

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

HEAD 711 - HOUSING

Civil Engineering - Land development

564CL - Development near Choi Wan Road and Jordan Valley

Members are invited to recommend to Finance Committee-

- (a) the upgrading of part of **564CL**, entitled “Development near Choi Wan Road and Jordan Valley - consultants’ fees and site investigation”, to Category A at an estimated cost of \$43.7 million in money-of-the-day prices; and
- (b) the retention of the remainder of **564CL** in Category B.

PROBLEM

We need to carry out detailed design and site investigation for developing the site near Choi Wan Road and Jordan Valley in East Kowloon for residential development to meet growing demand for both public and private housing units.

/PROPOSAL

PROPOSAL

2. The Director of Civil Engineering (DCE), with the support of the Secretary for Housing and the Secretary for Planning, Environment and Lands, proposes to upgrade part of **564CL** to Category A at an estimated cost of \$43.7 million in money-of-the-day (MOD) prices for engaging consultants to undertake detailed design and site investigation for the residential development near Choi Wan Road and Jordan Valley.

PROJECT SCOPE AND NATURE

3. The scope of **564CL** comprises the design and construction of site formation, roads, drains and the upgrading of existing infrastructure to provide usable land of about 19 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 the site near Choi Wan Road and Jordan Valley as a potential site for boosting housing supply.

5. We completed the Planning and Engineering Feasibility Study for the Development near Choi Wan Road and Jordan Valley under item **557CL** 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 19 March 1999. The proposed housing development comprises public and private housing developments which will accommodate a population of about 35,000 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 2001 to meet the target date of the first population intake by 2007.

/FINANCIAL

FINANCIAL IMPLICATIONS

6. We estimate the cost of the detailed design and site investigation to be \$ 43.7 million in MOD prices (see paragraph 7 below), made up as follows –

	\$ million	
(a) Consultants' fees	22.5	
(i) detailed design, preparation of tender documents and assessment of tenders	22.0	
(ii) supervision of site investigation	0.5	
(b) Site investigation	15.0	
(c) Contingencies	3.7	
	<hr/>	
Sub-total	41.2	(at December 1998 prices)
(d) Provision for price adjustment	2.5	
	<hr/>	
Total	43.7	(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	13.2	1.02625	13.5
2000 - 2001	19.0	1.06217	20.2

			/2001 – 2002
2001 - 2002	7.7	1.09934	8.5
2002 - 2003	1.3	1.13782	1.5
	<hr/>		<hr/>
	41.2		43.7
	<hr/>		<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) in October 1998. Members had no objection to the project. We attended an Environmental Improvement Committee meeting of the KTPDB on 8 March 1999 to respond to Members' questions on landfill gas from the Jordan Valley Landfill. We explained that according to the completed qualitative landfill gas assessment, the Jordan Valley Landfill did not pose a hazard to the development. We advised Members that we will monitor and implement appropriate mitigation works, if necessary, throughout the detailed design stage. We will further consult the KTPDB 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 from this development and other planned developments including the development at Anderson Road. 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

Lung Cheung Road and 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.

ENVIRONMENTAL IMPLICATIONS

12. The project is a designated project under Schedule 3 of the Environmental Impact Assessment (EIA) Ordinance (Cap.499). On 20 April 1999, the EIA report for the project was approved under the EIA Ordinance, on condition that, at the detailed design stage, we would review the landfill gas hazard assessment and reassess the viability, the exact alignment and the impacts of a fully enclosed conveyor belt system for the off site transfer of construction waste. The EIA report concluded that the environmental impact of the project could be controlled to meet the criteria under the EIA Ordinance and the Technical Memorandum on EIA Process. We will implement the measures recommended in the approved EIA report. We estimate the cost of implementing the environmental mitigation measures to be \$15.0 million and will include this cost in the overall project estimate.

LAND ACQUISITION

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

BACKGROUND INFORMATION

14. We upgraded **557CL** 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 in July 1999 for completion by 2002. A plan showing the proposed site boundary is at Enclosure 3. We envisage that the construction works, estimated to cost \$1,135.4 million at December 1998 prices, will be undertaken in three contract packages, with the first contract commencing in 2001.

