

ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 703 – BUILDINGS

Environmental Hygiene – Retail markets and cooked food centres

28NM – General improvement works at Aberdeen Market and Cooked Food Centre, Aberdeen

Members are invited to recommend to Finance Committee the upgrading of **28NM** to Category A at an estimated cost of \$27.7 million in money-of-the-day prices for carrying out general improvement works at the Aberdeen Market and Cooked Food Centre, Aberdeen.

PROBLEM

We need to upgrade the existing provisions of the Aberdeen Market and Cooked Food Centre to meet the latest statutory requirements. We also need to improve the existing condition of the Market and Cooked Food Centre with a view to providing a better trading environment and enhancing the viability of the venue.

PROPOSAL

2. The Director of Architectural Services (D Arch S), with the support of the Secretary for Health, Welfare and Food, proposes to upgrade **28NM** to Category A at an estimated cost of \$27.7 million in money-of-the-day (MOD) prices for carrying out general improvement works at the Aberdeen Market and Cooked Food Centre, Aberdeen.

/ **PROJECT**

PROJECT SCOPE AND NATURE

3. The scope of **28NM** comprises –
- (a) upgrading of fire services installation and provision of barrier-free access to meet current statutory requirements;
 - (b) provision of kitchen exhaust system with water scrubbers for the Cooked Food Centre;
 - (c) replacement of four existing escalators; and
 - (d) refurbishment works including replacement of internal finishes, addition of toilet facilities for the disabled, improvement of lighting, signage, plumbing and drainage system.

—— A site plan is at Enclosure 1 and a computer rendering drawing for the proposed
—— works is at Enclosure 2. We plan to start the proposed works in November 2004 for completion in December 2005.

JUSTIFICATION

4. The Aberdeen Market and Cooked Food Centre was built in 1983 with 334 market stalls and 10 cooked food stalls. It has been in use for about 21 years and is the major market in the Southern District.

5. The Aberdeen Market and Cooked Food Centre falls short of current standard in respect of fire services installation and the provision of barrier-free access. Despite regular and scheduled maintenance works to ensure the smooth operation of the facilities, no major improvement works have been undertaken since commissioning of the Market and Cooked Food Centre in 1983 and the existing internal finishes and building services equipment of the Market and Cooked Food Centre have been subject to normal wear and tear. It is necessary to upgrade the conditions thereat to improve the trading environment of the Aberdeen Market and Cooked Food Centre and to uphold its viability.

/ FINANCIAL

FINANCIAL IMPLICATIONS

6. We estimate the capital cost of the project to be \$27.7 million in MOD prices (see paragraph 7 below), including \$23.9 million for the market portion and \$3.8 million for the cooked food centre portion. Detailed breakdown is as follows –

	\$ million	
(a) Building	12.0	
(b) Building services	11.8	
(c) Consultants' fees for construction stage	2.4	
(i) contract administration	1.3	
(ii) resident site staff costs	1.1	
(d) Contingencies	2.7	
Sub-total	28.9	(in September 2003 prices)
(e) Provision for price adjustment	(1.2)	
Total	27.7	(in MOD prices)

Due to insufficient in-house resources, D Arch S proposes to engage consultants to supervise the proposed works. A breakdown by man-months of the estimate for consultants' fees is at Enclosure 3. The total floor area of the Aberdeen Market and Cooked Food Centre is about 5 960 square metres. D Arch S has confirmed that the estimated cost (per unit area) for this project is comparable to that of other similar projects implemented by the Government.

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

Year	\$ million (Sept 2003)	Price adjustment factor	\$ million (MOD)
2004 – 05	4.0	0.97150	3.9
2005 – 06	18.0	0.95450	17.2

/2006 – 07

Year	\$ million (Sept 2003)	Price adjustment factor	\$ million (MOD)
2006 – 07	4.0	0.95450	3.8
2007 – 08	2.9	0.96643	2.8
	28.9		27.7

8. We have derived the MOD estimates on the basis of the Government's latest forecast of trend rate of change in the prices of public sector building and construction output for the period 2004 to 2008. We intend to award the contract on a fixed-price lump-sum basis because we can clearly define the scope of the works in advance, leaving little room for uncertainty. The contract will not provide for price adjustments because the contract period will not exceed 21 months.

9. At present, the annual recurrent expenditure for the Aberdeen Market and Cooked Food Centre is \$5.6 million. We estimate the annual recurrent expenditure upon completion of the project to be \$6.1 million.

PUBLIC CONSULTATION

10. The Legislative Council Panel on Food Safety and Environmental Hygiene discussed a range of market improvement works including this project in March 2004 and indicated support for us to proceed with the project. We also briefed the Southern District Council (SDC) on the development of the project in April 2003 and March 2004 and the SDC agreed that the improvement works should begin as soon as possible.

