

ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 703 – BUILDINGS

Quarters – Internal security

69JA – Redevelopment of Kwun Tong staff quarters at Tseung Kwan O Road, Kowloon

Members are invited to recommend to the Finance Committee the upgrading of **69JA** to Category A at an estimated cost of \$1,511.3 million in money-of-the-day prices for the redevelopment of Kwun Tong staff quarters at Tseung Kwan O Road, Kowloon.

PROBLEM

There is a substantial shortfall in departmental quarters (DQ) for married rank and file (R&F) staff in various disciplined services departments.

PROPOSAL

2. The Director of Architectural Services, with the support of the Secretary for Security, proposes to upgrade **69JA** to Category A at an estimated cost of \$1,511.3 million in money-of-the-day (MOD) prices for the redevelopment of Kwun Tong staff quarters at Tseung Kwan O Road, Kowloon.

PROJECT SCOPE AND NATURE

3. The project site occupies an area of around 4 150 square metres (m²) at Tseung Kwan O Road, Kowloon. The scope of the project comprises –

- (a) demolition of the existing two blocks of quarters buildings;

/(b)

- (b) construction of two 32-storey quarters blocks with a total construction floor area (CFA) of 37 721 m² for provision of a total of 464 DQ units (47 F-grade, 225 G-grade and 192 H-grade DQ units¹); and
- (c) the following ancillary facilities –
 - (i) a management office;
 - (ii) amenity and communal areas including a multi-function room² and outdoor children playing fixtures and facilities; and
 - (iii) 46 car parking spaces and five motorcycle parking spaces.

4. A site and location plan, layout plans, a sectional plan and an artist's impression drawing for the project are at Enclosures 1 to 7. Subject to funding approval of the Finance Committee, we plan to commence the demolition of the existing quarters buildings and construction of the new ones in the third quarter of 2015 for completion in mid-2019.

JUSTIFICATION

5. It is an established government policy to provide DQ for married disciplined services staff subject to the availability of resources.

6. Currently, there is a substantial shortfall in DQ for married R&F staff of the Immigration Department, Fire Services Department, Correctional Services Department and Customs and Excise Department. As at 1 April 2015, among the above four disciplined services departments³, there were 12 284 R&F staff eligible for DQ and only 8 240 DQ units were available for allocation, representing a shortfall of 33%. Eligible R&F staff have to wait for about four to eight years on average to be allocated a DQ unit subject to the demand and supply of DQ units in

/individual

¹ The reference areas of F-grade, G-grade and H-grade units are 70 m², 55 m² and 45-50 m² respectively.

² Covering an area of approximately 25m², the multi-function room primarily serves as a meeting room for the residents' associations or the Mutual Aid Committee.

³ Some units of the project will be allocated to officers of the Government Flying Service who are on a pay scale equivalent to the R&F staff of other disciplined services departments.

individual departments. In the coming years, these disciplined services departments will continue to recruit R&F staff to fill vacancies and meet manpower requirement of various new initiatives. We therefore anticipate that the demand for DQ will continue to rise.

FINANCIAL IMPLICATIONS

7. We estimate the capital cost of the project to be \$1,511.3 million in MOD prices (please see paragraph 9 below), broken down as follows –

	\$ million
(a) Site works	7.4
(b) Demolition	10.7
(c) Geotechnical works	8.9
(d) Foundation	20.9
(e) Building	782.7
(f) Building services	105.6
(g) Drainage	8.5
(h) External works	22.4
(i) Additional energy conservation, green and recycled features	8.6
(j) Furniture and equipment ⁴	48.4
(k) Consultants' fees for	12.3
(i) contract administration	7.3
(ii) management of resident site staff (RSS)	5.0
(l) Remuneration of RSS	28.5

/(m)

⁴

The estimated cost is based on an indicative list of furniture and equipment required.

		\$ million	
(m)	Contingencies	106.5	
	Sub-total	1,171.4	(in September 2014 prices)
(n)	Provision for price adjustment	339.9	
	Total	1,511.3	(in MOD prices)

8. We propose to engage consultants to undertake contract administration and site supervision for the project. A detailed breakdown of the estimate for consultants' fees and RSS costs by man-months is at Enclosure 8. The estimated construction unit cost, represented by the building and building services costs, is \$23,549 per m² of CFA in September 2014 prices. We consider this unit cost comparable to that of similar projects built by the Government.