Housing Bureau

June 1999
(CL564-04.DOC)

564CL - Development near Choi Wan Road and Jordan Valley

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	28	40	2.4	4.22
	findings of feasibility study	Technical	16	16	2.4	0.81
(b)	Detailed design	Professional	56	40	2.4	8.44
		Technical	50	16	2.4	2.52
(c)	Preparation of tender documents	Professional	32	40	2.4	4.82
		Technical	24	16	2.4	1.21
(d)	Supervision of site investigation	Professional	2	40	2.4	0.30
		Technical	4	16	2.4	0.20
Total consultants' staff costs						22.52

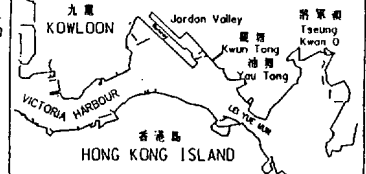
*MPS = Master Pay Scale

Notes

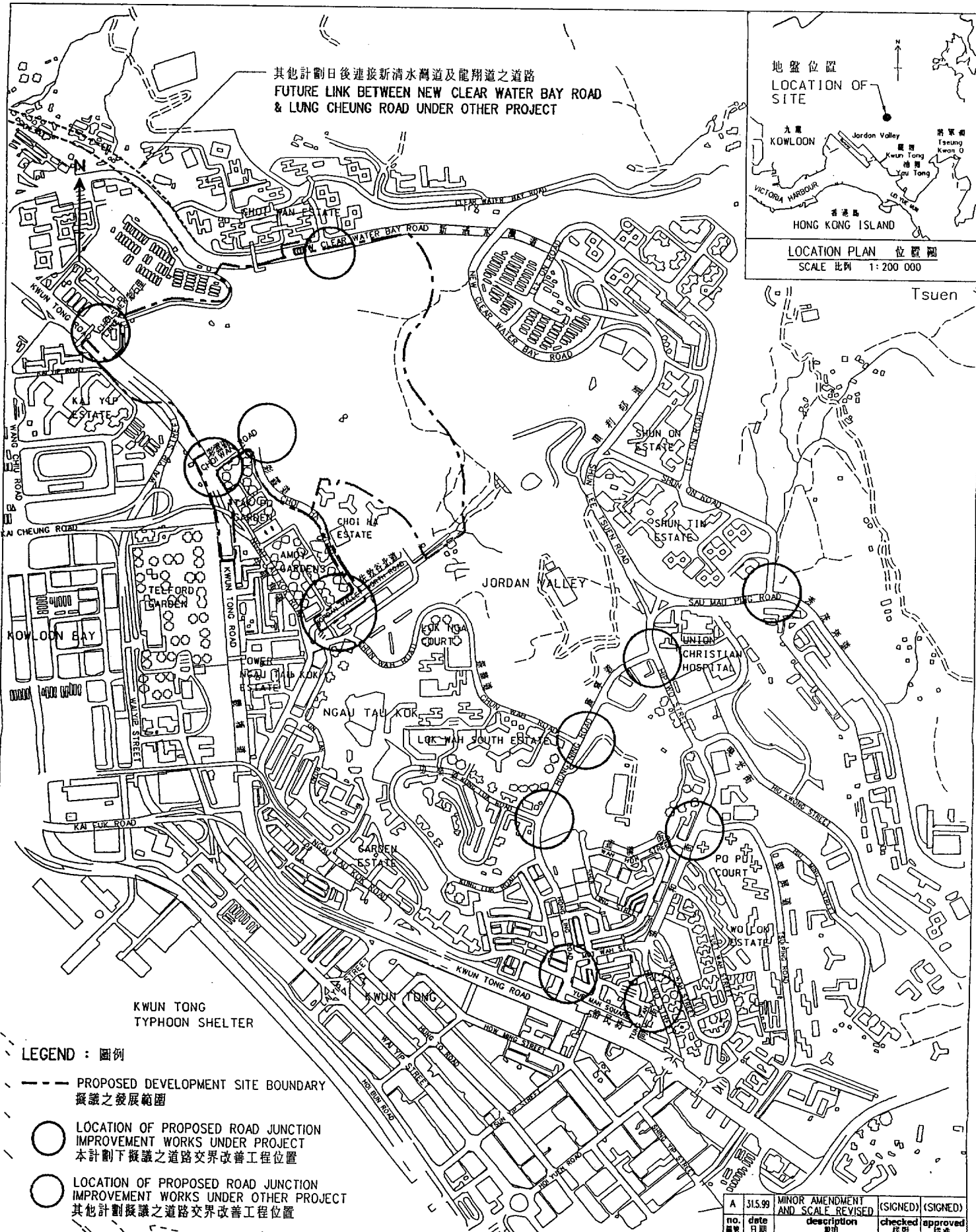
1. A multiplier factor of 2.4 is applied to the average MPS point for estimating the full staff costs including the consultants' overheads and profit, as the staff will be employed in the consultants' offices. (At 1.4.98, MPS pt. 40 = \$62,780 p.m. and MPS pt. 16 = \$21,010 p.m.)
2. The figures given 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 consultants through the usual competitive lump sum fee bid system.