ENVIRONMENTAL IMPLICATIONS

11. The project is not a designated project under the Environmental Impact Assessment Ordinance. It will not cause long-term environmental impact. We have included in the project estimate the cost of implementing suitable mitigation measures to control short-term environmental impacts. These include the use of silencers, mufflers, acoustic lining or shields for noisy construction activities, and frequent cleaning and watering of the site.

12. At the planning and design stages, we have considered measures to reduce the generation of construction and demolition (C&D) materials. D Arch S has introduced more prefabricated building elements into the project design to reduce temporary formwork and construction waste. These include dry-wall partitioning and proprietary fittings and fixtures. In addition, we will require the contractor to use metal site hoardings and signboards so that these materials can be recycled or reused in other projects.

13. D Arch S will require the contractor to submit a waste management plan (WMP) for approval. The WMP will include appropriate mitigation measures to avoid, reduce, reuse and recycle C&D materials. D Arch S will ensure that the day-to-day operations on site comply with the approved WMP. D Arch S will control the disposal of public fill and C&D waste to designated public filling facilities and landfills respectively through a trip-ticket system. D Arch S will require the contractor to separate public fill from C&D waste for disposal at appropriate facilities. D Arch S will record the disposal, reuse and recycling of C&D materials for monitoring purposes. We estimate that the project will generate about 680 cubic metres (m³) of C&D materials. Of these, we will reuse about 580m³ (85%) as fill in public filling areas¹, and dispose of the remaining 100m³ (15%) at landfills. The notional cost of accommodating C&D waste at landfill sites is estimated to be \$12,500 for this project (based on a notional unit cost² of \$125/m³).

LAND ACQUISITION

14. The project does not require land acquisition.

BACKGROUND INFORMATION

15. We upgraded 28NM to Category B in October 2001. The retro-fitting of air-conditioning system was originally part of the project scope but was subsequently excluded as only 19% of the lessees supported the

/proposed

¹ A public filling area is a designated part of a development project that accepts public fill for reclamation purposes. Disposal of public fill in a public filling area requires a licence issued by the Director of Civil Engineering.

² This estimate has taken into account the cost for developing, operating and restoring the landfills after they are filled and the aftercare required. It does not include the land opportunity cost for existing landfill sites (which is estimated at \$90/m³), nor the cost to provide new landfills (which are likely to be more expensive) when the existing ones are filled. The notional cost estimate is for reference only and does not form part of this project estimate.

proposed retro-fitting of air-conditioning and the sharing of recurrent running cost of the system. We engaged consultants to undertake detailed design and tender documentation at a total cost of \$1.50 million and charged the amount to block allocation **Subhead 3100GX** "Project feasibility studies, minor investigations and consultants' fees for items in Category D of the Public Works Programme". The consultants have completed the detailed design and tender documents.