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

Year	\$ million (Sept 2014)	Price adjustment factor	\$ million (MOD)
2015 – 2016	10.0	1.05725	10.6
2016 – 2017	112.0	1.12069	125.5
2017 – 2018	228.0	1.18793	270.8
2018 – 2019	300.0	1.25920	377.8
2019 – 2020	282.0	1.33475	376.4
2020 – 2021	120.0	1.40483	168.6
2021 – 2022	60.0	1.47507	88.5
2022 – 2023	44.0	1.54882	68.1
2023 – 2024	15.4	1.62626	25.0
	1,171.4		1,511.3

10. We have derived the MOD estimates on the basis of the Government's latest set of assumptions on the trend rate of change in the prices of public sector building and construction output for the period 2015 to 2024. We will deliver the project through a design-and-build contract and award the contract on a lump-sum basis because we can clearly define the scope of the works in advance. The contract will provide for price adjustment.

11. We estimate the annual recurrent expenditure arising from this project to be \$16.2 million.

PUBLIC CONSULTATION

12. We consulted the Housing Committee of the Kwun Tong District Council on 13 November 2014 and Members of the Committee were generally supportive of the project.

13. We consulted the Legislative Council Panel on Security on 2 June 2015 and Members supported the project.

ENVIRONMENTAL IMPLICATIONS

14. The project is not a designated project under the Environmental Impact Assessment Ordinance (Cap. 499). We have completed the Preliminary Environmental Review (PER) for the project. The PER concluded and the Director of Environmental Protection agreed that the project would not have long-term environmental impacts with implementation of the mitigation measures. We have included in the project estimates the cost of the environmental mitigation measures as recommended in the PER to control the environmental impacts of the construction and operation of the project to within the established standards and guidelines. These measures mainly include the installation of architectural fins and acoustic windows to mitigate traffic noise impact, as well as enclosures to mitigate the noise emitting from engines of the Yau Tong Telephone Exchange close by.

15. During construction, we will control noise, dust and site run-off nuisances to within established standards and guidelines by implementing mitigation measures in the relevant contract. These include the use of silencers, mufflers, acoustic linings or shields and the building of barrier walls for noisy construction activities, frequent cleaning and watering of the site, and the provision of wheel washing facilities.

/16.

16. At the planning and design stages, we have considered measures to reduce the generation of construction waste where possible (e.g. using metal site hoardings and signboards so that these materials can be recycled or reused in other projects). In addition, we will require the contractor to reuse inert construction waste (e.g. use of excavated materials for filling within the site) on site or in other suitable construction sites as far as possible, in order to minimise the disposal of inert construction waste at public fill reception facilities⁵. We will encourage the contractor to maximise the use of recycled or recyclable inert construction waste, and the use of non-timber formwork to further reduce the generation of construction waste.

17. At the construction stage, we will require the contractor to submit for approval a plan setting out the waste management measures, which will include appropriate mitigation means to avoid, reduce, reuse and recycle inert construction waste. We will ensure that the day-to-day operations on site comply with the approved plan. We will require the contractor to separate the inert portion from non-inert construction waste on site for disposal at appropriate facilities. We will control the disposal of inert and non-inert construction waste at public fill reception facilities and landfills respectively through a trip-ticket system.

18. We estimate that the project will generate in total about 46 760 tonnes of construction waste. Of these, we will reuse about 5 760 tonnes (12.3%) of inert construction waste on site and deliver 34 320 tonnes (73.4%) of inert construction waste to public fill reception facilities for subsequent reuse. We will dispose of the remaining 6 680 tonnes (14.3%) of non-inert construction waste at landfills. The total cost for accommodating construction waste at public fill reception facilities and landfill sites is estimated to be \$1.8 million for this project (based on a unit charge rate of \$27 per tonne for disposal at public fill reception facilities and \$125 per tonne at landfills as stipulated in the Waste Disposal (Charges for Disposal of Construction Waste) Regulation).

HERITAGE IMPLICATIONS

19. This project will not affect any heritage site, i.e. all declared monuments, proposed monuments, graded historic sites or buildings, sites of archaeological interest and government historic sites identified by the Antiquities and Monuments Office.

/LAND

⁵ Public fill reception facilities are specified in Schedule 4 of the Waste Disposal (Charges for Disposal of Construction Waste) Regulation. Disposal of inert construction waste in public fill reception facilities requires a licence issued by the Director of Civil Engineering and Development.

