## 立法會 Legislative Council

LC Paper No. PWSC 46/05-06 (These minutes have been seen by the Administration)

Ref: CB1/F/2/2

## **Public Works Subcommittee of the Finance Committee of the Legislative Council**

Minutes of the 6<sup>th</sup> meeting held in the Conference Room A of Legislative Council Building on Wednesday, 15 February 2006, at 8:30 am

### **Members present:**

Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP (Chairman)

Hon Alan LEONG Kah-kit, SC (Deputy Chairman)

Hon Fred LI Wah-ming, JP

Hon Mrs Selina CHOW LIANG Shuk-yee, GBS, JP

Hon James TO Kun-sun

Hon CHEUNG Man-kwong

Hon CHAN Yuen-han, JP

Hon CHAN Kam-lam, SBS, JP

Hon Jasper TSANG Yok-sing, GBS, JP

Hon LAU Kong-wah, JP

Hon Miriam LAU Kin-yee, GBS, JP

Hon CHOY So-yuk

Hon Andrew CHENG Kar-foo

Hon TAM Yiu-chung, GBS, JP

Hon Abraham SHEK Lai-him, JP

Hon Albert CHAN Wai-yip

Hon LEE Wing-tat

Hon LI Kwok-ying, MH

Hon Daniel LAM Wai-keung, BBS, JP

Hon CHEUNG Hok-ming, SBS, JP

Hon Patrick LAU Sau-shing, SBS, JP

Hon TAM Heung-man

### **Public officers attending:**

Mr Davey CHUNG

Miss Amy TSE, JP Deputy Secretary for Financial Services and

the Treasury (Treasury)3

Mr Y C LO, JP Permanent Secretary for the Environment,

Transport and Works (Works)

Mrs Rita LAU, JP Permanent Secretary for Housing, Planning

and Lands (Planning and Lands)

Dr Mike CHIU, JP Permanent Secretary for the Environment,

Transport and Works (Environment) (Acting) Principal Assistant Secretary for Financial

Services and the Treasury (Treasury) (Works)

Mr Thomas TSO, JP Deputy Secretary for Home Affairs
Mr Eddie POON Principal Assistant Secretary for Home

Affairs (Recreation and Sport)

Mr C H YUE, JP Director of Architectural Services

Mr Alan SIU, JP Deputy Director of Leisure and Cultural

Services (Leisure Services)

Mr Eddy YAU, JP Assistant Director of Leisure and Cultural

Services (Leisure Services)3

Mr Vincent LIU Deputy Secretary for Health, Welfare and Food

(Food and Environmental Hygiene) (Acting)

Mr Donald TONG, JP Deputy Director of Food and Environmental

Hygiene (Administration and Development)

Mr YEUNG Shun-kui Assistant Director of Food and Environmental

Hygiene (Operations)2

Ms Bernadette LINN Deputy Secretary for Education and

Manpower (2)

Ms Maisie CHAN Principal Assistant Secretary for Education

and Manpower (Infrastructure and Research

Support)

Mr Francis LEUNG Lap-ki Chief Technical Advisor/Subvented Projects

Architectural Services Department

Mr C K WONG, JP Director of Drainage Services

Mr K K CHAN Chief Engineer/Drainage Projects, Drainage

Services Department

Mr Raymond FAN Deputy Director of Environmental Protection

(2)

Mr TANG Kin-fai Assistant Director of Environmental Protection,

(Waste Management Policy) (Acting)

Dr Ellen CHAN Ying-lung Assistant Director of Environmental Protection,

(Environmental Infrastructure)

Mr Alex NG Yau-wing Principal Environmental Protection Officer

(Special Waste and Landfill Restoration)

#### Clerk in attendance:

Mr Paul WOO Senior Council Secretary (1)3

#### **Staff in attendance:**

Ms Pauline NG Assistant Secretary General 1

Mr Anthony CHU Council Secretary (1)2

Ms Caris CHAN Senior Legislative Assistant (1)1

Mr Frankie WOO Legislative Assistant (1)2

Action

#### **HEAD 703-BUILDING**

### PWSC(2005-06)53 242RS Tseung Kwan O Sports Ground

The Chairman advised members that the proposal was a re-submission of an item withdrawn by the Administration at the Public Works Subcommittee (PWSC) meeting on 11 January 2006. At the request of PWSC, the Administration consulted the Panel on Home Affairs (HA Panel) on 23 January 2006 on the project and explained the reasons for the need to increase the approved project estimate (APE). The Administration subsequently provided a supplementary information paper which responded to the issues raised at the Panel discussion. The paper was circulated to members of the HA Panel on 13 February 2006.

