

ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 703 – BUILDINGS Recreation, Culture and Amenities – Cultural facilities 49RE – Renovation of libraries

Members are invited to recommend to Finance Committee –

- (a) the upgrading of part of **49RE**, entitled “Renovation of libraries – Phase 1 works”, to Category A at an estimated cost of \$125.2 million in money-of-the-day prices; and
- (b) the retention of the remainder of **49RE**, retitled “Renovation of libraries – Phase 2 works”, in Category B.

PROBLEM

The settings and facilities in a total of 13 public libraries in Hong Kong need to be renovated and upgraded in order to meet service needs and to bring them in line with the present-day requirements on building and fire safety.

PROPOSAL

2. The Director of Architectural Services (D Arch S), with the support of the Secretary for Home Affairs, proposes to upgrade part of **49RE** to Category A at an estimated cost of \$125.2 million in money-of-the-day (MOD) prices for the renovation and upgrading works in five public libraries covered under Phase 1 of the project.

/ **PROJECT**

PROJECT SCOPE AND NATURE

3. The full scope of **49RE** comprises the following renovation and upgrading works for 13 public libraries (as listed in Enclosure 1) –

- (a) refurbishment of the overall setting of the libraries, including replacement of worn-out fixtures and furnishings, and improvement of the circulation, lighting and ventilation systems;
- (b) upgrading of the audio-visual rooms in the libraries into multimedia libraries, and provision of computer and information centres in these libraries;
- (c) installation of electronic and automation systems in the libraries; and
- (d) alteration of the layouts and facilities in the libraries, to bring them in line with the present-day requirements on building safety, fire safety, means of escape and barrier-free access.

4. In order to tie in with the operational needs of individual libraries and to minimise the disruption of library services caused to the public, we intend to implement **49RE** in two phases. Phase 1 of the project, which we now propose to upgrade to Category A, covers five of the 13 public libraries. We plan to start the Phase 1 works in February 2005 for completion in January 2007. A brief on the five libraries under Phase 1 and the schedule of renovation works for individual libraries are set out in Enclosures 2 and 3 respectively. The libraries will be partially open to the public during the renovation period to provide reasonable library service.

5. Phase 2 renovation works cover the remaining eight public libraries and are expected to start in early 2007 for completion in late 2008. The estimated cost for the Phase 2 works is in the order of \$120 million. We aim to seek Members' approval for upgrading the Phase 2 works in around mid-2006.

JUSTIFICATION

6. The Government is committed to providing quality library services, promoting life-long learning and further enhancing the use of information technology in public libraries. In 2001, the Leisure and Cultural

Services Department has identified a total of 16 public libraries for inclusion in a Library Renovation Programme which aims at improving the physical environment and upgrading the facilities of the public libraries concerned with a view to meeting the needs of the community for pursuit of knowledge and life-long learning. In addition, these libraries have been operating for more than ten years without undergoing major repairs, the Library Renovation Programme therefore also aims at bringing the libraries in line with the up-to-date requirements regarding building and fire safety.

7. The Government has commissioned a consultancy study on the future development of public libraries in Hong Kong. The initial recommendations of the consultancy study have indicated that there should be no cutback in the existing provision of public library services and facilities. In the circumstances, the Library Renovation Programme should be implemented as soon as possible. Among the 16 libraries identified for renovation, two of them, viz. Kowloon City Public Library and Lung Hing Public Library, are of smaller scales and will be implemented as minor works projects. The proposed renovation of one other library, the Shun Lee Estate Public Library, intended to be implemented by way of minor works, was put on hold temporarily because the Kwun Tong District Council did not support the project and strongly urged the relocation of the existing library to larger premises. For the remaining 13 public libraries, in view of the similarity in project nature and scope of works, we plan to implement them as one single capital works item.

FINANCIAL IMPLICATIONS

8. We estimate the capital cost of the Phase 1 works of **49RE** to be \$125.2 million in MOD prices (see paragraph 9 below), made up as follows –

	\$ million
(a) Building	57.9
(b) Building services	47.6
(c) Furniture and equipment ¹	12.3
(d) Consultant's fees for contract administration	0.6

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¹ Mainly for replacement of existing old furniture and equipment.

	\$ million	
(e) Contingencies	12.6	
Sub-total	131.0	(in September 2003 prices)
(f) Provision for price adjustment	(5.8)	
Total	125.2	(in MOD prices)

D Arch S proposes to engage a consultant to undertake contract administration for the project. A breakdown of the estimate for the consultant's fees is at Enclosure 4. The construction floor area (CFA) of Phase 1 of **49RE** is about 15 808 square metres (m²). The estimated construction unit cost, represented by the building and the building services costs, is \$6,674 per m² of CFA in September 2003 prices. D Arch S considers this unit cost reasonable having regard to the stringent phasing requirement of the proposed works so as to minimise disruption and to maintain reasonable library service during the renovation period, and the sophisticated building and building services works required to fit out the multimedia libraries and computer and information centres of the five libraries concerned. The works in the multimedia libraries and computer and information centres include soundproofing finishings, service counters, built-in booths and computer furniture, raised floors, humidity control and acoustic treatment of air-conditioning system, and the total fitting-out cost is about \$13.5 million.

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

Year	\$ million (Sep 2003)	Price adjustment factor	\$ million (MOD)
2004 – 05	1.0	0.97150	1.0
2005 – 06	64.0	0.95450	61.1
2006 – 07	54.0	0.95450	51.5
2007 – 08	10.5	0.96643	10.1
2008 – 09	1.5	0.98455	1.5
	<u>131.0</u>		<u>125.2</u>

10. We have derived the MOD estimate 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 from 2004 to 2009. We will tender the project as a design-and-build contract. 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.

