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

**Minutes of the 21st meeting
held in Conference Room 1 of the Legislative Council Complex
on Wednesday, 20 May 2015, at 8:30 am**

Members present:

Hon Alan LEONG Kah-kit, SC (Chairman)
Hon WU Chi-wai, MH (Deputy Chairman)
Hon LEE Cheuk-yan
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon LEUNG Yiu-chung
Hon Emily LAU Wai-hing, JP
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, GBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon WONG Kwok-hing, BBS, MH
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN
Hon CHAN Hak-kan, JP
Hon CHAN Kin-por, BBS, JP
Dr Hon LEUNG Ka-lau
Hon IP Kwok-him, GBS, JP
Hon Albert CHAN Wai-yip
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin
Hon Frankie YICK Chi-ming
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen

Hon CHAN Han-pan, JP
Dr Hon Kenneth CHAN Ka-lok
Hon CHAN Yuen-han, SBS, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, JP
Dr Hon KWOK Ka-ki
Hon Christopher CHEUNG Wah-fung, SBS, JP
Hon SIN Chung-kai, SBS, JP
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Dr Hon CHIANG Lai-wan, JP
Ir Dr Hon LO Wai-kiwok, BBS, MH, JP
Hon Christopher CHUNG Shu-kun, BBS, MH, JP
Hon Tony TSE Wai-chuen, BBS

Members absent:

Hon Albert HO Chun-yan
Hon Ronny TONG Ka-wah, SC
Hon Cyd HO Sau-lan, JP
Hon CHEUNG Kwok-che
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon Gary FAN Kwok-wai
Hon Dennis KWOK
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Elizabeth QUAT, JP

Public officers attending:

Mr YEUNG Tak-keung, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) ³
Mr HON Chi-keung, JP	Permanent Secretary for Development (Works)
Mr Thomas CHOW Tat-ming, JP	Permanent Secretary for Development (Planning and Lands)
Ms Anissa WONG, JP	Permanent Secretary for the Environment

Ms Jasmine CHOI Suet-yung	Principal Assistant Secretary for Financial Services and the Treasury (Treasury) (Works)
Mr Frankie LUI Kin-fun	Principal Assistant Secretary for Financial Services and the Treasury (Treasury) (E)
Mr LEUNG Koon-kee	Director of Architectural Services
Mr Frank WONG Tak-choi	Project Director (1) Architectural Services Department
Mr Alan SIU Yu-bun	Government Property Administrator
Mr LAM Chik-man	Chief Property Manager (Acquisition, Allocation and Disposal) Government Property Agency
Professor Sophia CHAN Siu-chee	Under Secretary for Food and Health
Miss Diane WONG Shuk-han	Principal Assistant Secretary for Food and Health (Food)2
Mrs Alice YU NG Ka-chun	Project Director (3) Architectural Services Department
Mr CHAN Hon-kwong	Assistant Director (Operations)2 (Acting) Food and Environmental Hygiene Department
Mr David CHOI Sio-veng	Principal Executive Officer (Staff Management and Discipline) Food and Environmental Hygiene Department
Mr Matthew TANG Man-fung	Government Transport Manager Food and Environmental Hygiene Department
Mr Lawrence CHAU Yat-cheung	District Planning Officer (Tsuen Wan and West Kowloon) Planning Department

Ms Christine LOH Kung-wai	Under Secretary for the Environment
Mr CHEN Che-kong	Assistant Director (Environmental Infrastructure) (Acting) Environmental Protection Department
Mr Davie KAN Chung-tak	Principal Environmental Protection Officer (Special Waste and Landfill Restoration) (Acting) Environmental Protection Department
Mr Daniel CHUNG Kum-wah	Director of Civil Engineering and Development
Mr Robin LEE Kui-biu	Deputy Head of Civil Engineering Office (Port and Land) Civil Engineering and Development Department
Mr Anthony YUEN Woo-kok	Chief Engineer (Land Works) (Acting) Civil Engineering and Development Department
Mr Patrick LUK Kwong-wai	Chief Architect (1) Housing Department
Mr Enoch LAM Tin-sing	Director of Water Supplies
Mr LEUNG Wing-lim	Assistant Director (New Works) Water Supplies Department

Clerk in attendance:

Ms Sharon CHUNG	Chief Council Secretary (1)2
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Staff in attendance:

Ms Anita SIT	Assistant Secretary General 1
Mr Fred PANG	Senior Council Secretary (1)2
Mr Raymond CHOW	Senior Council Secretary (1)6
Miss Sharon LO	Senior Council Secretary (1)9

Ms Christina SHIU	Legislative Assistant (1)2
Ms Christy YAU	Legislative Assistant (1)7
Ms Haley CHEUNG	Legislative Assistant (1)9

Action

The Chairman advised that there were six items on the agenda for the meeting. All of them were those carried over from the previous meeting of the Subcommittee on 13 May 2015. He reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of the Legislative Council, they should disclose the nature of any direct or indirect pecuniary interests relating to the funding proposals under discussion at the meeting before they spoke on the item. He also drew members' attention to Rule 84 of RoP on voting in case of direct pecuniary interest.

Head 703 – Buildings

PWSC(2015-16)12 74KA Construction of West Kowloon Government Offices

2. The Chairman advised that the proposal, i.e. PWSC(2015-16)12, was to upgrade 74KA to Category A at an estimated cost of \$4,742.5 million in money-of-the-day ("MOD") prices for the construction of West Kowloon Government Offices ("WKGO"). The Subcommittee had commenced deliberation on the proposal at the meetings on 6 and 13 May 2015. At the meeting on 13 May 2015, a motion moved by Dr Helena WONG under Paragraph 33 of the Public Works Subcommittee Procedure to adjourn the discussion on the item had been negatived. The supplementary information provided by the Administration on the item had been issued to members vide LC Paper No. PWSC177/14-15(01) and LC Paper No. PWSC182/14-15(01) on 11 and 19 May 2015 respectively.

Provision of car parking spaces in the proposed West Kowloon Government Offices

3. Mr James TO and Mr IP Kwok-him welcomed the Administration's latest proposal of providing an additional 50 open air parking spaces at the ground level of the proposed WKGO on top of the original provision of 92 underground parking spaces (paragraph (6) of LC Paper No. PWSC182/14-15(01)). Mr TO enquired whether the number of the open air parking spaces to be provided could be doubled by the adoption of a double-deck parking system. Mr IP remarked that he had great reservation

on providing an additional level of basement carpark, of which the construction cost would be higher than that of a carpark above ground.

4. Principal Assistant Secretary for Financial Services and the Treasury (Treasury) (E) ("PAS(Tsy)E/FSTB") advised that the Administration would review the traffic conditions and the demand for parking spaces in the district after the commissioning of WKGO. If there were insufficient parking spaces, the Administration would explore ways to address the shortfall, including studying the feasibility of adopting a double-deck parking system in WKGO.

Pedestrian accessibility

5. Regarding the accessibility of the proposed WKGO for pedestrians, Ir Dr LO Wai-kwok enquired whether the Administration would work out measures, such as providing covered walkways, to connect the building with the nearest Mass Transit Railway ("MTR") stations.

6. PAS(Tsy)E/FSTB responded that the Transport Department had studied the proposal for a covered walkway, and found that the projected pedestrian flow between WKGO and the nearest MTR stations in 2023 (i.e. taking into account the intakes following the commissioning of WKGO and the completion of a number of committed developments in the area) would not meet the minimum pedestrian flow requirement set for such facilities. The provision of a covered walkway would therefore not be considered. That said, the Administration would closely monitor the pedestrian flow and traffic conditions after the commissioning of WKGO and introduce appropriate measures as and when necessary to improve the accessibility and connectivity of WKGO. In this connection, he pointed out that the Administration had plans to provide lifts at the footbridge across Ferry Street and Waterloo Road (which was on the pedestrian route from the Yau Ma Tei MTR station to WKGO) shortly to improve WKGO's accessibility.

Facilities to be provided in the proposed West Kowloon Government Offices

7. Mr James TO enquired whether special facilities similar to the mirrored dance studio in the new Civil Aviation Department headquarters would be provided in the proposed WKGO. Government Property Administrator advised that WKGO was developed for the reprovisioning of government offices, and hence the facilities to be provided would be basic, durable and functional. No special amenities facilities would be provided.

8. There being no further questions from members on the item, the Chairman put the item to vote.
9. The item was voted on and endorsed.