- 2. The Chairman advised that according to the information provided to him, some Panel members had great reservations on the proposed increase in the APE. They considered that since the facilities under the original design had already met international standards, they could not see the justification to seek additional funding to upgrade the facilities. These Panel members considered that the resources should instead be channeled to sports promotion in schools and training of elite athletes, which would bring about more long-term benefits to sports development in Hong Kong. There were also views expressed at the Panel meeting that the additional resources should be used for other services with pressing needs, such as public medical and welfare services. Some members were concerned that due to the holding of the 2009 East Asian Games, the Administration might reduce its commitments in other leisure and recreational facilities and delay the implementation of such projects.
- 3. The Chairman further advised that at the Panel meeting, some other Panel members supported the Administration's proposal. They considered that the innovative designs for the facilities could upgrade the quality of the sports ground. Moreover, building a sports ground with facilities matching the standards of the International Association of Athletics Federations for holding major athletic events would facilitate Hong Kong in hosting large-scale international athletic

Action - 4 -

events in future, hence further promoting sports development in Hong Kong. The provision of a high quality sports ground also met the demand of the local community for improved sports facilities. The members, however, considered that Administration should be more prudent in working out public works project cost estimates in future to avoid seeking additional public funding from the Legislative Council (LegCo). After discussion, the HA Panel had no objection to the submission of the proposal to PWSC on 15 February 2006.

4. The item was voted on and endorsed.

#### PWSC(2005-06)47 3NB Additional columbarium at Diamond Hill

- 5. The Chairman advised members that the Panel on Food Safety and Environmental Hygiene (FSEH Panel) had discussed the proposal at its meeting on 17 January 2006.
- 6. Mr Fred LI, Chairman of the FSEH Panel, said that the Panel had no objection to the proposed construction of an additional columbarium at Diamond Hill in view of the shortfall in the supply of niches. He added that in response to the views of the Panel, the Administration had undertaken to review the design to improve the visual impact of the columbarium.
- 7. While stating support for the proposed project, Mrs Selina CHOW enquired about measures to address the shortfall in the supply of niches. Noting that the number of niches in the proposed columbarium had been reduced from the originally planned figure of 20 000 to 18 500, she expressed concern that the reduction would fail to address the shortage problem.
- 8. The Deputy Secretary for Health, Welfare and Food (Food and Environmental Hygiene) (Acting) advised members that the Administration acknowledged the shortage in the supply of niches. To meet the demand in 2006 and 2007, the Government was building about 10 000 new niches in columbaria at Cape Collinson, Kwai Chung and Wo Hop Shek, while the Board of Management of Chinese Permanent Cemeteries was developing 25 000 additional niches in its Cape Collinson Chinese Permanent Cemetery. The proposed additional columbarium at Diamond Hill would provide 18 500 niches upon completion in 2008. In the longer-term perspective, it was planned that an additional 100 000 niches or more would be provided in the next decade by constructing new columbaria in Diamond Hill, Kwai Chung and Wo Hop Shek, subject to consultation with the relevant Districts Councils and the local communities. The Administration would also invite the private sector, non-governmental organizations and voluntary bodies to build more niches to meet the increasing public demand.
- 9. The item was voted on and endorsed.

