24 October 2005 on the review of the School Building Programme. Panel members noted the Administration's plan on the redevelopment or re-provisioning of existing schools with sub-standard facilities. Members noted that the present proposal aimed to redevelop St Rose of Lima's School at Embankment Road and Duke Street, Kowloon, at an estimated cost of \$241.9 million in MOD prices.

32. Prof Patrick LAU shared the concerns of some District Councils about the traffic problems caused by school buses near the school premises, particularly during peak hours. In anticipation of the increase in traffic flow brought at the vehicular ingress/egress of the School at Duke Street, he asked about the parking and traffic management measures after redevelopment of the School.

33. The Deputy Secretary for Education (2) (DS(Ed)(2)) advised that there would be a covered parking area on the ground floor under the school assembly hall providing parking spaces for school buses and private cars, and also designated spaces for loading and unloading of passengers. The car park provision was made in accordance with the Hong Kong Planning Standards and Guidelines. In reply to Prof Patrick LAU's further enquiry, DS(Ed)(2) said that in coming up with the current traffic arrangement including the location of the vehicular entrance and access points, the Education Bureau had already consulted the Transport Department and residents in the neighbourhood of the School. An information note on the redevelopment project had also been circulated to members of the Kowloon City District Council (KCDC) and they did not raise any questions on the project.

34. Ms Starry LEE declared that she was a member of KCDC. She asked whether those vacant (or to be vacated) school premises in Kowloon City District could be used for other purposes such as serving as community halls for the district. DS(Ed)(2) responded that such school premises in Kowloon City had been earmarked or considered for school or other education purposes. As regards Ms LEE's request for sharing the school assembly halls for public use, DS(Ed)(2) said that it was Government's policy to encourage schools to open up their school facilities and hire out their school premises to support community services/activities. The School had noted the need of the local community and had agreed in principle to hire out, as far as practicable, the school facilities such as school assembly halls on a full-cost recovery basis.

35. Referring to the artist's impression of the School as shown in Enclosure 2 to PWSC(2008-09)52, Mr Albert CHAN commented that there were insufficient

greening measures, in particular vertical greening, for the School. He urged the Administration to adjust the design to accommodate more greening features within the budget.

36. The Chairman shared Mr CHAN's view and requested the Administration to provide more information on the greening measures for the School. Mr CHEUNG Man-kwong pointed out that because of the small area of the School site and the need to provide sufficient facilities for the students, there was limited room for greening initiatives. He understood that the budget for the school project was rather tight as a relatively higher cost would be incurred for piling works owing to geotechnical complications of the site foundation. Nevertheless, he agreed that more greening features should be provided at the School as far as practicable.

37. DS(Ed)(2) and the Chief Technical Adviser (Subvented Projects), Architectural Services Department responded that the Administration had already incorporated a number of greening features in the project despite the limited size of the School and site constraint. For example, appropriate areas on the main roofs and the terraces would be landscaped for environmental and amenity benefit. In the light of members' concerns, the Administration would adopt more greening measures as far as practicable for the podium and corridors of the School. DS(Ed)(2) also agreed to provide further information, before the relevant meeting of the Finance Committee (FC), on the greening measures, including vertical greening, under the proposed school redevelopment project.

Admin

(Post-meeting note: The information provided by the Administration was circulated to all Members on 6 January 2009 vide LC Paper No. PWSC29/08-09.)

38. The item was voted on and endorsed.

PWSC(2008-09)53 20EH Baptist University Road campus development, Hong Kong Baptist University

39. The Chairman advised members that the Administration had consulted the Panel on Education on the proposal on 10 November 2008. Ms Cyd HO, Chairman of the Panel, reported that Panel members had raised concern about the original and latest estimates of the 12 capital works projects for the University Grants Committee (UGC)-funded institutions to implement the new academic structure, the reasons for the increase in cost and the parties responsible for shouldering the additional costs. Panel members also requested the Administration to provide information on the land sites identified for the construction of additional facilities and buildings for those institutions. The Administration had subsequently provided further information (LC Paper No CB(2)434/08-09) on 5 December 2008 for the Panel's reference. Ms HO further said that members also considered it necessary to adjust the project estimates of

these UGC-funded projects according to the price fluctuation in the past few months, and to delete unnecessary items from the projects. As regards the project of the Baptist University Road campus development, Panel members expressed concern whether the net operational floor area unit cost and the construction floor unit cost per square metre were relatively higher than those for similar developments, and whether there was a need to construct a footbridge over the Baptist University Road to link the three-storey Annex Block with the Main Building.