Head 703 – Buildings

**PWSC(2015-16)4 182GK Reprovisioning of Food and
Environmental Hygiene Department
Sai Yee Street Environmental Hygiene
offices-cum-vehicle depot at Yen Ming
Road, West Kowloon Reclamation Area**

10. The Chairman said that the proposal, i.e. PWSC(2015-16)4, was to upgrade 182GK to Category A at an estimated cost of \$1,549.9 million in MOD prices. The Panel on Food Safety and Environmental Hygiene had been consulted on the proposal on 11 November 2014 and Panel members in general supported the submission of the proposal to the Subcommittee for consideration. At the request of the Panel, the Administration had provided supplementary information on the proposal on 26 February 2015. A report on the gist of the Panel's discussion had been tabled at the meeting.
11. At the invitation of the Chairman, Under Secretary for Food and Health ("USFH") briefed members on the proposal.

Selection of the Yen Ming Road site

12. Mr James TO expressed objection to the selection of the site at Yen Ming Road, West Kowloon Reclamation Area ("the Yen Ming Road site"), for the reprovisioning of the Environmental Hygiene offices-cum-vehicle depot of the Food and Environmental Hygiene Department ("FEHD") currently located at Sai Yee Street ("the Premises"). Mr TO considered that the Yen Ming Road site, being located in the waterfront areas and conveniently connected to an MTR station, should be reserved for other uses, rather than the reprovisioning of the Premises, in particular the vehicle depot (for the parking of FEHD vehicles serving districts in West Kowloon). In his opinion, the Environmental Hygiene Offices and the vehicle depot could be separately reprovisioned in two different sites and the depot should be relocated to a site farther away from the residential areas in the Yau Tsim Mong ("YTM") and Sham Shui Po ("SSP") districts. He commented that the Administration had not put enough efforts in sourcing alternative sites for reprovisioning the Premises.

13. USFH advised that the Yen Ming Road site was about 145 metres from the waterfront, and with the low-rise Premises and its design features, the existing breezeway could be maintained. The site was surrounded by the West Kowloon Highway, an electricity substation, godowns, cargo working areas and the Cheung Sha Wan Wholesale Food Market. It was not a suitable site for residential development. The Administration had considered a number of alternative sites within/outside YTM and SSP districts for reprovisioning the Premises, but these sites were either too small in scale or physically closer to residential developments than the Yen Ming Road site, and all were with earmarked uses. Moreover, relocating the vehicle depot separately to another district might result in unnecessary and non-productive mileage and inefficiency in deployment of manpower and resources. Furthermore, it would be more difficult to gain another district's acceptance of a vehicle depot for parking vehicles that served mainly YTM or SSP districts every day.

14. Permanent Secretary for Development (Planning and Lands) ("PS/DEV(P&L)") supplemented that the Yen Ming Road site was only suitable for low-density development, taking into consideration that the plot ratios of the surrounding developments were only 0.15 to 1.89. Moreover, the Yen Ming Road site was situated within the southwest breezeway, and hence developing high-rise buildings at the site would not be recommended. He further advised that, due to the air ventilation consideration, the Architectural Services Department had been advised that the first and second car parking floors of the new building at the proposed site should be specially designed to be permeable to allow wind to travel through the site towards Nam Cheong Park and other areas inland.

15. Mr Albert CHAN shared Mr TO's concern on the use of the site and considered it a planning blunder to reprovision the Premises at the Yen Ming Road site. He added that whether air ventilation would be blocked rested not only on the height but also the width of a building. He questioned why the Town Planning Board would have approved the development of high-rise buildings in the waterfront areas in Mei Foo, Hung Hom and Tsuen Wan (near the Tsuen Wan West Station).

16. PS/DEV(P&L) responded that air ventilation assessments had been conducted for the development in Tsuen Wan. The Tsuen Wan District Council had been consulted on the development. The distance between the buildings was extended as a result.

17. Mr Albert CHAN was dissatisfied with the Administration's response. He requested the Administration to provide information on a comparison between the air ventilation considerations adopted for (a) the site at Yen Ming Road for the reprovisioning of the Premises and (b) the Tsuen Wan West Station residential development near the waterfront.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. PWSC201/14-15(01) on 8 June 2015.)

18. Mr WU Chi-wai suggested that PS/DEV(P&L)'s remarks be recorded in the form of a verbatim transcript. The Chairman requested the Administration to provide supplementary information on air ventilation considerations for the planning of residential developments at waterfront areas.