### PWSC(2005-06)51 302EP Primary school in Area 31, Sheung Shui

- 10. The Chairman advised members that an information paper on the item had been circulated to the Panel on Education on 26 January 2006.
- 11. Mr CHEUNG Man-kwong said that the proposed construction of the primary school was for whole-day conversion of an existing bi-sessional primary school. Given that the policy to implement whole-day primary schools for all primary school students had the support of LegCo, the Democratic Party was in support of the project.
- 12. Noting a recent case of delinking a primary-cum-secondary through-train school, Mr Albert CHAN asked whether the Administration would take measures to prevent future delinkings in assessing and approving such applications from school sponsors. He stressed that through-train arrangements should be carefully examined and approved on a long-term basis, and should not be allowed to be revoked lightly. Mr Patrick LAU enquired whether the vacant land adjacent to the proposed school reserved for future school development would be used for developing a secondary school directly linked with the proposed primary school.
- 13. The Deputy Secretary for Education and Manpower (2) (DS(EM)2) informed members that the proposed primary school was not linked to a secondary school. She said that under the existing mechanism, both through-train and delinking arrangements were subject to established assessment procedures to ensure that the interests of the students would not be prejudiced. She said that policy consideration of through-train arrangements was outside the present proposal and therefore should not affect consideration of the present project. She further said that the land next to the proposed school was reserved for future school development but concrete arrangements had yet to be decided.
- 14. Mr Albert CHAN remarked that the design of the school was unappealing and flawed with too much construction of concrete boundary walls. He suggested that more windows could be incorporated in the design to increase its attractiveness.
- 15. The Director of Architectural Services (D Arch S) explained that the design work of the proposed school had been outsourced to a private architect. The Administration was satisfied that the design had met the set specifications. Nevertheless, having regard to members' views, the Administration would further discuss with the architect on how the design could be further improved. The Chairman remarked that the Administration must carefully monitor the outsourced works projects to ensure that the contractors would provide their best services.
- 16. Noting that the proposed project involved removal of 47 trees including 33 trees to be felled, Mr Patrick LAU asked whether the removal of trees could be avoided. In response, D Arch S said that the terms of the contract had required that the trees should be kept as far as possible. He explained that due to site constraints and in order to provide enough space for the playground and car-parking spaces,

Action - 6 -

some trees would have to be removed. He added that all trees to be removed were not important trees and some of them were in poor condition. Of those trees to be removed, 14 trees would be replanted within the project site. To compensate for the felled trees, the Administration would incorporate planting proposals as part of the project, including estimated quantities of 187 trees as well as over 10 000 other shrubs and grassed areas.

Admin

- 17. At the request of Mr Patrick LAU, the Administration agreed to provide the tree survey report of the project and the design for the replanting of trees and shrubs before the relevant Finance Committee (FC) meeting.
- 18. Mr Albert CHAN recalled that during previous discussions at PWSC meetings, members had considered that a 60-metre running track should be included as a basic facility for schools. He queried why no running track was provided for in this proposal.
- 19. D Arch S replied that the original design of the school included a 60-metre running track at the northwest side of the site. However, as the site was not on level ground, the alternative of a shorter running track was being considered. The Administration would further discuss with the school sponsor on whether they would accept a shorter running track.
- 20. Mr Albert CHAN pointed out that it was generally supported by members that a running track should be an essential facility for the students. It should not be provided at the discretion of the school sponsor.
- 21. DS(EM)2 said that the Education and Manpower Bureau was reviewing with the Architectural Services Department on what needed and needed not be provided as standard facilities for a school. Since there were practical limitations of constructing a 60-metre running track at the site, the Administration considered it appropriate to discuss with the school sponsor on what other options would be available. In response to Mr Albert CHAN's request, she agreed to provide more detailed explanation on why the planned facilities of the school did not include a running track and report on the discussion with the school sponsor on the matter before the relevant FC meeting.

Admin

- 22. Referring to Enclosure 1 to the Administration's paper, Mr Abraham SHEK enquired about the reasons for adopting a vertical, instead of lateral, orientation in the construction plan of the school. In his view, the present plan could not make the optimal use of the site. In response, D Arch S said that the plan was so designed such that the school hall located near Ting Ping Road would be segregated from traffic noise whereas the playground was placed at the other side. Moreover, the present plan enabled common use of the car-parking spaces by the other school to be constructed at the adjacent site.
- 23. The item was voted on and endorsed.

Action - 7 -

# HEAD 708 – CAPITAL SUBVENTIONS AND MAJOR SYSTEMS AND EQUIPMENT

## PWSC(2005-06)52 26EA A direct subsidy scheme primary school at Nam Fung Path, Wong Chuk Hang

- 24. The Chairman advised members that an information paper on the item had been circulated to the Panel on Education on 26 January 2006.
- 25. Noting that the proposed school project was for the reprovisioning of two existing schools, Mr Albert CHAN queried why only one basketball court was provided on the rooftop of the assembly hall. In his view, the rooftop area was sufficient to construct two basketball courts.
- 26. DS(EM)2 explained that as the proposed school was a direct subsidy scheme school, the school sponsor was given flexibility on the design and construction of the facilities to suit its curriculum needs. She added that apart from the basketball court, other specially designed facilities would be constructed which could be used for holding student activities, such as the assembly hall and a multi-purpose area. Taken in totality, the facilities of the proposed school were able to cater to students' needs in the case of a standard design public sector school.
- 27. Mr Albert CHAN stressed that he was enquiring about the reason for including only one basketball court and not two in the plan. He asked to put on record that the Administration had not responded to his question. In view of Mr CHAN's queries, the Administration agreed to provide written explanation on the following matters before the relevant FC meeting:
  - (a) the use of the space adjacent to the basketball court on the rooftop of the assembly hall; and
  - (b) the reasons for not constructing two rooftop basketball courts but only one.
- 28. The item was voted on and endorsed.