其他計劃日後連接新清水灣道及龍翔道之道路
 FUTURE LINK BETWEEN NEW CLEAR WATER BAY ROAD
 & LUNG CHEUNG ROAD UNDER OTHER PROJECT

地盤位置
 LOCATION OF SITE



LOCATION PLAN 位置圖
 SCALE 比例 1:200 000



LEGEND : 圖例

- PROPOSED DEVELOPMENT SITE BOUNDARY
擬議之發展範圍
- LOCATION OF PROPOSED ROAD JUNCTION IMPROVEMENT WORKS UNDER PROJECT
本計劃下擬議之道路交界改善工程位置
- LOCATION OF PROPOSED ROAD JUNCTION IMPROVEMENT WORKS UNDER OTHER PROJECT
其他計劃擬議之道路交界改善工程位置

drawing title 圖則名稱
**DEVELOPMENT NEAR
 CHOI WAN ROAD
 AND JORDAN VALLEY -
 ROAD JUNCTION IMPROVEMENT
 SCHEMES**

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 簡寫 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

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A	31.5.99	MINOR AMENDMENT AND SCALE REVISED	(SIGNED)	(SIGNED)
no.	date	description	checked	approved
圖號	日期	說明	核對	核准

REVISION 修訂

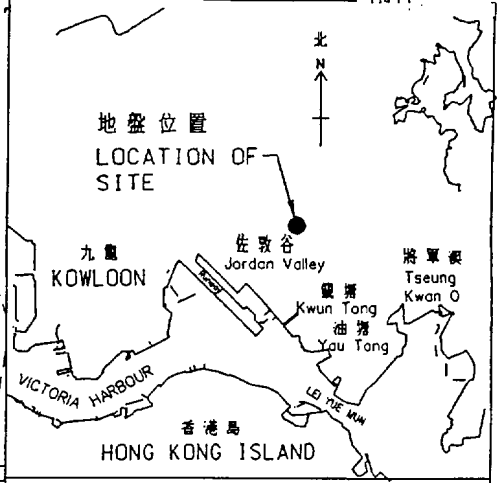
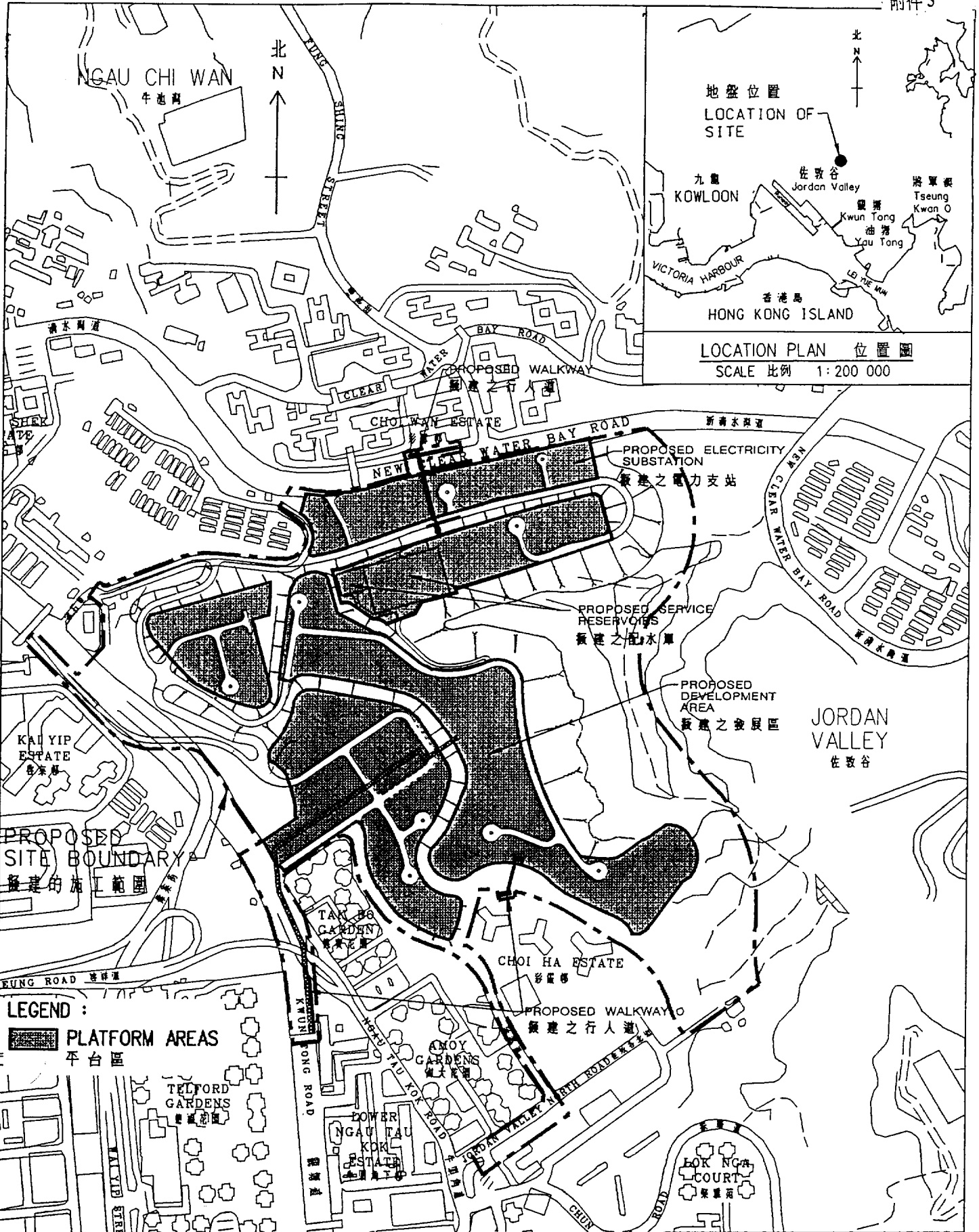