11. At present, the total recurrent expenditure for the five libraries is \$49.5 million. We estimate that the annual recurrent expenditure upon completion of the project will be more or less the same.

PUBLIC CONSULTATION

12. We consulted the respective District Councils between February and March 2004, and obtained their support for the proposed renovation of the five libraries under Phase 1 of the project.

ENVIRONMENTAL IMPLICATIONS

13. This is not a designated project under the Environmental Impact Assessment Ordinance. The project will have little potential for giving rise to adverse environmental impacts. Nevertheless, we have engaged a consultant to carry out a survey on the presence of asbestos containing materials (ACM) in the five libraries under Phase 1 of the project, and will submit an Asbestos Investigation Report under the Air Pollution Control Ordinance (APCO). If ACM is present, it will be removed and disposed of prior to the commencement of construction works in these libraries in accordance with the APCO and Waste Disposal Ordinance.

14. During construction, we will control noise, dust and site run-off nuisances to within established standards and guidelines through the implementation of mitigation measures in the contract. These include the use of silencers, mufflers, acoustic lining or shields for noisy construction activities and frequent cleaning of the site.

15. At the planning stage, we have considered measures to reduce the generation of construction and demolition (C&D) materials. D Arch S will require the contractor to introduce more prefabricated building elements into

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the library designs 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.

16. 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. We will record the disposal, reuse and recycling of C&D materials for monitoring purposes. We estimate that the Phase 1 works will generate about 733 cubic metres (m³) of C&D materials. Of these, we will reuse about 28 m³ (3.8%) on site, 593 m³ (80.9%) as fill in public filling areas², and dispose of 112 m³ (15.3%) at landfills. The notional cost of accommodating C&D waste at landfill sites is estimated to be \$14,000 for the Phase 1 works (based on a notional cost³ of \$125/m³).

LAND ACQUISITION

17. The project does not require land acquisition.

BACKGROUND INFORMATION

18. We upgraded **49RE** to Category B in August 2002. We have engaged consultants to undertake asbestos survey, prepare tender drawings and provide tender documentation services for the Phase 1 works at a total cost of \$0.95 million. We have charged this 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 are finalising the asbestos survey, tender drawings and tender documents.

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² 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.

³ 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.

19. The proposed library renovation and upgrading works will not involve any tree removal or planting proposals.

20. We estimate that the proposed works will create about 145 jobs (125 for labourers and another 20 for professional/technical staff) providing a total employment of 2 750 man-months.

Home Affairs Bureau
May 2004

49RE – Renovation of libraries

Phase 1

1. Aberdeen Public Library
2. Kowloon Public Library
3. Ngai Chi Wan Public Library
4. Po On Road Public Library
5. Tuen Mun Public Library

Phase 2

1. Fa Yuen Street Public Library
2. Lockhart Road Public Library
3. Quarry Bay Public Library
4. Sha Tin Public Library
5. Shui Wo Street Public Library
6. To Kwa Wan Public Library
7. Yau Ma Tei Public Library
8. Yuen Long Public Library

49RE – Renovation of libraries**A Brief on the Five Libraries under Phase 1**

	Aberdeen Public Library	Kowloon Public Library	Ngau Chi Wan Public Library	Po On Road Public Library	Tuen Mun Public Library
Type of Library ^{Note}	District Library	Major Library	District Library	District Library	Major Library
Construction Floor Area (m ²)	1 358	6 711	1 521	1 727	4 491
Library Materials Stock as at 31 March 2004	157 030	592 271	130 662	138 410	413 779
Attendance of the Library in 2003	798 942	730 942	620 711	1 094 811	1 548 303
Library Materials Borrowed in 2003	885 656	861 073	729 185	868 826	1 735 934

^{Note} The Hong Kong Public Libraries provide a network of 63 static libraries and 8 mobile libraries, offering a wide range of materials to meet the community's need for information, informal education and the creative use of leisure and to promote the literary arts in Hong Kong.

District libraries provide basic library services including lending services for adult and children, newspapers and periodicals services, Students' Study Room, Extension Activities Room, Audio-visual/Multimedia Library and Internet search facilities.

At present, there are five major libraries. Each of them is about double the size of a district library. In addition to the provision of a larger collection of more in-depth library materials of broad subjects as well as the services and facilities of a district library in larger scale, they also provide comprehensive reference and information services.

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Schedule of renovation works for libraries under Phase 1

Libraries	Tentative works start date	Estimated duration of works
Aberdeen Public Library	Mid-2005	8 months
Kowloon Public Library	Early 2005	18 months
Ngau Chi Wan Public Library	Early 2006	8 months
Po On Road Public Library	Mid-2005	7 months
Tuen Mun Public Library	Mid-2005	15 months

49RE – Renovation of libraries

Breakdown of the estimate for consultant’s fees

Consultant’s staff costs		Estimated man- months	Average MPS* salary point	Multiplier	Estimated fee (\$ million)
Contract administration (Note)	Professional	–	–	–	0.52
	Technical	–	–	–	0.08
				Total	0.60

* MPS = Master Pay Scale

Note

The consultant’s staff cost for contract administration is calculated in accordance with the existing consultancy agreement for the provision of quantity surveying services for the Phase 1 works. The post-contract stage of the assignment will only be executed subject to Finance Committee’s approval to upgrade the Phase 1 works to Category A.