#### **HEAD 704 – DRAINAGE**

## PWSC(2005-06)48 125CD Drainage improvement from Tung Kok Wai to San Wai, Fanling

29. The Chairman informed members that an information paper on the project had been circulated to the Panel on Planning, Lands and Works on 21 June 2005.

Admin

Action - 8 -

- 30. Mr Albert CHAN said that he had recently received complaints from residents in Kam Tin about the design of the drainage works. He pointed out that the design of the drainage system was such that a long concrete parapet of about 3-feet in height was constructed along the edge of the drains. During severe rainfall, this had resulted in flooding affecting nearby residential areas. He cautioned that the same problem should be avoided in constructing the proposed drainage improvement works.
- 31. The Director for Drainage Services explained that the proposed project involved the construction of box culverts to replace the existing watercourse for the efficient discharge of surface runoff. With this improved system, surface runoff would be collected in the box culverts via the U channels and branch drains before discharging to Ma Wat River. The problem highlighted by Mr Albert CHAN should not occur. He agreed to provide Mr CHAN with a drawing showing the way surface runoff along the box culvert was to be collected.

32. The item was voted on and endorsed.

#### **HEAD 705 - CIVIL ENGINEERING**

### PWSC(2005-06)49 703CL Development of EcoPark in Tuen Mun Area 38

- 33. Miss CHOY So-yuk, Chairman of the Environmental Affairs Panel (EA Panel), informed members that at its meeting on 15 December 2005, the EA Panel in principle supported the development of the EcoPark in Tuen Mun, but stressed that guidelines should be drawn up to ensure that the operations at the EcoPark would only deal with recycling of locally recovered waste rather than imported waste materials. Moreover, the EcoPark should specialize in recycling waste materials into useful products and not in low-end waste resorting activities. Therefore, district-based waste sorting centres should be set up to facilitate sufficient supply of locally recovered recyclable wastes for processing at the EcoPark. Some Panel members also considered that while it was acceptable for the Government to fund the capital cost of constructing the essential supporting infrastructure of the EcoPark, the operation of the EcoPark should be self-financing as otherwise it would not be sustainable in the long run. Miss CHOY requested the Administration to take account of the Panel's views.
- 34. The Deputy Director of Environmental Protection (2) (DD/EP(2)) made the following responses
  - (a) The Administration fully agreed with the above-mentioned views of the EA Panel. The objective of the EcoPark was to promote the local environmental and recycling industries which would help create a circular economy in Hong Kong to provide a long-term and sustainable solution to the waste problems. To this end, the operation of the recyclers at the EcoPark would target predominantly

Admin

- at local recyclable waste, with restriction on the use of imported recovered materials. That said, however, the Administration was of the view that some flexibility should still be allowed to enable recyclers to process certain imported waste as and when appropriate, which would help sustain the long-term viability of their operations.
- (b) The document "A Policy Framework for the Management of Municipal Solid Waste" (the Policy Framework) issued in late 2005 set out a comprehensive policy to support the waste recycling industry in Hong Kong by mapping out a waste management strategy which placed emphasis on waste reduction and recovery. This included, among others, allocating suitable land and provision of effective support measures for the recycling industry. Under the development of the EcoPark, selected recyclers could acquire land at affordable costs to help support their investment in value-added equipment and technologies and expand into higher-end recycling operations.
- (c) The selection criteria for the occupant recyclers would be set with priority given to processes involving value-added technologies and the target materials under the proposed Producer Responsibility Schemes (PRS). The EcoPark would not become a waste sorting centre and its operation would not affect the business of operators engaging in waste collection for recycling purposes. The Administration supported the EA Panel's view that an effective mechanism for waste separation and sorting would be needed at the local level for efficient collection of recyclable wastes.
- 35. Miss CHOY So-yuk noted that five locally generated recyclable wastes to be processed in EcoPark were specified in Enclosure 2 to the paper. With the exception of waste electrical and electronic equipment, the amount of recyclable wastes in the four other material types recovered in 2004 was small (in the case of PET bottles and rubber tyres) and even insignificant (in the case of expanded polystyrene packaging and rechargeable batteries). She questioned how adequate local supply of such raw wastes could be acquired for processing in the EcoPark without importing such materials from other places. She stressed that collection and sorting of recyclable wastes should be undertaken at source.
- 36. DD/EP(2) responded that the Administration was aware of the problem of recovery of locally generated recyclable wastes which was the target to be addressed by the proposed PRS, under which legal responsibility would be imposed on producers for proper disposal of target recyclable materials. He said that the Administration would consult the EA Panel on the proposed Schemes in due course. He reiterated that the Administration accepted the need to introduce measures to facilitate collection and recovery of recyclable wastes.
- 37. Mrs Selina CHOW expressed support for construction of the EcoPark, which she considered would contribute to the development of the circular