LAND ACQUISITION

20. The project does not require any land acquisition.

ENERGY CONSERVATION, GREEN AND RECYCLED FEATURES

21. This project will adopt various forms of energy efficient features and renewable energy technologies, including lift power regeneration and photovoltaic system.

22. For greening features, we will provide green roof, vertical greening and planters. For recycled features, we will adopt rainwater harvesting system for irrigation purpose.

23. The total estimated additional cost for adoption of the above energy conservation measures is around \$8.6 million (including about \$0.8 million for energy efficient features), which has been included in the cost estimate of this project. The energy efficient features will achieve 6% energy savings in the annual energy consumption with a payback period of about 8.8 years.

BACKGROUND INFORMATION

24. The project is located at the site of the former staff quarters of the Housing Department which was built in the 1960s. It comprises two quarters buildings, providing a total of 90 units. As the existing quarters blocks were built over 50 years ago, in-situ redevelopment of the site instead of refurbishment is a more viable and cost-effective option to optimise the development potential of the site, meeting current buildings and fire safety regulations and standards.

25. We upgraded **69JA** to Category B in September 2013. We engaged consultants to undertake various services, including topographical survey in July 2011, ground investigation in December 2013, other environmental investigations in May 2014 and quantity surveying services in July 2014. The total estimated cost was about \$2.6 million. We charged this amount to block allocation **Subhead 3100GX** "Project feasibility studies, minor investigations and consultants' fees for items in Category D of the Public Works Programme".

26. Regarding the planning parameters, the site falls within an area zoned “Residential (Group A)” on the draft Kwun Tong (South) Outline Zoning Plan No. S/K14S/19, which is restricted to a maximum domestic plot ratio of 7.5, having taken into account a wide range of consideration including the overall transport, environmental and infrastructural constraints. The current project scope is expected to reach a plot ratio of close to 7.5 to fully utilise the development potential of the site.

27. There are 41 trees within the project boundary, all of which are not important trees⁶. Subject to finalisation of the building design and landscape treatment, we propose to preserve 10 trees and remove 31 trees, including 29 trees to be felled and two to be transplanted within the project site. We will incorporate planting proposals as part of the project, including the planting of 66 trees, 20 000 shrubs and groundcovers.

28. We estimate that the proposed works will create about 520 jobs (480 for labourers and 40 for professional or technical staff) providing a total employment of 10 360 man-months.

Security Bureau
June 2015

⁶ “Important trees” refer to trees in the Register of Old and Valuable Trees, or any other trees that meet one or more of the following criteria –

- (a) trees of 100 years old or above;
- (b) trees of cultural, historical or memorable significance e.g. Fung Shui tree, tree as landmark of monastery or heritage monument, and trees in memory of an important person or event;
- (c) trees of precious or rare species;
- (d) trees of outstanding form (taking account of overall tree sizes, shape and any special features) e.g. trees with curtain like aerial roots, trees growing in unusual habitat; or
- (e) trees with trunk diameter equal or exceeding 1.0 metre (m) (measured at 1.3 m above ground level), or with height/canopy spread equal or exceeding 25 m.

