




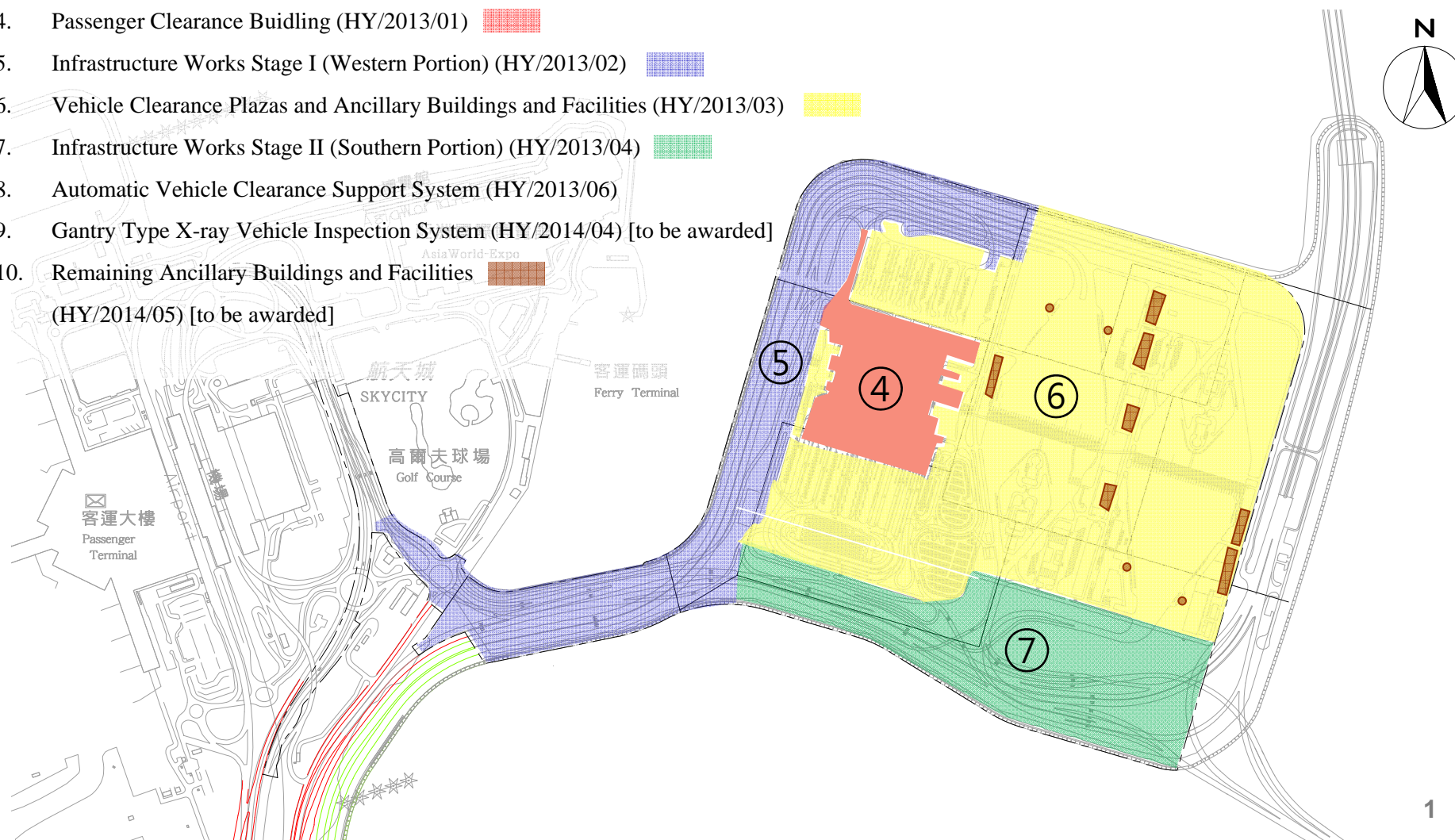


The 10 Major Contracts Currently under Hong Kong Boundary Cross Facilities (HKBCF) Project

LC Paper No. PWSC53/15-16(01)