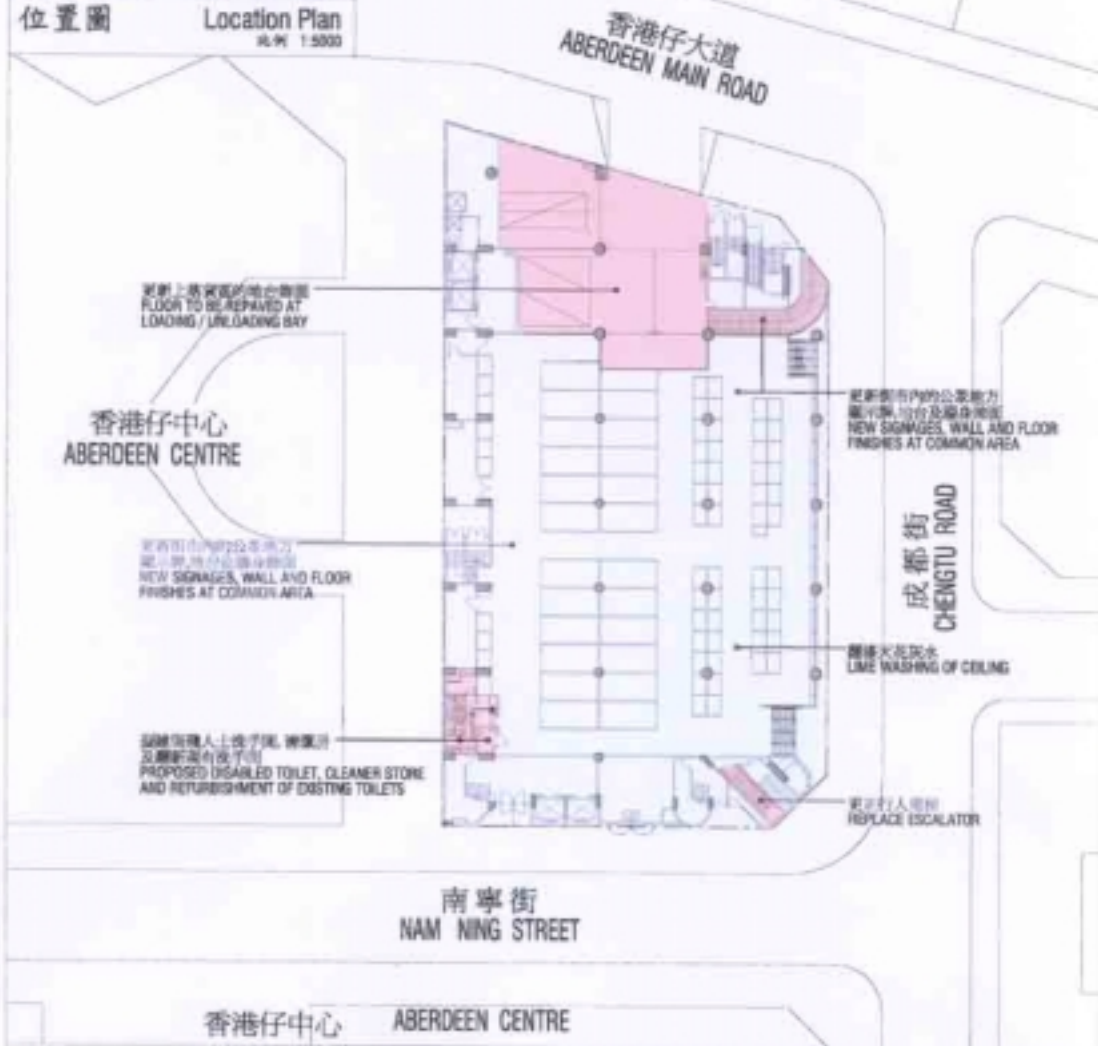
16. The proposed general improvement works will not involve any tree removal or planting proposals.

17. We estimate that the project will create about 53 jobs (45 for labourers and another eight for professional/technical staff) providing a total employment of 600 man-months.

Health, Welfare and Food Bureau
April 2004




位置圖 Location Plan
比例 1:5000



Title 28 XM GENERAL IMPROVEMENT WORK TO ABERDEEN MARKET AND COOKED FOOD CENTRE 香港仔街市及熟食中心一般改善工程	Drawn by WMB: WPH	Date 28.04.04	Drawing no. 9705-SK33/01c	Scale 1 : 500
	Approved by CHINE WPH	Date 28.04.04	ARCHITECTURAL SERVICES DEPARTMENT	
Office CHINE BAY TWA ARCHITECTS LTD.				



擬改善工程電腦效果圖
Computer Rendering Drawing for Proposed Improvement and Upgrading Works

Title 28 號 GENERAL IMPROVEMENT WORKS TO ABERDEEN MARKET AND COOKED FOOD CENTRE 香港仔街市及熟食中心一般改善工程	Draws by HENRY YAU	Date 28.04.04	Drawing no. 9705-SK33/06a	Scale NTS
	Approved by CONNIE WONG	Date 28.04.04		
	Office CHUNG WAH NAN ARCHITECTS LTD.			 ARCHITECTURAL SERVICES DEPARTMENT

Enclosure 3 to PWSC(2004-05)12

28NM – General improvement works at Aberdeen Market and Cooked Food Centre, Aberdeen

Breakdown of the estimate for consultants' fees

Consultants' staff costs	Estimated man- months	Average MPS* salary point	Multiplier <small>(Note 1)</small>	Estimated fee (\$ million)
(a) Consultants' fees for construction stage				
(i) Contract administration				
Professional	-	-	-	0.7
Technical	-	-	-	0.6
(ii) Resident site staff costs	37.0	14	1.6	1.1
<small>(Note 3)</small>				
Total consultants' staff costs				2.4

*MPS = Master Pay Scale

Notes

1. A multiplier of 1.6 is applied to the average MPS point to estimate the cost of resident site staff supplied by the consultants. (At 1 January 2004, MPS point 14 = \$18,603 per month.)
2. The consultants' staff cost for contract administration is calculated in accordance with the existing consultancy agreements for the provision of air-conditioning/other improvement works to existing public markets and cooked food centres. The assignment will only be executed subject to Finance Committee's approval to upgrade **28NM** to Category A.
3. The consultants' staff cost for site supervision is based on estimates prepared by the Director of Architectural Services. We will only know the actual man-months and actual costs after completion of the construction works.