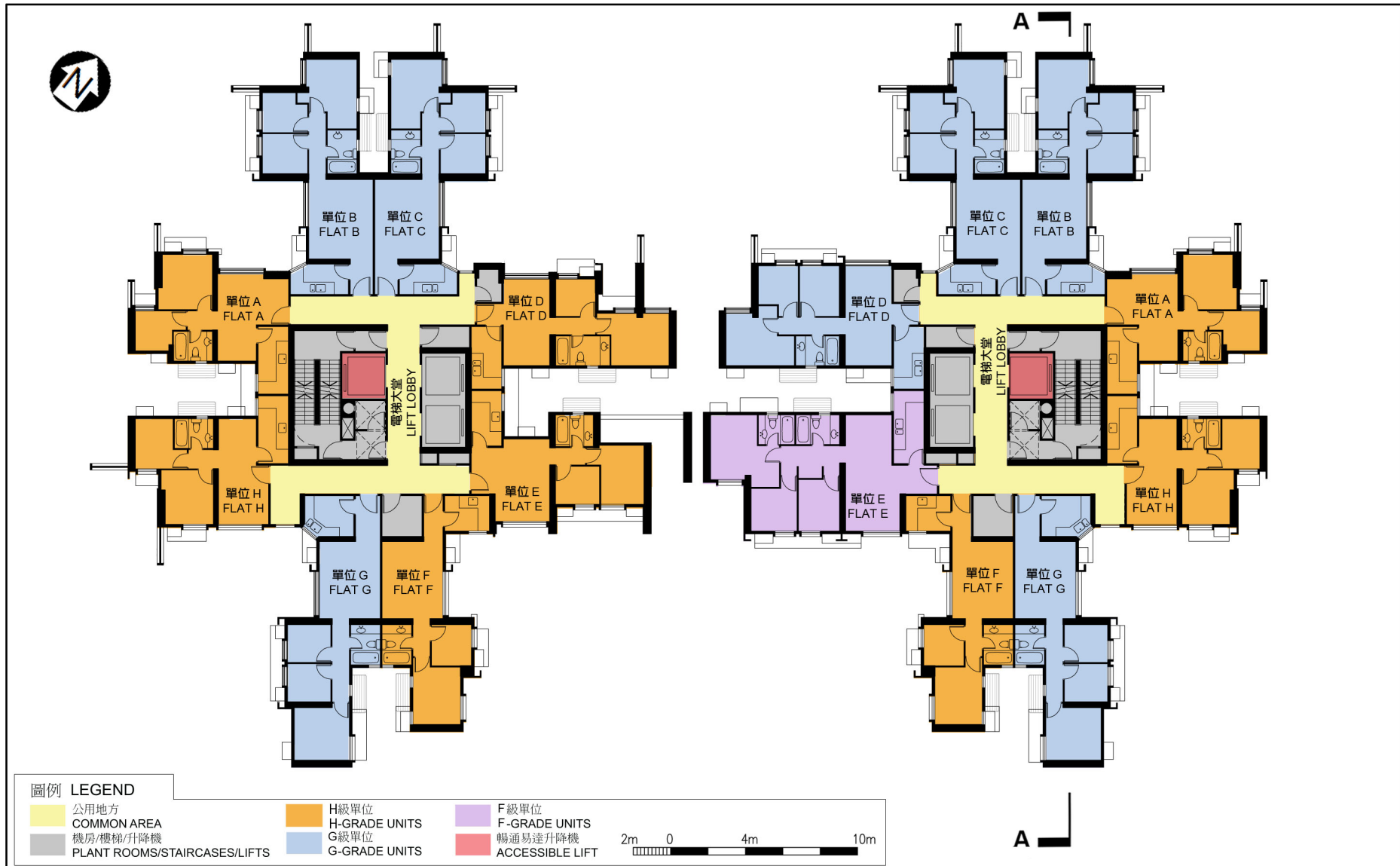


地下平面圖
GROUND FLOOR PLAN

69JA
九龍將軍澳道觀塘職員宿舍重建計劃
Redevelopment of Kwun Tong staff quarters
at Tseung Kwan O Road, Kowloon



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三至九樓平面圖
3RD TO 9TH FLOOR PLAN