40. Ms Miriam LAU declared that she was a member of the Council and Court of the Hong Kong Baptist University (HKBU). She expressed support for the project as HKBU needed additional space and facilities to tie in with the implementation of the "3+3+4" academic structure and to meet existing space shortfall. Ms LAU noted that HKBU had been very prudent in deploying public resources for past projects, and she called on members to support the proposed project. While urging HKBU to enhance greening measures for the project, she considered that vertical greening might not be appropriate for this building design.

The footbridge

41. Mr CHEUNG Man-kwong expressed grave concern about HKBU's intention to link up all campus buildings by footbridges as this would inflate the project cost and have implications on public expenditure. He objected to the proposed footbridge because students and visitors should be encouraged to walk and enjoy the greenery environment at the ground level. Mr CHEUNG further said that while HKBU had reduced the project estimate by \$42.2 million in view of the concern raised at the Panel meeting, he considered that there was still room for further downward price adjustment, e.g. by deleting non-essential items such as the footbridge.

42. With the aid of a large campus map, Mr Andy LEE Shiu-chuen, Vice-President (Administration) and Secretary for HKBU, explained the rationale and proposed use of the footbridge. He said that the footbridge did not simply link up the Main Building and the Annex Block but also serve as a connection with the Li Promenade, which was the pedestrian spine of the Shaw Campus, leading further to the Ho Sin Hang Campus. In other words, the footbridge would enhance the flow of staff and students, and facilitate their commutation within the three campuses. The footbridge would also provide barrier-free access for current and future students with disabilities studying at HKBU. Mr LEE said that the new development would be a hub of the student communities, comprising sports facilities, student amenities like canteen, communal area and activities rooms, and smooth linkage between these facilities was conducive to the development of the student communities. Mr LEE informed members that according to an independent consultant engaged by HKBU, the average day-time usage of the footbridge was about 12 000 headcounts per day.

43. Mr CHEUNG Man-kwong referred to the Baptist University Bridge which had been criticized by the Director of Audit for its extremely low usage. He

said that for other local universities, students and staff often commuted from one building to another building at ground level. This would enable them to enjoy the campus environment. Given certain secondary schools of special education had not been provided with the required facilities for the implementation of the "3+3+4" academic structure due to budget constraint, Mr CHEUNG considered that the Government should save on non-essential items in order to make available public resources for other much needed facilities for other sectors in the community.

44. Ms Cyd HO expressed reservation about the need to construct the footbridge over the Baptist University Road, in view of the low average day-time usage of the footbridge, which was estimated as 25 headcounts per minute under an eight-hour schedule. She also considered it inappropriate to adopt the concept of bringing in more people by footbridges in a campus scenario. She said that unlike shopping malls where people flow had to be carefully planned and directed, university students and staff would only visit the designated school buildings on a need basis. She pointed out that public money should be used prudently, particularly at a time of economic downturn.

45. Mrs Regina IP expressed support for building the footbridge as it would provide convenience for staff and students commuting between the three campuses. Ms Starry LEE said that she would respect HKBU's decision to build the footbridge at their own cost. However, she considered that staff and students should also make more use of the gardens at the ground level.

46. The Chairman said that he was a frequent user of footbridges in Central and Wan Chai and these footbridges had provided much convenience to the pedestrians. Mr Abraham SHEK also expressed support for the construction of the footbridge. Noting that the construction cost of the footbridge was estimated to be around \$12 million, Mr SHEK considered that HKBU should be allowed the autonomy to take forward the initiative as the cost was relatively small vis-à-vis the overall project cost of \$945.1 million.

47. Mr KAM Nai-wai declared that he was currently a part-time student of HKBU. According to his observation, very few people used the Baptist University Bridge. He considered that LegCo Members had a duty to ensure the effective use of public resources when considering whether to provide the proposed footbridge. He noticed that for people who needed to pass through the buildings in the Shaw Campus, which were adjacent to the future Annex Block, would usually commute via the 4th floor. It seemed to him that there was no convenient access from Shaw Campus to the ground floor. If it was eventually decided that the proposed footbridge should not be built, consideration had to be given to re-design the Main Building and the Annex Block to improve their connection with the adjacent buildings in the Shaw Campus. Mr Andy LEE Shiu-chuen of HKBU advised that the proposed footbridge would provide convenient access between the 4th floor of the buildings in Shaw Campus and the 2nd floor of the future Main Building which would be on the same level.

Provisions for contingencies and price adjustment

48. Mr CHEUNG Man-kwong expressed concern that the provisions for contingencies and price adjustment set for the project amounted to \$150 million. As the provision for contingencies was worked out in September 2008 before the onset of the financial tsunami, he considered that the provision should now be adjusted downward to reflect the prevailing costs.

