

ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 707 - NEW TOWNS AND URBAN AREA DEVELOPMENT
New Territories East Development
Civil Engineering - Land development
177CL - Sha Tin New Town - remaining engineering works

Members are invited to recommend to Finance
Committee -

- (a) the upgrading of part of **177CL**, entitled “Design fees and site investigations for formation and servicing at Areas 34 and 52 in Shui Chuen O and Area 56A in Kau To, Sha Tin”, to Category A at an estimated cost of \$45.3 million in money-of-the-day prices; and
- (b) the retention of the remainder of **177CL** in Category B.

PROBLEM

We need to carry out detailed design for the site formation and infrastructural works at Areas 34 and 52 in Shui Chuen O and Area 56A in Kau To, Sha Tin. Before that, we also need to have sufficient information on the ground conditions.

/PROPOSAL

PROPOSAL

2. The Director of Territory Development (DTD), with the support of the Secretary for Planning and Lands, proposes to upgrade part of **177CL** to Category A at an estimated cost of \$45.3 million in money-of-the-day (MOD) prices for site investigations and engagement of consultants to undertake detailed design of the site formation and infrastructural works to provide serviced land for housing development and associated uses at Areas 34, 52 and 56A of Sha Tin.

PROJECT SCOPE AND NATURE

3. The scope of **177CL** comprises engineering infrastructure and site formation works at Areas 4C, 34, 38A, 52 and 56A of Sha Tin. Members agreed to recommend to Finance Committee the upgrading of part of **177CL**, entitled "Site formation, roads and drains at Mui Lee in Areas 4C and 38A, Sha Tin", to Category A at an estimated cost of \$408.1 million in money-of-the-day prices at the Public Works Subcommittee meeting held on 15 December 1999.

4. The part of the project we now propose to upgrade to Category A comprises -

- (a) detailed design for site formation and infrastructural works at Areas 34, 52 and 56A of Sha Tin;
- (b) associated site investigations; and
- (c) preparation of tender documents and assessment of tenders.

A site map is at Enclosure 1.

5. The estimated cost of the construction works for the remainder of **177CL** is \$1,000 million.

JUSTIFICATION

6. According to the Territorial Development Strategy Review completed in 1996, the projected housing supply in the territory will not be able to meet the estimated housing demand after 2000-01. In September 1998, we completed the "Feasibility Study for Housing Sites in Sha Tin District" which

/confirmed

confirmed the feasibility of the proposed housing development at Areas 52 and 56A, and the associated government, institution and community (G/IC) facilities at Area 34 which will serve Area 52¹. The proposed development at Area 52 comprises both public and private housing and will accommodate 5 300 flats with a population of 17 000. The proposed development at Area 56A comprises mainly private housing developments which will accommodate 1 600 flats with a population of 4 750.

7. The Director of Housing aims to make available the public housing flats at Area 52 by early 2004. The private residential sites in Areas 52 and 56A are scheduled to be available for disposal in mid-2003. To ensure the timely supply of formed land with adequate infrastructural facilities for the housing developments, we need to start the site formation works in December 2000 followed by infrastructural works in stages for completion from early 2004 to end-2005. To tie in with this construction programme, we plan to start the detailed design works in January 2000 for completion in stages by March 2002. We also plan to start the site investigation works in April 2000 for completion in July 2000.

8. Due to insufficient in-house resources, DTD proposes to engage consultants to supervise the site investigation works and to carry out the detailed design and tender preparation/assessment.

FINANCIAL IMPLICATIONS

9. We estimate the capital cost of the project to be \$45.3 million in MOD prices (see paragraph 10 below), made up as follows -

	\$million
(a) Site investigations	7.7
(b) Consultants' fees for	30.5
(i) detailed design	26.5

/(ii)

¹ As early as 1978, the approved Outline Zoning Plan had earmarked Areas 52 and 56A for residential development and Area 34 for G/IC uses. On 8 October 1999, we gazetted the latest version of the Outline Zoning Plan which was amended to tie in with some minor adjustments as recommended by the "Feasibility Study for Housing Sites in Sha Tin District".

	\$million	
(ii) preparation of tender documents and assessment of tenders	3.0	
(iii) supervision of site investigations	1.0	
(c) Contingencies	3.8	
Sub-total	42.0	(at December 1998 prices)
(d) Provision for price adjustment	3.3	
Total	45.3	(in MOD prices)

A breakdown by man months of the estimate for the consultants' fees is at Enclosure 2.