drawing no. 圖則編號
HSD 7A
 scale 比例
 1:10 000

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

**CIVIL ENGINEERING
 DEPARTMENT
 HONG KONG**

彩雲道及佐敦谷發展計劃
 道路交界改善工程計劃

(SIGNED)
 M.T.LAW 15.5.99




LOCATION PLAN 位置圖
SCALE 比例 1:200 000

LEGEND :

- PLATFORM AREAS 平台區
- Telford Gardens 德輔道
- Kai Yip Estate 怡和
- Choi Ha Estate 彩雲
- Ngau Tau Estate 牛池灣
- Kwok Yau Estate 廣業
- Choi Wan Estate 彩雲
- Ngau Chi Wan 牛池灣

title 圖則名稱
DEVELOPMENT NEAR
CHOI WAN ROAD
AND JORDAN VALLEY
彩雲道及佐敦谷發展計劃

designed 設計	name 姓名	Initial 簡簽	date 日期
drawn 繪圖	K. H. TONG	(SIGNED)	17.4.99
checked 核對	L. P. LAM	(SIGNED)	19.4.99
approved 核准	M. T. LAW	(SIGNED)	19.4.99
office	HOUSING SITES DIVISION CIVIL ENGINEERING OFFICE 土木工程處 房屋用地部		

no. 編號	date 日期	description 說明	checked 核對	approved 核准
A	15.5.99	MINOR AMENDMENT	Y.L.	T.L.
drawing no. 圖則編號		scale 比例		
HSD 3A		1:7 500 OR AS SHOWN		
 CIVIL ENGINEERING DEPARTMENT HONG KONG				