69JA
九龍將軍澳道觀塘職員宿舍重建計劃
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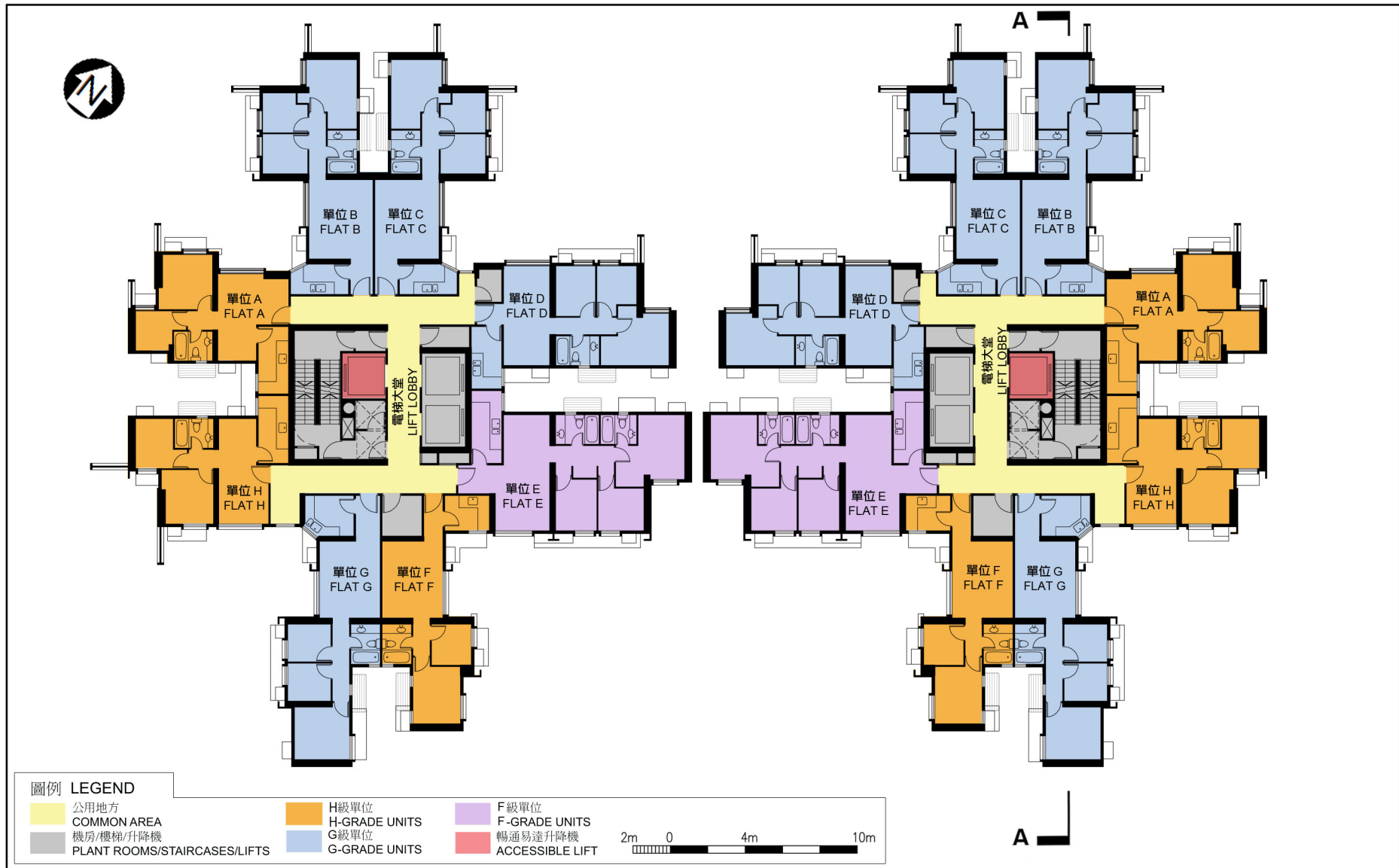