1. Reclamation Works (HY/2010/02)
2. Works entrusted to Hong Kong Link Road Project involving reclamation and connecting roads (HY/2011/03)
3. Traffic Control and Surveillance System (HY/2013/05)
4. Passenger Clearance Building (HY/2013/01) 
5. Infrastructure Works Stage I (Western Portion) (HY/2013/02) 
6. Vehicle Clearance Plazas and Ancillary Buildings and Facilities (HY/2013/03) 
7. Infrastructure Works Stage II (Southern Portion) (HY/2013/04) 
8. Automatic Vehicle Clearance Support System (HY/2013/06)
9. Gantry Type X-ray Vehicle Inspection System (HY/2014/04) [to be awarded]
10. Remaining Ancillary Buildings and Facilities (HY/2014/05) [to be awarded] 



Synopsis of Supplementary Information

Annex A sets out the contracts' details:

- Contract award date
- Works progress
- Actual completion
- Original planned completion
- Original contract completion date
- Anticipated completion date

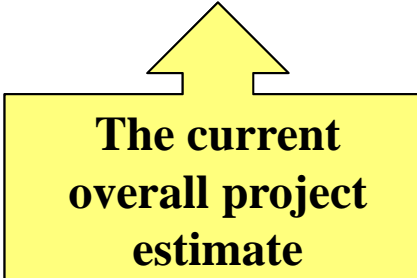
Synopsis of Supplementary Information

Annex B sets out:

1. Awarded contracts	2011 estimate	Returned tender prices
2. To-be awarded contracts, remaining works and other costs	2011 estimate	Latest estimate

\$30,433.9 million
(Approved Project Estimate
in 2011)

\$35,895.0 million



**The current
overall project
estimate**

Introduction to “Provision for Price Adjustment”

LC Paper No. PWSC11/13-14(01)
“Briefing on Estimation of Project Cost”
by DevB(W) on 12 November 2013

Discussion paper no.
PWSC(2015-16)14
Enclosure 5

- Constant price = Base Estimate + Project Contingency
- **Provision for price adjustment** allowed to cater for the movements in the costs of labour and materials
- Adjusted by assumptions on the trend rate of change (rate of change) in the prices of public sector building and construction output

Project Cost
(constant prices)



Rate of change



Project Cost
(money-of-the-day
prices)

- Provision for price adjustment =
money-of-the-day (MOD) prices – constant prices

Latest Provision for Price Adjustment

Supplementary Information Annex C Table 2

Actual + predicted price changes



Year	Latest PE (in September 2011 prices) (\$ million)	Latest PE (in September 2015 prices) (\$ million)	Latest price adjustment factors (October 2015)	Latest PE (in MOD prices) (\$ million)	Latest provision for price adjustment (\$ million)	Net increase in provision for price adjustment (\$ million)
	a	b	c	d	e	f
Up to March 2015	5,830.0 [^]	6,620.5	1.00000	6,620.5	e = d - a	f = e - A
2015 - 2016	4,306.6	5,344.8	1.00000	5,344.8		
2016 - 2017	7,467.3	9,267.5	1.05875	9,812.0		
2017 - 2018	5,371.1	6,666.0	1.12228	7,481.1		
2018 - 2019	2,436.1	3,023.4	1.18961	3,596.7		
2019 - 2020	1,942.4	2,410.7	1.26099	3,039.9		
Total	27,353.5	33,332.9		35,895.0	8,541.5	2,470.9



Latest provision for price adjustment (\$ million) = 35,895.0 – 27,353.5 = 8,541.5

Information updated further to April 2015 is shaded in grey.

Synopsis of Supplementary Information

Annex D updates the Enclosure 5 to the discussion paper:

	Latest Project Estimate (\$ million)
(u) Contingencies	1,584.4 1,394.3
(v) Provision for price adjustment	8,351.4 8,541.5
Overall project estimate (still kept the same):	<hr/> 35,895.0

Absolutely Essential Facilities for Commissioning

Legend:

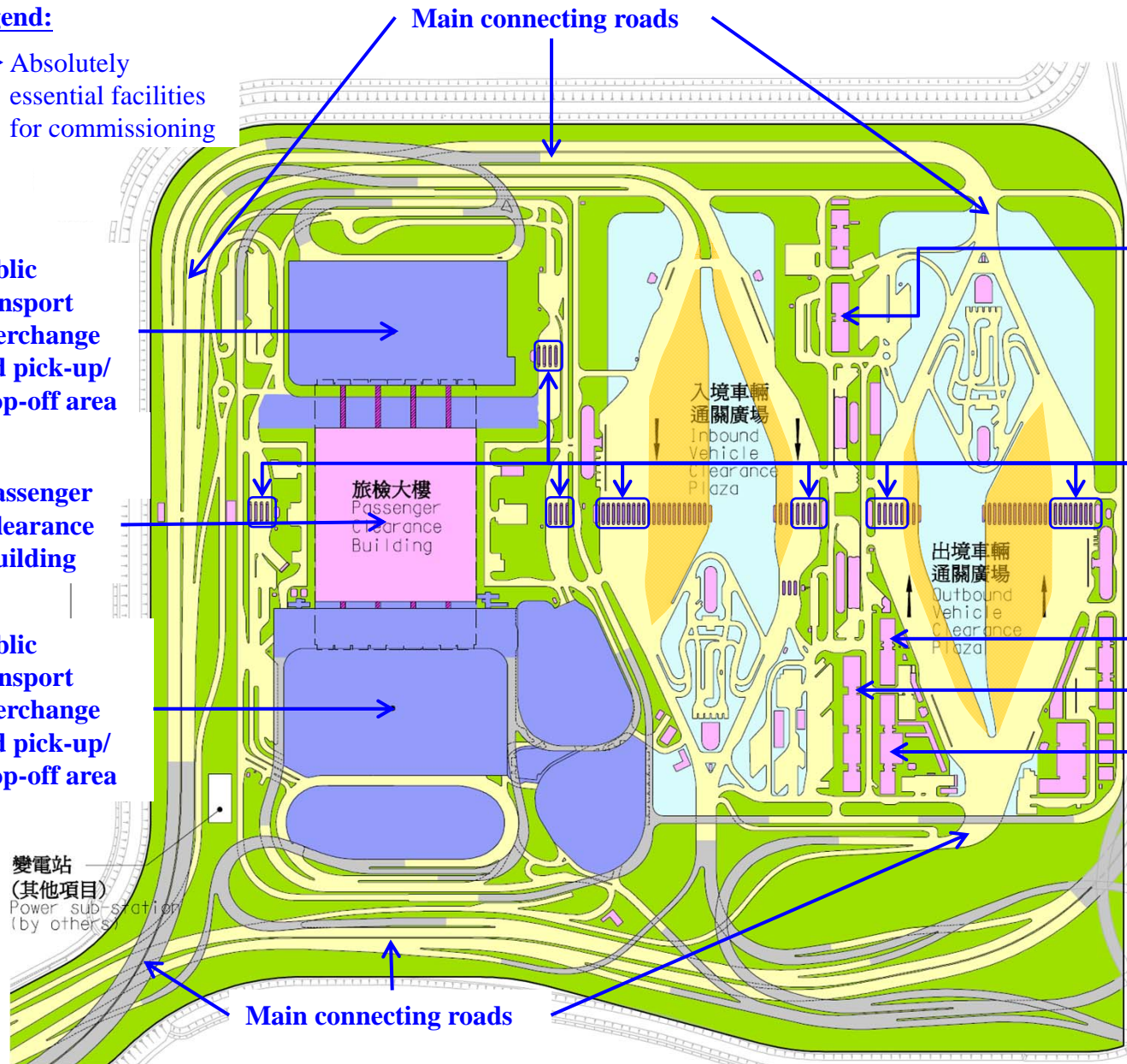
→ Absolutely essential facilities for commissioning

Public transport interchange and pick-up/drop-off area

Passenger Clearance Building

Public transport interchange and pick-up/drop-off area

變電站
(其他項目)
Power sub-station
(by others)



Cargo examination building

Tuen Mun -
Chek Lap Kok
Link (under
other PWP
Item)

Some private car, coach
and goods vehicle
clearance kiosks

Police main building

Cargo examination building

Fire station cum
ambulance depot

Other absolutely essential facilities for commissioning

- Installation of the relevant equipment for the clearance facilities, and completion of the system testing and commissioning