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

Year	\$ million (Dec 1998)	Price adjustment factor	\$ million (MOD)
1999-2000	1.0	1.01500	1.0
2000-2001	27.0	1.05814	28.6
2001-2002	11.0	1.11104	12.2
2002-2003	3.0	1.16660	3.5
	42.0		45.3

11. We have derived the MOD estimate on the basis of the Government's latest forecast of trend labour and construction prices for the period from 1999 to 2003. We will award the proposed consultancy to the incumbent consultant for the Sha Tin New Town stage 2 development. The contract for the site investigation works will be tendered as a standard remeasurement contract because the quantities of works involved may vary according to the actual ground conditions. The contract will not provide for price adjustments as the contract period will not exceed 21 months.

12. The proposal has no recurrent financial implications.

PUBLIC CONSULTATION

13. We consulted the Development and Housing Committee of the Sha Tin Provisional District Board on the proposed housing development at Areas 52 and 56A on 23 February 1999. The Committee did not raise objection to the proposed development but showed concern on whether the existing traffic infrastructure in the vicinity could accommodate the large population to be generated. We explained that the traffic impact assessment concluded that the proposed development would not generate any adverse traffic demand and that we aim to provide balanced housing development in further developing the Sha Tin New Town. This includes the provision of housing-related infrastructure.

ENVIRONMENTAL IMPLICATIONS

14. We completed an Environmental Assessment Study in September 1998, which as part of the "Feasibility Study for Housing Sites in Sha Tin District". The key environmental mitigation measures set out in the Study for the site formation works at Areas 34, 52 and 56A include the use of silenced plant and noise screening, dust suppression by water spraying on unpaved roads, the use of detention basins for collecting site run-off, and restoration of woodland and shrubland by replanting, where necessary. We will incorporate all the mitigation measures recommended in the Study into the detailed design and relevant works contracts. The proposed consultancy for detailed design and the site investigations will not have any long term adverse environmental implications.

15. The proposed site investigation works and consultancy will generate approximately 10 cubic metres of construction and demolition material (C&DM) only.