十至十三樓平面圖
10TH TO 13TH FLOOR PLAN

69JA
九龍將軍澳道觀塘職員宿舍重建計劃
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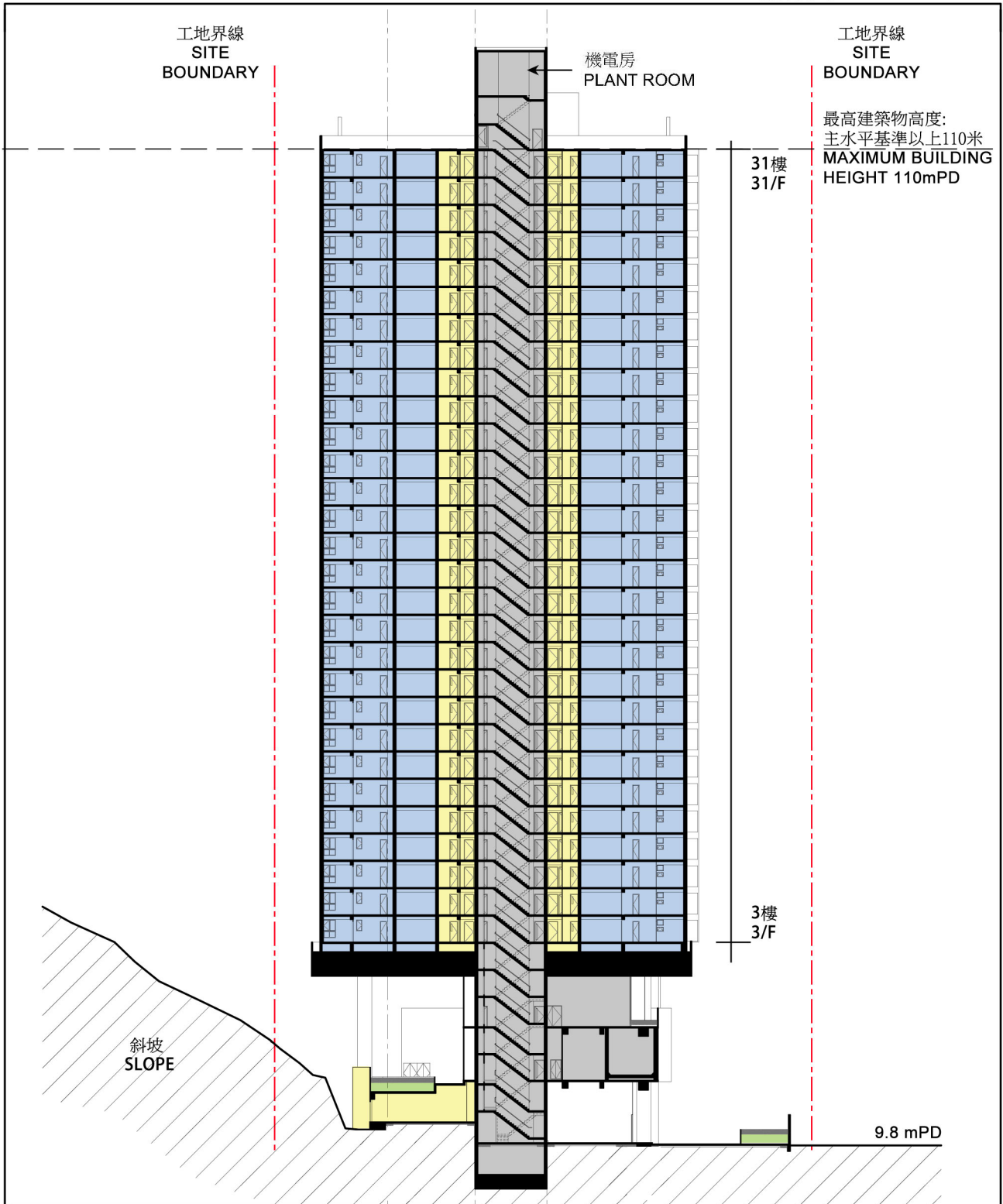


十四至三十一樓平面圖
14TH TO 31ST FLOOR PLAN

69JA
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圖例 LEGEND	
公用地方 COMMON AREA	綠化範圍 LANDSCAPED AREA
機房/樓梯/升降機 PLANT ROOMS/STAIRCASES/LIFT	G級單位 G-GRADE UNITS



剖面圖 A-A
SECTION
A-A

69A
九龍將軍澳道觀塘職員宿舍重建計劃
Redevelopment of Kwun Tong staff quarters
at Tseung Kwan O Road, Kowloon

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PERSPECTIVE VIEW FROM WEST DIRECTION (ARTIST'S IMPRESSION)
從西面望向擬建宿舍的構思透視圖

構思圖
ARTIST'S
IMPRESSION

69JA
九龍將軍澳道觀塘職員宿舍重建計劃
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69JA – Redevelopment of Kwun Tong staff quarters at Tseung Kwan O Road, Kowloon

Breakdown of the estimates for consultants' fees and resident site staff costs (in September 2014 prices)

		Estimated man- months	Average MPS* salary point	Multiplier (Note 1)	Estimated fee (\$ million)
(a) Consultants' fees for contract administration (Note 2)	Professional	–	–	–	5.3
	Technical	–	–	–	2.0
				Sub-total	7.3
(b) Resident site staff (RSS) costs (Note 3)	Professional	130	38	1.6	14.8
	Technical	480	14	1.6	18.7
				Sub-total	33.5
Comprising -					
(i) Consultants' fees for management of RSS				5.0	
(ii) Remuneration of RSS				28.5	
				Total	40.8

* MPS = Master Pay Scale

Notes

1. A multiplier of 1.6 is applied to the average MPS salary point to estimate the cost of RSS supplied by the consultants (as at now, MPS salary point 38 = \$71,385 per month and MPS salary point 14 = \$24,380 per month).
2. The consultants' fees for contract administration is calculated in accordance with the existing consultancy agreement for the design and construction of **69JA**. The assignment will only be executed subject to Finance Committee's funding approval to upgrade **69JA** to Category A.
3. The actual man-months and actual costs will only be known after completion of the construction works.