19. There being no further questions from members on the item, the Chairman put the item to vote.

20. The item was voted on and endorsed. The Chairman consulted members on whether the item would require separate discussion and voting at the relevant meeting of Finance Committee ("FC"). Ms Emily LAU suggested that members might consider requiring separate discussion and voting for the item at the relevant meeting of FC after studying the supplementary information to be provided by the Administration. Members agreed to Ms LAU's suggestion.

Head 705 – Civil Engineering

PWSC(2015-16)13 233DS Sludge treatment facilities

21. The Chairman advised that the proposal, i.e. PWSC(2015-16)13, was to increase the approved project estimate ("APE") of 233DS by \$209.9 million from \$5,154.4 million to \$5,364.3 million in MOD prices. The Panel on Environmental Affairs had been consulted on the proposal on 15 December 2014. Panel members in general supported the submission of the proposal to the Subcommittee for consideration. The Administration had provided supplementary information on the proposal to Panel members on 6 March 2015. A report on the gist of the Panel's discussion had been tabled at the meeting.

22. At the invitation of the Chairman, Under Secretary for the Environment ("USEN") briefed members on the proposal.

Operation of the sludge treatment facility

23. Mr TAM Yiu-chung asked if the commissioning of the first phase of the sludge treatment facility ("STF") had been delayed. USEN advised that the first phase of the construction works of the STF had been delayed for about one year but it had commenced operation recently. The second phase was expected to be completed earlier than the original schedule of 2017.

24. Mr TAM Yiu-chung and Ms Emily LAU enquired how the Administration could ensure the treatment of sludge in the STF would meet the prescribed standards in terms of pollutant emission. Assistant Director (Environmental Infrastructure) (Acting), Environmental Protection Department ("AD(EI)/EPD(Atg)") responded that stringent emission control, including a 24-hour continuous monitoring system, was adopted to ensure that the emission from the STF could meet the prescribed standards. If any abnormal emission was detected, the contractor would stop the sludge incineration immediately to fine-tune the operation process.

25. Ir Dr LO Wai-kwok expressed support for the proposal. He opined that the operation of the STF, with its adoption of modern technology, would have no problem in meeting the prescribed standards after some warm-up and fine-tuning. In response to Ir Dr LO's enquiry about whether all the tendering exercises for the contracts under the STF project had been completed, AD(EI)/EPD(Atg) advised that the entire STF project was under one single design-build-operate contract and no further tendering exercise would be needed.

Increase in the approved project estimate

26. Mr Albert CHAN said that the prices of some construction materials had dropped substantially in the past year. He sought explanation for requesting additional funds for price adjustment. He questioned if the actual project cost would be lower than the latest project estimate and hence the additional fund of \$209.9 million requested might not be necessary when the project was completed in 2017.

27. AD(EI)/EPD(Atg) advised that project price adjustment was made on a cumulative basis. Therefore, the actual increases in labour wages and construction material prices in the past years, which were higher than expected, would also have an impact on the remaining project cost not yet paid. In addition, based on the Government's assumptions on the trend of the prices of public sector building and construction output, it was estimated that the remaining project cost would increase further by 6% per annum in 2015 and 2016. In response to Mr Albert Chan's further question,

AD(EI)/EPD(Atg) advised that when the paper was submitted to the Panel on Environmental Affairs in December 2014, the forecast price adjustment factor for 2014 was 6%, while the actual figure subsequently compiled was 4.9%.

28. AD(EI)/EPD(Atg) further explained that out of the original project contingencies provision (i.e. \$428.7 million), an amount of \$117.6 million would be released to partly offset the increase in price adjustment of \$327.5 million, and \$200 million would need to be maintained to meet the costs arising from claims and unforeseeable circumstances during the finalization of the project. The Administration was seeking an additional fund of \$209.9 million to meet the shortfall.

29. In response to Mr Albert CHAN's suggestion about conducting a review on the price adjustment factors based on the latest materials prices, Deputy Secretary for Financial Services and the Treasury (Treasury)³ advised that the Financial Services and the Treasury Bureau together with the Government Economist reviewed the factors on a half-yearly basis. Regular updates were provided to the Subcommittee for reference on the latest set of price adjustment factors.