49. Under Secretary for Education (USED) advised that the project costs were based on MOD prices which were derived from the Government's latest forecast of trend rate of change in the prices of public sector building and construction output for the period 2008 to 2014. The Deputy Secretary for Education (1) (DS(Ed)(1)) supplemented that HKBU would tender the works through lump-sum contracts for which the tender prices would reflect the latest market situation. The contracts would also provide for price adjustment to reflect market fluctuations in labour and material costs. DS(Ed)(1) further pointed out that the contingencies provision of \$47.9 million for the project was quite moderate as it only represented 6% of the total project estimate.

50. Mr CHEUNG Man-kwong was of the view that the Government should consider lowering the percentage of contingencies provision when the construction costs were decreasing. Although the tender prices would be adjusted to reflect the prevailing market situation, the APE should not deviate too much from the market price as it would inflate the total capital works investment of the Government. In this connection, Ms Starry LEE asked how Government would deal with any unspent provision in the project estimate.

51. PS(W), DEVB clarified that the provision for price adjustment would not form part of the tenders. It was a reserve amount included in the project estimate which would be used only when necessary. Referring to paragraph 11 of PWSC(2008-09)53 on the estimated phased expenditure for the project in the next few years, he said that the price adjustment factor would be reviewed regularly by the Government Economist and updated information would be provided for Members' reference. PS(W), DEVB stressed that the CPF adjustment mechanism allowed the Government to pay for what should be paid, taking into account the prevailing inflation or deflation. He further clarified that the provision in each year under each project would depend on the progress of the project. He assured members that the unspent provisions would be returned to the Centre.

52. Mr CHEUNG Man-kwong referred to the supplementary information paper (Annex A of LC Paper No. CB(2)434/08-09(01)) provided by the Administration at the request of the Panel on Education. Mr CHEUNG considered that the Administration should provide the original estimated cost before September 2008, the projected cost in September 2008 prices and the latest project estimates for each individual projects for the UGC-funded institutions to implement the new academic structure. This would enable members to have a clearer picture on the trend of movement of prices for these projects from planning stage to implementation. USED took note of

Admin Mr CHEUNG's request.

Admin 53. Mrs Regina IP urged that CPF provision should also be incorporated in the contracts for UGC-funded projects as in the case of government projects. DS(Ed)(1) informed members that HKBU and the Chinese University of Hong Kong (CUHK) had already agreed to include such provision in their works contracts. The Administration would, having regard to their experience, encourage other institutions to consider adopting the same practice. Mrs IP requested the Administration to provide progress reports to the Subcommittee on the actual expenditure of the 12 projects for the UGC-funded institutions and the savings achieved through the CPF mechanism.

54. Mr Albert CHAN shared Mr CHEUNG Man-kwong's concern about inflated project estimates. He was worried that the Administration or institutions concerned might make use of any unspent provision under the project estimates to procure other items. To enable Members to monitor the use of approved provisions, he requested the Administration to provide information on the actual tender price if it was significantly below the APE (say by 20% to 30%) and whether any additional items had been added to the project.

55. PS(W), DEVB advised that the Administration had to seek PWSC's endorsement and FC's approval for any revision to project scope. The contingencies provisions would only be allowed for fine-tuning individual items within the approved project scope. The provision for price adjustment would not be used unless there was an upward adjustment in the material and labour costs.

56. Mr Albert CHAN considered that any unused provision should be returned to the Centre for other use once the tender price for the approved project was known to be lower than the APE, instead of after the completion of the project works. PS(W), DEVB advised that funding for other projects in the pipeline would not be adversely affected as the unspent allocation would still be within the Capital Works Reserve Fund (CWRF). He would be happy to further explain to individual members after the meeting the current funding arrangements for capital works under the CWRF.

57. The Chairman said that it was an established practice to set aside about 5% - 10% of the project costs as contingencies to meet unforeseeable expenditures, such as expenses related to complicated foundation works. Mr Andy LEE Shiu-chuen of HKBU noted that there were complications associated with the piling of the foundation which was close to the MTR tunnel, and considered the present level of contingencies reasonable.

Conversion of multi-purpose room

58. Mr CHEUNG Man-kwong referred to the submission of HKBU Student Union tabled at the meeting, which urged HKBU to, inter alia, put on hold the conversion of the multi-purpose room at Fong Shu Chuen Library to learning commons. He said that as the President of HKBU Student Union was only one of

the 34 members in the Council of HKBU, the students might not be able to secure enough support to stop the conversion works.

59. Mr Andy LEE Shiu-chuen of HKBU advised that the multi-purpose room in question was located in Ho Sin Hang Campus and did not have a direct bearing on the present proposal. To provide a base point for HKBU to move forward and meet the needs of future developments, HKBU had embarked on the campus master plan and consulted staff and students through briefing sessions and focus group meetings held in October and November 2008. At the Campus Development and Facilities Management Committee (CDFMC) meeting recently held, the general direction of the campus master plan was endorsed. Further consultation had to be conducted on the details, including whether the multi-purpose room at Fong Shu Chuen Library should be converted to learning commons (if so, the multi-purpose room would be re-provisioned within the Ho Sin Hang Campus). Mr LEE stressed that after the implementation of campus master plan, the net operational floor area for student activities purpose would increase by 19.6%. He assured members that the University administration would continue to discuss with HKBU student bodies and the conversion works of Fong Shu Chuen Library would be taken forward if the students agreed.

