

**ITEM FOR PUBLIC WORKS
SUBCOMMITTEE
OF FINANCE COMMITTEE**

**HEAD 711 - HOUSING
Civil Engineering - Land development
566CL - Development at Anderson Road**

Members are invited to recommend to Finance Committee -

- (a) the upgrading of part of **566CL**, entitled “Development at Anderson Road - consultants’ fees and site investigation”, to Category A at an estimated cost of \$57.5 million in money-of-the-day prices; and
- (b) the retention of the remainder of **566CL** in Category B.

PROBLEM

We need to carry out detailed design and site investigation for developing a site between Anderson Road and Sau Mau Ping Road in East Kowloon for residential housing to meet growing demand of both public and private housing units.

/PROPOSAL

PROPOSAL

2. The Director of Civil Engineering (DCE), with the support of the Secretary for Housing and Secretary for Planning, Environment and Lands, proposes to upgrade part of **566CL** to Category A at an estimated cost of \$57.5 million in money-of-the-day (MOD) prices for engaging consultants to undertake detailed design and site investigation for the residential development at Anderson Road.

PROJECT SCOPE AND NATURE

3. The scope of **566CL** comprises the design and construction of site formation, roads, drains and the upgrading of existing infrastructure to provide usable land of about 20 hectares for housing and associated government, institution or community uses. The part of the project which we now propose to upgrade to Category A comprises detailed design work, site investigation, preparation of tender documents and assessment of tenders.

JUSTIFICATIONS

4. According to the Territorial Development Strategy Review completed in 1996, the projected housing supply in accordance with approved plans and programmes will not be able to meet the estimated housing demand after 2000/01. Consequently, the Director of Planning identified a site between Anderson Road and Sau Mau Ping Road (previously named as Anderson Road Quarry Stage II) as a potential site for boosting housing supply.

5. We completed the Planning and Engineering Feasibility Study for Development at Anderson Road under **556CL** in October 1998. The study demonstrated the feasibility of the housing development proposal and recommended a preferred development scheme, which was endorsed by the town Planning Board at its meeting held on 12 March 1999. The proposed housing development comprises public and private housing developments which will accommodate a population of about 41,000 people. The relevant Outline Zoning Plan was gazetted on 28 May 1999 for consultation. The study also recommended that the detailed design work should commence in July 1999 so that construction works can commence in 2002 to meet the target date of the first population intake by 2009.

FINANCIAL IMPLICATIONS

6. We estimate the cost of the detailed design and site investigation to be \$57.5 million in MOD prices (see paragraph 7 below), made up as follows -

	\$ million	
(a) Consultants' fees	21.2	
(i) detailed design, preparation of tender documents and assessment of tenders	20.4	
(ii) supervision of site investigation	0.8	
(b) Site investigation	27.8	
(c) Contingencies	4.9	
	<hr/>	
Sub-total	53.9	(at December 1998 prices)
(d) Provision for price adjustment	3.6	
	<hr/>	
Total	57.5	(in MOD prices)
	<hr/>	

A breakdown by man-months of the estimate for consultants' fees is at Enclosure 1.

7. Subject to approval, we will phase the expenditure as follows -

Year	\$ million (Dec 1998)	Price adjustment factor	\$ million (MOD)
1999 - 2000	13.0	1.02625	13.3
2000 - 2001	27.0	1.06217	28.7

2001 - 2002	7.9	1.09934	/2001 - 2002 8.7
2002 - 2003	6.0	1.13782	6.8
	<hr/> 53.9 <hr/>		<hr/> 57.5 <hr/>

8. We have derived the MOD estimates on the basis of the Government's latest forecasts of trend labour and construction prices over the period between 1999 and 2003. We will tender the proposed consultancy under a lump-sum contract. We will allow for price adjustment as the consultancy agreement will exceed 12 months. We will tender the site investigation works under a standard remeasurement contract because the quantities of works involved may vary depending on the actual ground conditions. The contract will not provide for inflation adjustments as the contract period will not exceed 21 months.

9. The proposed consultancy and site investigation will not give rise to any recurrent expenditure.

PUBLIC CONSULTATION

10. We presented the findings and recommendations of the planning and engineering feasibility study to the Kwun Tong Provisional District Board (KTPDB) and the District Development Committee of the Sai Kung Provisional District Board (SKPDB) in October 1998. Members had no objection to the project. We presented the findings of the Environmental Impact Assessment (EIA) report to the Environmental Improvement Committee of the KTPDB on 3 May 1999. Members expressed concern on the noise and dust impacts during construction and the traffic impacts of the development. We explained that the noise and dust impacts would be monitored and controlled during construction. We also explained that the traffic impacts of the development had been assessed and road improvement works will be implemented to ensure acceptable traffic conditions. We will further consult the KTPDB and SKPDB during the detailed design stage.