/LAND

LAND ACQUISITION

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

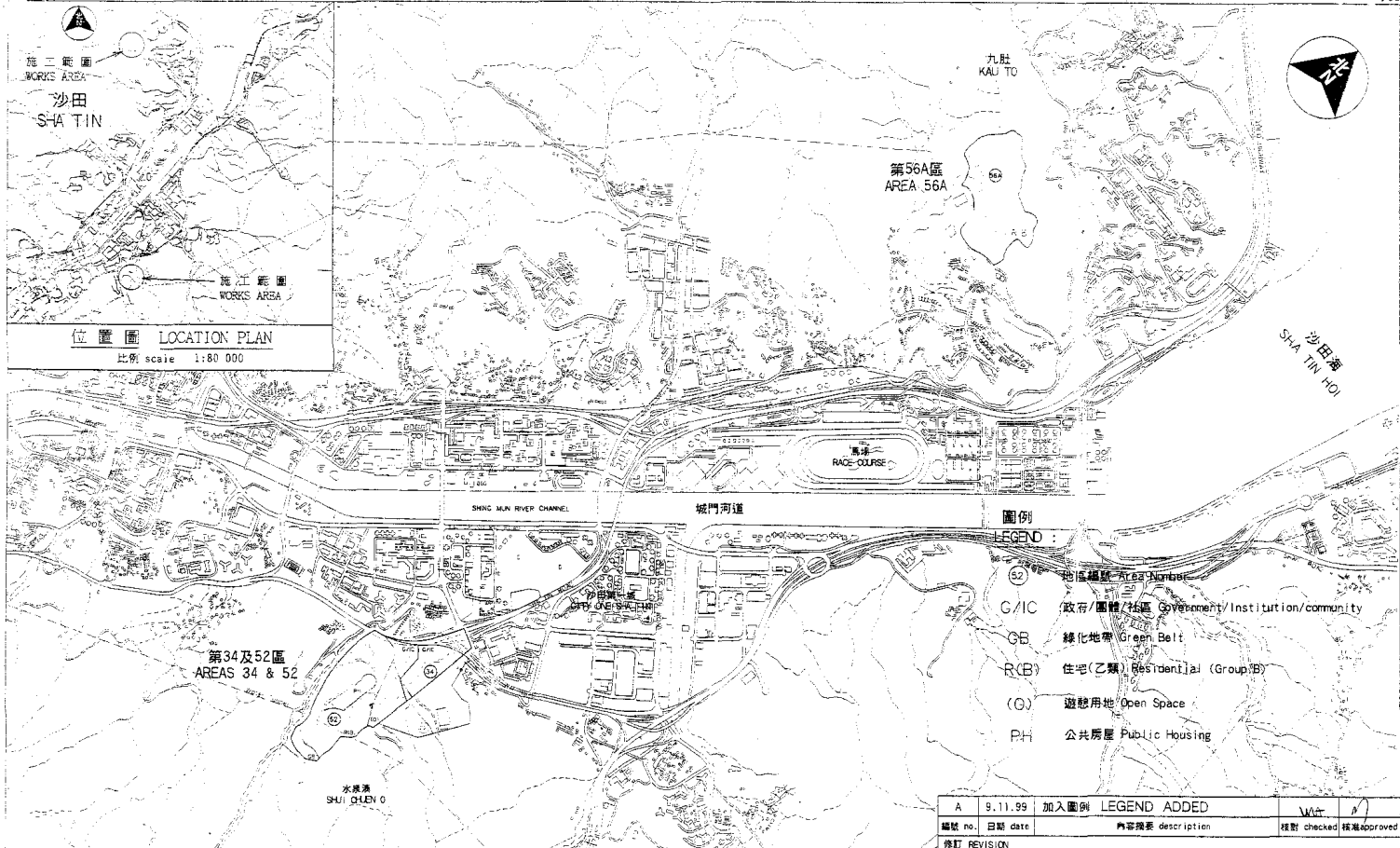
BACKGROUND INFORMATION

17. We included **177CL** in Category B for the remaining engineering works for the development of Sha Tin New Town in March 1994.

18. In September 1997, we engaged consultants to undertake the “Feasibility Study for Housing Sites in Sha Tin District” and charged the cost of \$9 million to block allocation **Subhead 7100CX** “New towns and urban area works, studies and investigations for items in Category D of the Public Works Programme”. The consultants completed the study in September 1998.

19. Public Works Subcommittee endorsed the funding proposal amounting to \$408.10 million for related works in Areas 4C and 38A of Sha Tin. Subject to the Finance Committee’s approval on 21 January 2000, we will upgrade that part of **177CL** to Category A. The proposed site investigation works and consultancy will commence in January 2000 for completion in February 2002.

Planning and Lands Bureau
December 1999



A	9.11.99	加入圖例	LEGEND ADDED	WAT	
編號 no.	日期 date	內容摘要 description		核對 checked	核准 approved
修訂 REVISION					

一九九九年至二〇〇〇年度工務小組委員會文件 P.W.S.C. SUBMISSION 1999-2000

圖則名稱 title	繪圖 drawn	簽署 initial	日期 date	比例 scale	辦事處 office
沙田新市鎮 - 餘下工程 (第34、52及56A區的土地開拓及提供公用設施工程) SHA TIN NEW TOWN - REMAINING ENGINEERING WORKS (FORMATION AND SERVICING FOR AREAS 34, 52 AND 56A)	S K WONG		8-11-99	1 : 20 000	新界東拓展處 NT EAST DEVELOPMENT OFFICE
	核對 checked	簽署 initial	日期 date	圖則編號 drawing no.	拓展署 TERRITORY DEVELOPMENT DEPARTMENT
	W H KWAN	W	8-11-99	ST1988 ^A	
	核准 approved	簽署 initial	日期 date		
	W TSUI		9-11-99		

Enclosure 2 to PWSC(1999-2000)83

177CL - Sha Tin New Town - remaining engineering works

Breakdown of the estimate for consultants' fees

Consultants' staff costs			Estimated man months	Average MPS* salary point	Multiplier factor	Estimated fee (\$ million)
(a)	Detailed design	Professional	110	40	2.4	16.6
		Technical	196	16	2.4	9.9
(b)	Preparation of tender documents and assessment of tenders	Professional	13	40	2.4	2.0
		Technical	20	16	2.4	1.0
(c)	Supervision of site investigations	Professional	5	40	1.7	0.5
		Technical	15	16	1.7	0.5
Total consultants' staff costs						30.5

* MPS = Master Pay Scale

Notes

1. A multiplier factor of 2.4 is applied to the average MPS point to arrive at 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.) A multiplier factor of 1.7 is applied in the case of resident site staff supplied by the consultants.
2. The figures given above are based on estimates prepared by the Director of Territory Development. The proposed consultancy is part of the overall consultancy agreement for the Sha Tin New Town stage 2 development.