Visit to the sludge treatment facilities

30. Mr TAM Yiu-chung and Ms Emily LAU asked whether a site visit to the STF would be arranged for members to gain first-hand information about the construction and operation of the facilities. AD(EI)/EPD(Atg) replied that the Administration would make the necessary arrangements.

(Post-meeting note: The visit was scheduled for 27 June 2015. Members were informed about the arrangements vide LC Paper No. PWSC193/14-15 on 3 June 2015.)

31. There being no further questions from members on the item, the Chairman put the item to vote.

32. The item was voted on and endorsed.

Head 707 – New Towns and Urban Area Development

**PWSC(2015-16)10 666CL Formation, roads and drains in Area 54,
Tuen Mun – phase 1**

**681CL Formation, roads and drains in Area 54,
Tuen Mun – phase 2**

Head 709 – Waterworks**PWSC(2015-16)11 99WC Water supply to Northwestern Tuen Mun**

33. The Chairman said that the proposals in PWSC(2015-16)10 and PWSC(2015-16)11 were all related to infrastructure developments serving the planned public housing and government, institution or community developments in Area 54 of Tuen Mun ("Area 54"). He suggested that the discussions on the two items be combined but the items be voted on separately. Members agreed to the Chairman's suggestion.

34. The Chairman advised that the proposals in PWSC(2015-16)10 were to upgrade part of 666CL and 681CL to Category A at estimated costs of \$493.4 million and \$553.1 million respectively in MOD prices to carry out site formation and associated infrastructure works to serve the proposed developments in Area 54. The proposal in PWSC(2015-16)11 was to upgrade part of 99WC to Category A at an estimated cost of \$87.7 million in MOD prices for laying water mains to provide fresh and salt water supplies to the proposed developments in the same area. The Panel on Development had been consulted on these proposals on 24 February 2015 and Panel members supported the submission of the proposals to the Subcommittee for consideration. At the request of the Panel, the Administration had provided supplementary information on the proposals on 1 April 2015. A report on the gist of the Panel's discussion had been tabled at the meeting.

35. At the invitation of the Chairman, Director of Civil Engineering and Development ("DCED") and Director of Water Supplies ("DWS") briefed members on the proposals.

Provision of transport facilities in Area 54 of Tuen Mun

36. Mr TAM Yiu-chung raised concern on the adequacy of ancillary facilities, in particular transport facilities, to be provided in Area 54 to tie in with the proposed public housing developments therein. He urged the Administration to ensure that the capacities of the transport systems in Tuen Mun, including Area 54, would be enhanced to cope with future traffic demand.

37. DCED advised that the Administration had conducted a traffic impact assessment for the proposed development projects in Area 54. It was anticipated that the residents in Area 54 would be served by buses and minibuses. The Transport Department ("TD") had also reviewed the future transport needs in Tuen Mun and considered that, after the widening of Tuen Mun Road was completed, the road systems in Tuen Mun could well cope with the traffic demand up to 2026. He added that the MTR Corporation

Limited would keep monitoring the transport needs in Tuen Mun and adjust the capacities of the train services when necessary. DCED undertook to convey Mr TAM's views to TD.

38. Mr Albert CHAN commented that traffic congestion and accidents would likely occur at the two roundabouts near the proposed housing sites (i.e. Site 1&1A). He also suggested that separate gateways for public buses and private cars be provided for the public housing development at Site 1&1A to divert traffic flows and reduce traffic accidents. Mr CHAN further asked if the Administration had any plan to construct an alternative access road for the public housing development. DCED took note of Mr CHAN's views and advised that the design of the roads in Area 54 complied with the relevant requirements.

39. Ms Emily LAU sought explanation from the Administration on why the cycle track in Area 54 was divided into disconnected sections and the track was not connected to other areas of Tuen Mun. DCED explained that the cycle track was divided into sections by the road junctions (such as the road junction of L54A and L54D). He advised that the cycle track, starting at Site 1&1A, would reach Po Tin Estate and Site 2 near Siu Hong Court. Parking areas for bicycles would be provided in Site 2, which was within walking distance to the Siu Hong West Rail/Light Rail station.

40. Ms Emily LAU requested the Administration to provide a map showing the proposed alignment of the cycle track (covering various sites), the locations of the parking area(s) for bicycles in Site 2 and the nearest West Rail/Light Rail station.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. PWSC203/14-15(01) on 9 June 2015.)