11. We consulted the Legislative Council's Panel on Housing on 3 May 1999. Members were concerned about the traffic situation in Kwun Tong district with the proposed increase of population arising from this development and other planned developments including the development near Choi Wan Road and Jordan Valley. We explained to Members that traffic impact assessments had been carried out. In the light of these, we propose to provide a link between the New Clear Water Bay Road and Lung Cheung Road, to upgrade a section of Po Lam Road for connection to the southern access road to the development and to carry out improvement works to a number of road junctions in the area. Implementation of these works will ensure that there will be no adverse traffic impact. A plan showing the location of the proposed road improvement works is enclosed at Enclosure 2.

12. In addition, Members were concerned about the dust and noise impacts from the on-going operations at the Anderson Road Quarry which would last until 2012, three years after the first population intake in 2009. We explained that environmental impact assessments, taking into account the wind directions and site topography, had been carried out which confirmed that a buffer distance of 125 metres between the quarry plant and the housing blocks would be adequate to control the quarry dust impact within acceptable limits. The degree of noise impact for the quarry was also found acceptable. We will conduct an environmental monitoring programme to ensure compliance with the relevant standards.

ENVIRONMENTAL IMPLICATIONS

13. The development project is a designated project (DP) under Schedule 3 of the EIA Ordinance requiring an EIA report. The project includes local widening of a portion of Po Lam Road, a DP under Schedule 2 of EIA Ordinance requiring an Environmental Permit (EP) prior to commencement of construction.

14. On 2 March 1999, the EIA report was approved under the EIA Ordinance with conditions, one of which is that we will plant not less than 13.4 hectares of woodland on soft cut slopes using native species to compensate for the loss of woodland. The EIA report concluded that the environmental impacts of the project could meet the criteria under the EIA Ordinance and the Technical Memorandum on EIA Process. We will implement the measures recommended in the EIA report. We estimate the cost of implementing the environmental mitigation measures to be \$20.0 million and will include this cost in the overall project estimate.

15. We will apply for an environmental permit before starting the construction of the local widening of Po Lam Road. /15.

LAND ACQUISITION

16. The proposed consultancy and site investigation do not require land acquisition.

BACKGROUND INFORMATION

17. We upgraded **556CL** to Category A in June 1997 for carrying out the planning and engineering feasibility study. We plan to start the proposed detailed design and site investigation work in July 1999 for completion by 2003. A plan showing the proposed site boundary is at Enclosure 3. We envisage that the construction works, estimated to cost \$1,892.4 million at December 1998 prices, will be undertaken in three contract packages, with the first contract commencing in 2002.