60. The item was voted on and endorsed. Mr CHEUNG Man-kwong requested to put on record that Members belonging to the Democratic Party abstained.

PWSC(2008-09)54 49EF Student amenity centre, The Chinese University of Hong Kong

61. The Chairman advised members that an information paper on the proposal had been circulated to the Panel on Education on 4 November 2008.

62. Mr WONG Yuk-man and Mr CHAN Hak-kan declared that they were members of the Council of CUHK.

63. Mr WONG Yuk-man noted that the proposed project would involve the removal and transplantation of trees. He referred to the home letter dated 21 February 2008 by Professor Lawrence LAU, Vice-Chancellor of CUHK that the University would endeavour to, inter alia, preserve each and every tree in the Campus. As such, Mr WONG was concerned about the trees currently located at the project site, in particular the rare species such as *Aquilaria Sinensis* and *Rhodoleia Championii* which were protected under the Protection of Endangered Species of Animals and Plants Ordinance (Cap. 586) and the Forests and the Countryside Ordinance (Cap. 96) respectively. Mr WONG cautioned that the survival rate of these species after transplanting was fairly low.

64. Prof P C CHING, Pro-Vice-Chancellor of CUHK advised that all along, CUHK had been very concerned about preserving the unique campus environment of the University and conserving trees. To achieve the purpose, CUHK had

established a few years ago the Campus Landscape Enhancement Committee (CLEC) which comprised external experts on plant conservation, academic staff familiar with the subject and student representatives. As the project site would affect five "important trees", the project team had consulted the CLEC. At its advice, the Project Architect had re-engineered the design of the proposed student amenity centre in order to retain two *Aquilaria Sinensis*, one of which was located in the existing carpark next to the Chung Chi Tang and was very popular among students and staff. As the other three "important trees" were located within the footprint of the future building block, they had to be transplanted. According to the CLEC, their survival rate after transplanting would be higher if due care was exercised in the transplantation process. Prof CHING further said that it was CUHK's policy to over-compensate for the removal of trees. For example, to compensate for the removal of 66 common trees under the proposed project, CUHK would incorporate a planting proposal, including an estimated quantity of 89 trees, as part of the project.

65. Mr CHAN Hak-kan expressed support for the project. However, he noted that there were some negative comments on the recently commissioned Science Building overlooking the Tolo Highway that the Building was too colourful. He called on the University to consult staff and students extensively on the design of the student amenity centre and make sure that the outlook of the building would blend in well with the surrounding buildings. As the project site was close to the staff and student hostels of Chung Chi College, the University should maintain dialogue with the residents during the construction process.

66. Prof P C CHING of CUHK responded that the University had consulted its staff and students on the proposal on various occasions including student assemblies, Campus Master Plan engagement meetings and forums, and via the management committees of the student activity centres. As the new student amenity centre would be located in the Chung Chi Campus, the senior management of the Chung Chi College had briefed its staff and students in detail on the project scope and nature.

67. Mr Abraham SHEK was concerned about the relatively high consultants' fees of \$0.4 million for tender assessment for the proposed student amenity centre. The Administration agreed to provide further information before the relevant FC meeting, on the fee level in this regard.

Admin

(Post-meeting note: The information provided by the Administration was circulated to all Members on 6 January 2009 vide LC Paper No. PWSC30/08-09.)

68. Mr CHEUNG Man-kwong suggested that the Administration should brief the Panel on Education on each of the 12 UGC-funded projects at Panel meetings. The Administration noted the suggestion.

Admin

69. The item was voted on and endorsed.

Head 704 – Drainage

**PWSC(2008-09)47 344DS Upgrading of Central and East Kowloon
sewerage—packages 1 to 4**

70. The Chairman advised members that the Panel on Environmental Affairs had been consulted at the meeting on 23 June 2008 on the proposal to upgrade part of Central and East Kowloon sewerage to Category A at an estimated cost of \$304.7 million in MOD prices. Panel members generally supported the proposal. However, they expressed concern that the additional sewage being collected would have impact on the design capacity of the existing sewerage system, and about the traffic impact arising from the construction works of the sewerage project which would span over a period of three and a half years. Panel members also suggested that the Administration should take the opportunity to improve the existing drainage system.

71. The item was voted on and endorsed.

72. The meeting ended at 10:45 am.

Council Business Division 1
Legislative Council Secretariat
8 January 2009