Provision of noise barriers

41. Ir Dr LO Wai-kwok expressed support for the proposals as well as the proposed public housing developments in Area 54. Ir Dr LO declared that he was a member of the Hong Kong Housing Authority but he did not have any direct or indirect pecuniary interests relating to the funding proposals. He enquired about the reasons for constructing only the foundation of noise barriers (but not the noise barriers panels) along a section of Road L54A adjacent to a planned school site. He was concerned that the installation of the noise barrier panels, to be undertaken at some time after the completion of the foundation, might affect the traffic of the concerned area.

42. Ir Dr LO Wai-kwok and Dr Helena WONG enquired about the Administration's policy on providing noise barriers for non-residential buildings, including schools. They noted that in some cases, such as the project to retrofit noise barriers on Tuen Mun Road discussed by the Subcommittee in January 2015, noise barriers were not provided along a section of a road adjacent to a school, and other noise mitigation measures like the installation of double-glazed windows were taken for the school.

43. Permanent Secretary for the Environment responded that for the cases of retrofitting of noise barriers, where works were carried out on an existing road with buildings around, normally the Administration would not install noise barriers along a road section adjacent to a school because appropriate mitigation measures (like the installation of double-glazed windows) were already in place for the school. However, for the construction of new public roads, noise mitigation measures, including the provision of noise barriers, would be adopted in accordance with the recommendations of the relevant environmental assessment if significant environmental impacts were anticipated.

44. DCED explained that the development programme of the planned school site mentioned by Ir Dr LO was uncertain. If noise barriers were installed along the road section adjacent to the site, the site formation works might be affected.

Impact on trees

45. Dr KWOK Ka-ki noted that 1 887 trees within the project boundary would be felled. He enquired whether consideration had been given to transplanting some of these trees. DCED responded that the trees to be felled were densely planted and of poor health condition. To provide sufficient space for the public housing development, these trees had to be removed. The Administration would incorporate planting proposals as part of the proposed works with a view to providing about 30% green coverage in Area 54.

46. Dr KWOK Ka-ki requested the Administration to provide supplementary information about the types of trees that would be planted in the development sites, and how the planting and management of the trees would be coordinated among various departments.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. PWSC203/14-15 (01) on 9 June 2015.)

Heritage implications

47. Dr Helena WONG noted that the proposed works sites covered the sites of archaeological interest at Siu Hang Tsuen and Kei Lun Wai. She enquired about the findings of the relevant archaeological investigation and the measures to be taken by the Administration in case of discovery of antiquities or supposed antiquities during the course of construction works.

48. DCED replied that archaeological investigation had been conducted at the proposed works sites and so far no significant archaeological remains had been discovered. As a precautionary measure, the relevant works contracts for the proposed projects would include requirements for the contractors to inform the Antiquities and Monuments Office ("AMO") in case of discovery of antiquities or supposed antiquities and to seek agreement from AMO on the required follow-up actions. Chief Engineer (Land Works) (Acting), Civil Engineering and Development Department supplemented that only a few blue-and-white porcelain shreds and no relics of significant archaeological value had been discovered in Siu Hang Tsuen and Kei Lun Wai.

49. Dr Helena WONG requested the Administration to provide supplementary information about what made Siu Hang Tsuen and Kei Lun Wai "Sites of Archaeological Interest", including the relics discovered at the sites in the past and the Administration's assessment on whether any archaeological remains would be discovered during the implementation of the construction works.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. PWSC203/14-15(01) on 9 June 2015.)

New Engineering Contract form

50. Dr KWOK Ka-ki expressed concern on possible cost overrun for the proposed projects. He enquired how the Administration, by adopting the New Engineering Contract ("NEC") form for these projects, would manage/mitigate project risks and prevent cost overrun. The Chairman asked whether the NEC form had been adopted for other public works projects.

51. DCED replied that under the contract provisions of NEC, the contracting parties were required to provide early warning notification to each other as soon as a risk was identified, such as those which might increase the construction cost and/or delay the contract completion. As the

NEC form put in place the early warning mechanism, the risk of cost overrun would be reduced.

52. Permanent Secretary for Development (Works) advised that the Administration had adopted the NEC form in 19 pilot projects since 2009. Construction works of three of the pilot projects were completed and there was saving in one of the contracts. He added that the NEC form was first developed in the United Kingdom and had been used in many overseas countries with proven results in project management.