Housing Bureau
June 1999

566CL - Development at Anderson Road

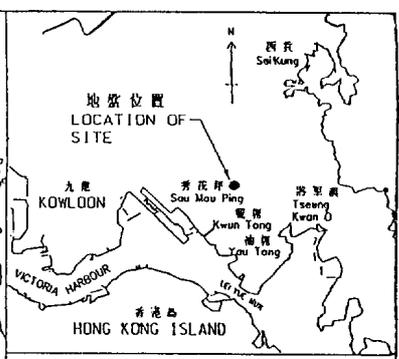
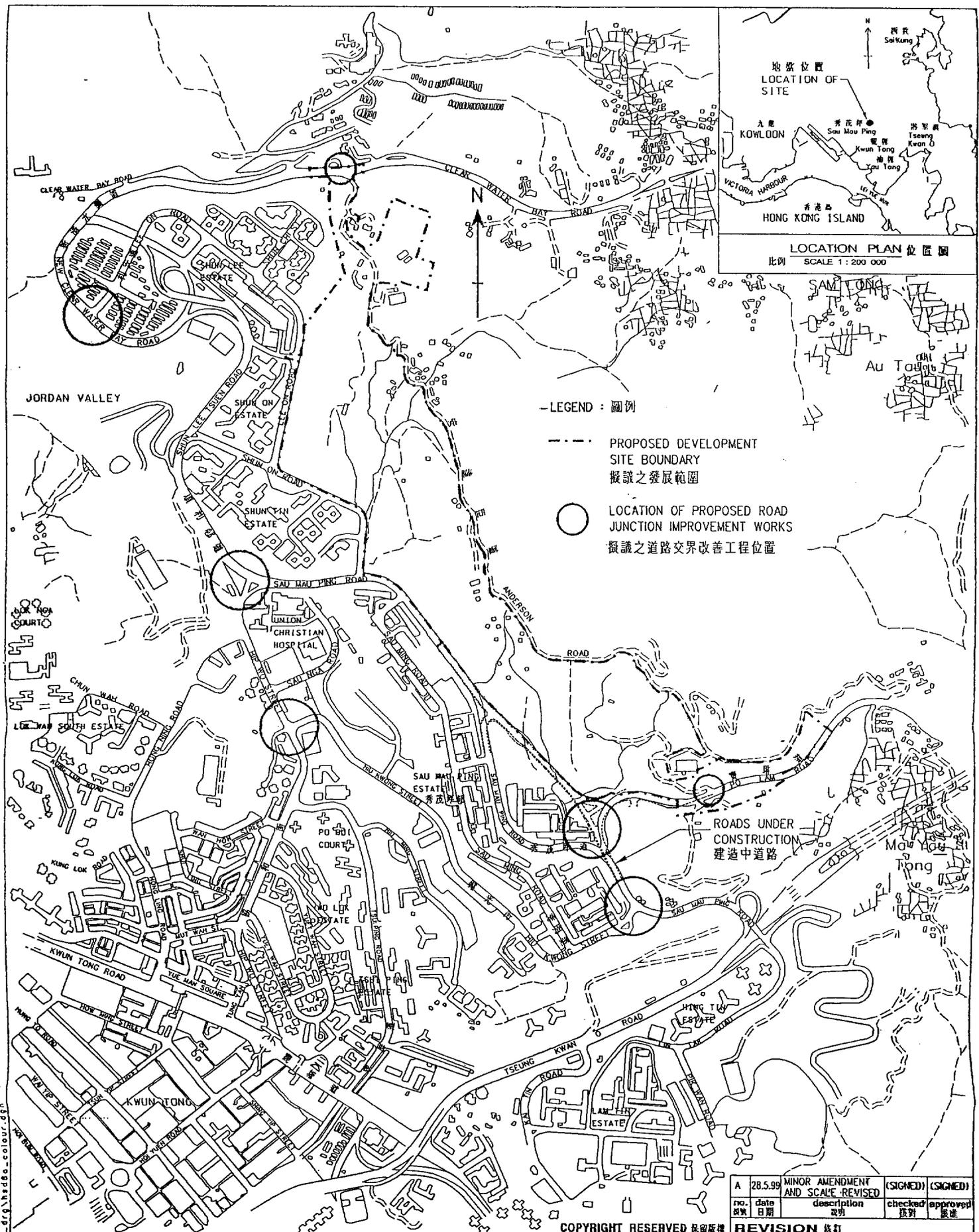
Breakdown of estimates for consultants' fees

Consultants' staff costs			Estimated man months	Average MPS* salary point	Multiplier factor	Estimated fee (\$ million)
(a)	Review of the	Professional	24	40	2.4	3.62
	findings of feasibility study	Technical	4	16	2.4	0.20
(b)	Detailed design	Professional	72	40	2.4	10.85
		Technical	54	16	2.4	2.72
(c)	Preparation of tender documents	Professional	12	40	2.4	1.81
		Technical	24	16	2.4	1.21
(d)	Supervision of site investigation	Professional	3	40	2.4	0.45
		Technical	6	16	2.4	0.30
Total consultants' staff costs						21.16

* MPS = Master Pay Scale

Notes

1. A multiplier factor of 2.4 is applied to the average MPS point for estimating the full staff costs including the consultant's overheads and profit, as the staff will be employed in the consultant's offices. (At 1.4.98, MPS pt. 40 = \$62,780 p.m. and MPS pt. 16 = \$21,010 p.m.).
2. The figures given above are based on estimates prepared by the Director of Civil Engineering. We will only know the actual man months and actual fees when we have selected the consultant through the usual competitive lump sum fee bid system.



LOCATION PLAN 位置圖
此例 SCALE 1:200 000

drawing title 圖則名稱

DEVELOPMENT AT ANDERSON ROAD - ROAD JUNCTION IMPROVEMENT SCHEMES

安達臣道發展計劃
道路交界改善工程計劃

contract no. 合約編號

file no. 檔案編號

project no. 計劃編號

contract 合約

name 姓名

Initial 簡簽

date 日期

designed 設計

drawn 繪圖 H.K.LAU (SIGNED) 15.5.99

traced 描摹

checked 核對 L.P.LAM (SIGNED) 15.5.99

approved 核准

(SIGNED)
M.T.LAW 15.5.99

A	28.5.99	MINOR AMENDMENT AND SCALE REVISED	(SIGNED)	(SIGNED)
no.	date	description	checked	approved
號數	日期	說明	核對	核准