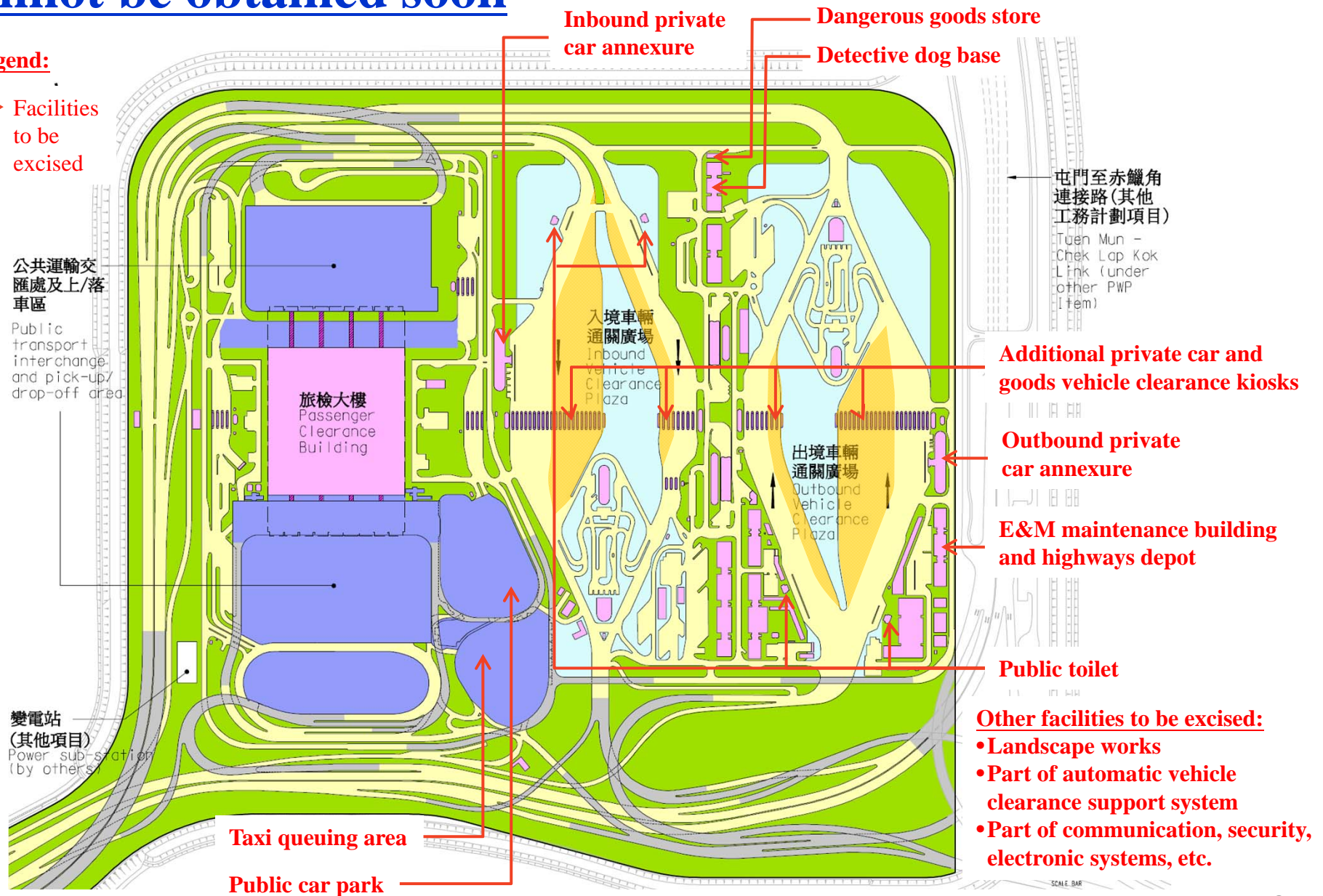
Making-up of Project Contingencies

- There is only a very minimal amount of project contingencies left
- Insufficient to meet any additional construction difficulties that may occur in future
- We need the approval on the increase in the Approved Project Estimate (APE) in order to make up the required contingency, estimate of which is approximately \$2,180 million (in MOD prices).