Admin

53. The Chairman and Dr KWOK Ka-ki further requested the Administration to provide information to the Subcommittee, in due course, on –

- (a) examples (of projects) to illustrate the benefits of the adoption of the NEC form for public works projects;
- (b) whether there were similarities between the NEC form and the contract form adopted by the Housing Authority for building contracts; if yes, the details;
- (c) if the NEC form had been adopted for the Liantang/Heung Yuen Wai Boundary Control Point project and the Central-Wan Chai Bypass and Island Eastern Corridor Link project, whether the cost overrun would not have occurred; and
- (d) a review on the effectiveness of the adoption of the NEC form after the completion of the 19 works projects currently implemented/completed under the form.

Other issues

54. Mr Albert CHAN opined that, when there was heavy rain, the stormwater coming down from the Castle Peak might cause flooding in the villages near the project sites if the drainage systems at the sites were not well maintained. He enquired about the preventive measures that the Administration would take to reduce the risks of flooding in the area. DCED advised that the Administration would require the project contractor to construct a temporary site drainage system to lower the risks of flooding.

55. The Chairman put PWSC(2015-16)10 and PWSC(2015-16)11 to vote one by one. Both items were voted on and endorsed.

56. The Chairman consulted members on whether the two items would

require separate discussion and voting at the relevant meeting of FC. Ms Emily LAU suggested that members might consider requiring separate discussion and voting for the items at the relevant meeting of FC after studying the supplementary information to be provided by the Administration. Members agreed to Ms LAU's suggestion.

Head 705 – Civil Engineering**PWSC(2015-16)5 183DR Refurbishment and upgrading of Sha Tin Transfer Station**

57. The Chairman advised that the proposal, i.e. PWSC(2015-16)5, was to upgrade 183DR to Category A at an estimated cost of \$137.1 million in MOD prices for the refurbishment and upgrading of the Sha Tin Transfer Station ("STTS"). The Panel on Environmental Affairs had been consulted on the proposal on 25 February 2015. Panel members in general supported the submission of the proposal to the Subcommittee for consideration. A report on the gist of the Panel's discussion had been tabled at the meeting.

58. At the invitation of the Chairman, USEN briefed members on the proposal.

Waste management policy

59. Mr Albert CHAN said that he was disappointed with the Administration's waste management policy. Noting that the waste collected at STTS would be transferred to the Northeast New Territories Landfill for disposal, he expressed objection to the proposal. He said that in many cities in the United States, the United Kingdom and China, thermal technologies for combusting waste had been adopted to reduce disposal of waste in landfills. He called on the Administration to promulgate mandatory source separation and recycling of waste.

60. Permanent Secretary for the Environment explained that the function of a refuse transfer station was to receive municipal solid waste ("MSW") collected by refuse collectors from different sources for compaction and containerization in the station, followed by transfer (by road or by sea) to waste disposal facilities for disposal. Without the operation of refuse transfer stations, the transportation of MSW would cause greater nuisances to the public. While currently the waste disposal facilities were landfills, the Administration was working to develop modern waste-to-energy facilities to treat MSW.

61. Ms Emily LAU asked the Administration to clarify whether the introduction of MSW charging would be deferred to 2018, and how the refurbishing and upgrading of STTS would contribute to waste separation, collection and recycling. USEN explained that, given the complexity involved in MSW charging, the preparation of the relevant bill would take time. Even if the bill could be introduced to LegCo within one or two years, the time to be taken by LegCo for examining the bill was not under the control of the Administration. It was therefore not practical to expect that MSW charging would be implemented within the current term of the Government. Ms Emily LAU suggested that the Administration should update the public and environmental concern groups on the timetable for the introduction of MSW charging.

62. AD(EI)/EPD(Atg) advised that recycling of useful materials in the waste could only be achieved if they were properly separated at source. However, the waste delivered to STTS was already mixed. It would not be cost-effective to undertake waste separation in STTS. That said, the Administration would promote clean recycling to facilitate source separation of waste.

63. Dr Helena WONG said that in Seoul, source separation of construction waste was very effective and could help separate recyclables like wood chips from the waste stream. She enquired if the Administration would take any measure to mandate source separation of construction waste.