REVISION 修訂

drawing no. 圖則編號 HSD 6A

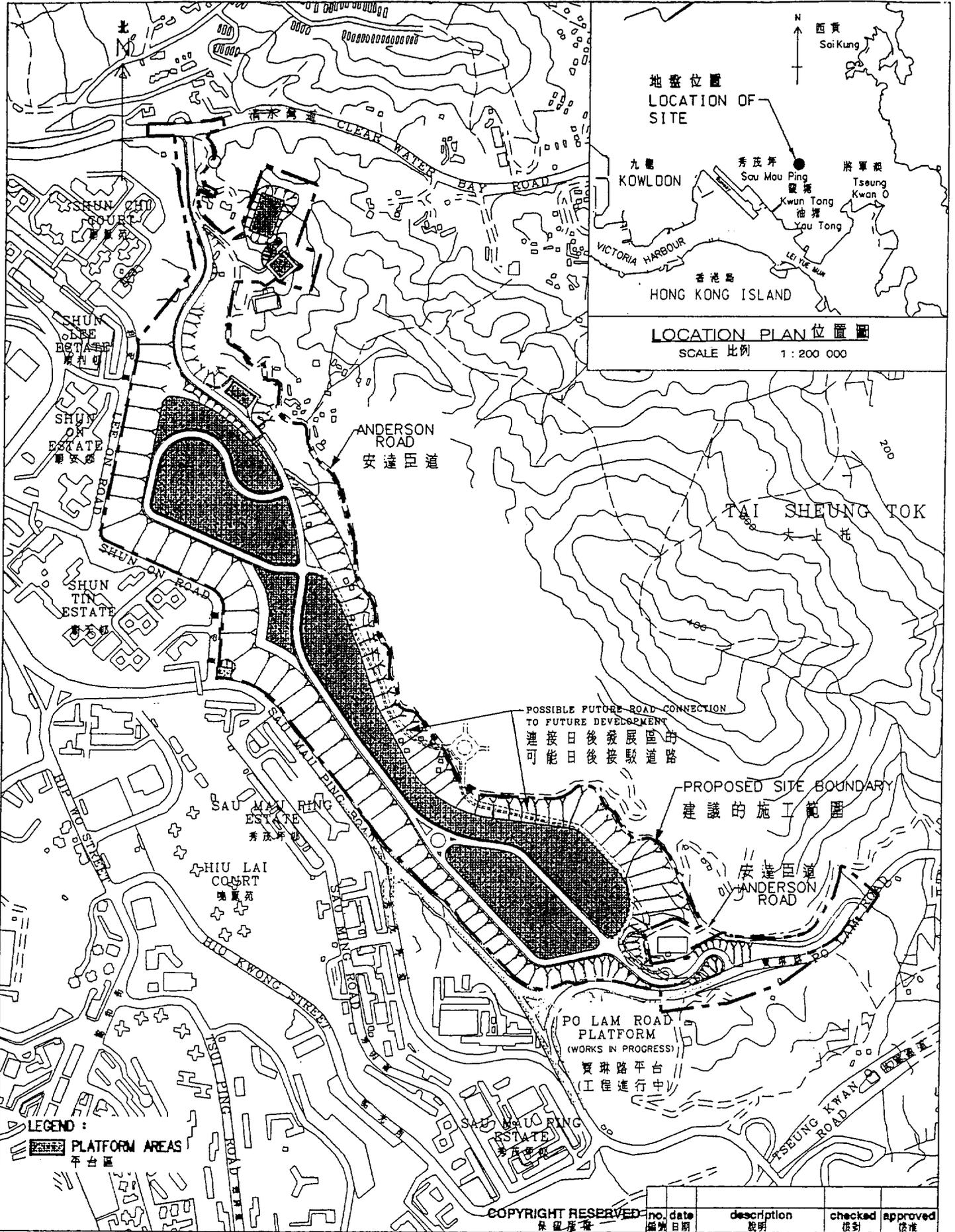
scale 比例 1:10 000

office
HOUSING SITES DIVISION
CIVIL ENGINEERING OFFICE
土木工程處 房屋用地部

CIVIL ENGINEERING DEPARTMENT HONG KONG

土木工程師
香港

c:\hkd-drawings\anderson\colour.dwg\hdsdo_colour.dwg



LEGEND :
 PLATFORM AREAS
 平台區

title 圖則名稱
 DEVELOPMENT AT
 ANDERSON ROAD
 安達臣道發展計劃

COPYRIGHT RESERVED
保留版權

	name 姓名	Initial 簡簽	date 日期
designed 設計			
drawn 繪圖	H. K. LAU	<i>[Signature]</i>	17.5.99
checked 核對	L. P. LAM	<i>[Signature]</i>	18.5.99
approved 核准	M. T. LAW	<i>[Signature]</i>	18.5.99
office	PROJECT MANAGEMENT BRANCH CIVIL ENGINEERING OFFICE 土木工程處 工程管理科		

no. 編號	date 日期	description 說明	checked 核對	approved 核准
drawing no. 圖則編號		HSD 5	scale 比例	
			1:10 000 OR AS SHOWN	
 CIVIL ENGINEERING DEPARTMENT HONG KONG		土木工程處 香港 港務局		