Facilities to be excised if approval on increase in APE cannot be obtained soon

Legend:

→ Facilities to be excised

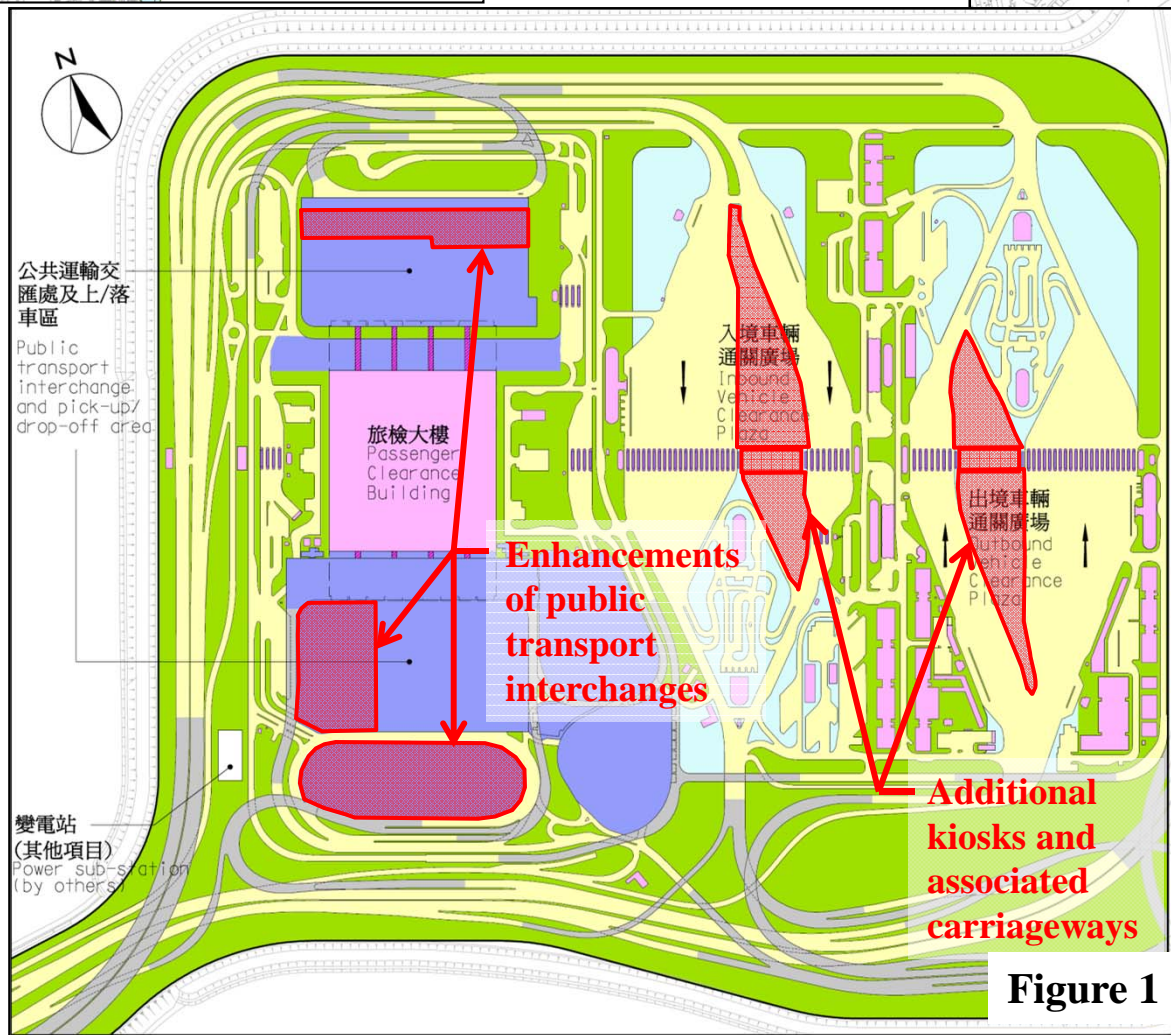
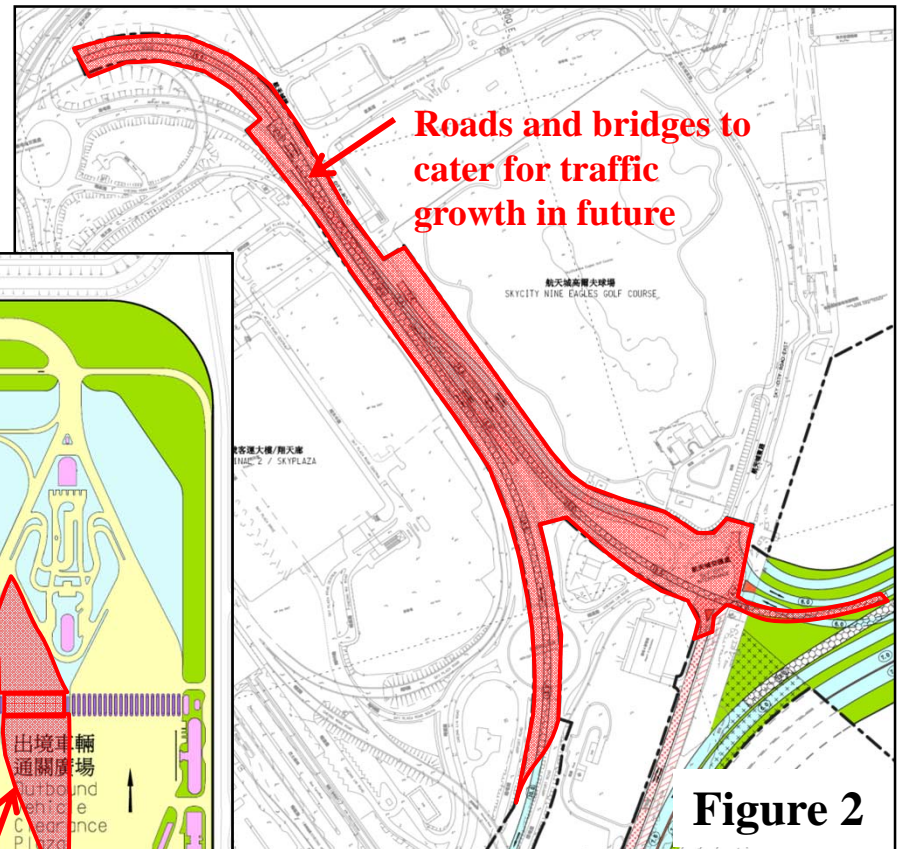
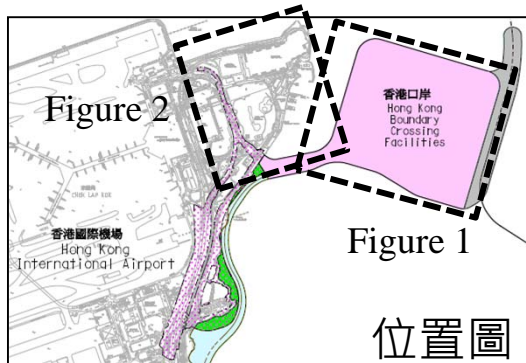