64. USEN responded that when the construction waste disposal charging scheme was introduced in 2006, a marked decrease in the quantity of construction waste disposed of at landfills was observed. However, the effectiveness of the charging scheme seemed to have diminished over the years. The Administration would consider increasing the charges. While it was easier to implement source separation of construction waste at construction sites, there would be practical difficulties in requiring the same for the construction waste generated from refurbishment of residential and office units.

Treatment of bulky waste

65. Dr Kenneth CHAN, Ir Dr LO Wai-kwok and Dr Helena WONG expressed support for the proposal, in particular the installation of a bulky waste treatment facility for shedding bulky waste including furniture items and wooden pallets, as well as for recovering useful material such as metals and wood chips for delivering to the recycling trade.

66. Dr Kenneth CHAN and Dr Helena WONG requested the Administration to provide information on: (a) how it would achieve effective recovery and recycling of furniture items and wooden pallets received at the transfer station to avoid such items being delivered to the landfills for disposal; and (b) the final treatment of the wooden materials recovered. Dr CHAN showed special concern on the problems associated with the logistic arrangements for the delivery of recyclable waste to recyclers, such as those operating in the EcoPark in Tuen Mun.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. PWSC205/14-15(01) on 10 June 2015.)

67. In response to Dr Kenneth CHAN's enquiry about the recycling of the useful materials recovered by the bulky waste treatment facility in STTS, USEN advised that the contractor of STTS would select through open tender recyclers to collect the recovered materials for recycling.

68. Ir Dr LO Wai-kwok enquired about the daily treatment capacity of the bulky waste treatment facility in STTS and whether the Administration had any plan to install the same facility in other refuse transfer stations. AD(EI)/EPD(Atg) replied that the bulky waste treatment facility in STTS would have a treatment capacity of 150 tonnes per day. On whether to install bulky waste treatment facilities in other transfer stations, he advised that several factors, like the volume of the furniture items and wooden pallets received by the station per day and the availability of space for installing the facility, needed to be taken in account. In addition to STTS, the Administration planned to install a bulky waste treatment facility in the West Kowloon Transfer Station.

69. At 10:25 am, the Chairman consulted members on whether to extend the meeting for 15 minutes to allow sufficient time for deliberating the item. Members agreed and the Chairman announced that the meeting be extended for 15 minutes up to 10:45 am.

Environmental impact of the operation of the Sha Tin Transfer Station

70. Miss CHAN Yuen-han said that the local residents were concerned about the odour generated from the refuse collection vehicles ("RCVs") delivering MSW to STTS. She asked if the Administration would impose a cap on the number of vehicle trips made by RCVs to STTS per day. Noting that the existing Southeast New Territories ("SENT") Landfill at Tseung Kwan O would also be extended for the disposal of construction waste,

Miss CHAN enquired about the difference between the functions of the SENT Landfill and STTS in respect of treatment of such waste.

71. AD(EI)/EPD(Atg) replied that the Administration had provided subsidies to private RCV owners to retrofit their RCVs. Retrofitting works of 330 privately-owned RCVs had been completed and all the RCVs were equipped with (i) a metal tailgate cover to ensure that the vehicles were fully enclosed to reduce spread of odour, and (ii) a waste water sump tank to prevent leakage of waste water. He added that upon the Waste Disposal (Designated Waste Disposal Facility) Regulation coming into operation on 1 April 2015, all RCVs had to comply with the equipment standard requirements as stipulated in the Regulation. In addition, regular inspection would be conducted at landfills and refuse transfer stations to ensure that the RCVs conformed to the equipment standard requirements. AD(EI)/EPD(Atg) further advised that the transfer capacity of STTS would remain the same after refurbishment and upgrading. The Administration would introduce a short message system to alert private waste collectors when STTS experienced surges of RCV arrivals, so that the collectors would make necessary adjustment to their delivery schedules to avoid extensive queuing of RCVs outside STTS. Regarding the SENT Landfill, AD(EI)/EPD(Atg) advised that the Landfill and its extension would be designated to accept construction waste only in the near future.

72. There being no further questions from members on the item, the Chairman put the item to vote.

73. The item was voted on and endorsed. The Chairman consulted members on whether the item would require separate discussion and voting at the relevant meeting of FC. Ms Emily LAU suggested that members might consider requiring separate discussion and voting for the item at the relevant meeting of FC after studying the supplementary information to be provided by the Administration. Members agreed to Ms LAU's suggestion.

74. There being no other business, the meeting ended at 10:38 am.