Impact on Excision of Facilities

- These facilities are not absolutely essential at the time of commissioning, but excising them will affect the effectiveness in clearance operation, maintenance and management of HKBCF, and causing inconvenience to the public.

Due Date	Facilities to be excised	Impact on the effective clearance operation, maintenance and management of HKBCF , and the public
January 2016	Public carpark	The public will not be able to drive to HKBCF and switch to cross-boundary shuttle buses to Zhuhai or Macao. Those who live in remote areas, or need to drive to the HKBCF due to emergency circumstances will be most affected.
	Taxi queuing area	Taxis will have to queue at the taxi stands to pick up passengers. As there is only limited space for queuing at the taxi stands, the taxi queue may occupy part of the carriageways leading to the taxi stands which will affect the nearby traffic and the normal operation of HKBCF.
	Additional private car and goods vehicle clearance kiosks	It will not be able to cater for the anticipated traffic demand after the early stage of HKBCF commissioning. At peaks of passenger flow during public holidays or the annual peak season of freight, the missing of these kiosks may cause serious traffic congestion at HKBCF.
July 2016	4 public toilets at the vehicle clearance plazas	Drivers and passengers of goods vehicles and private cars will not be able to use these facilities during proceeding for clearance, which will cause them inconvenience

HKBCF Phase 2 Works



Legend:



Breakdown of Additional Funds Sought

Expense item	Cost (in MOD prices) (\$ million)
Making up of contingencies	2,180
Facilities that are required for clearance and operation needs at HKBCF commissioning, but not absolutely essential	1,340
Phase 2 works, and the roads and bridges connecting the HKBCF to the north of the Airport Island	1,940
Total:	5,460

- End -