<u>Action</u> - 10 -

economy and bring about economic benefits such as creating more job opportunities for the local people, particularly residents in districts like Tuen Mun and Tin Shui Wai where there were many low-income families and the problem of unemployment was relatively more serious. She further remarked that the Administration should strengthen education and publicity on the objective and operation of the EcoPark to help instill the right concept of environmental protection and waste management in the minds of the general public.

- 38. DD/EP(2) responded that the Administration had consulted the Tuen Mun District Council (TMDC) in detail on the project. The TMDC fully supported the development of the EcoPark as a cornerstone of the local waste recycling industry which would contribute to promoting the industry and enhancing employment in Tuen Mun. The TMDC had urged the Administration to expedite the project. On education and publicity, DD/EP(2) informed members that the facilities of the EcoPark included an education centre at which visitors could get information on the EcoPark and matters relating to waste recycling and management. Talks and seminars on the development of the EcoPark and its operation would also be organized.
- 39. Mr TAM Yiu-chung also expressed support for the project. He however stressed that the operations in the EcoPark should be carefully monitored to ensure that they would not create adverse impact on the environment.
- 40. The Assistant Director of Environmental Protection (Waste Management Policy) (Acting) (AD/WMP) said that the Administration would appoint through open tender a management contractor to act as Government's agent to manage and maintain the EcoPark's common facilities. The planning of the facilities set out in paragraph 3 of the paper were in accordance with the Environmental Impact Assessment (EIA) conducted on the project, which examined a wide range of recycling processes for different allowable materials and recommended a number of mitigation measures. He added that in assessing the suitability of recyclers to be admitted to the EcoPark, careful regard would be given to, among other relevant considerations, the specific recovered materials and their recycling operations to ensure that no harmful effect would be created on the environment.
- 41. Mrs Selina CHOW said that local residents had expressed concern that incinerating facilities would be used in the recycling processes in the EcoPark. She asked whether this would be the case. AD/WMP clarified that high-temperature waste treatment facilities such as incinerators would not be used in the EcoPark. He added that additional EIA would be conducted for processes which had not been assessed under the original EIA and which might pose hazards to the environment before these processes could be allowed in the EcoPark.
- 42. Mr LEE Wing-tat asked whether recyclers of waste materials other than those specified in Enclosure 2 to the paper would be allowed to set up operations in the EcoPark. AD/WMP replied that while the EcoPark would cater for the processing of the most common recyclable materials collected in Hong Kong, priority would be given to recyclable materials that were targets of the PRS and

<u>Action</u> - 11 -

other materials which were otherwise difficult to recycle. He said that Enclosure 2 to the paper only set out the five major types of recyclable materials collected locally, and did not preclude recyclers of other materials from the operation of the EcoPark. Applications from recyclers of other material types for establishing operation in the EcoPark would be considered as appropriate.

- 43. Ms Miriam LAU expressed support for the project. She asked whether the Administration would charge the recycling companies for their operation in the EcoPark. AD/WMP responded that under the EcoPark project, the Administration would provide land and the essential infrastructure facilities for the recyclers in operating their business. The management of the EcoPark would be funded by the Government and recyclers would have to pay rent for their operation in the EcoPark.
- 44. Miss CHOY So-yuk sought clarification on whether the rent paid by the recycling companies would go to the Government's management agent or to the Government itself. DD/EP(2) reiterated that the Administration would appoint through open tender a management contractor (the Operator) to act as Government's agent to manage and maintain the EcoPark common facilities. In return, the Operator would receive a monthly fee in accordance with the rates quoted in the tender. While the Operator could be responsible for collecting rents from the EcoPark occupants, the money would go to the Government General Revenue Account.
- 45. Referring to the information on projected throughputs of recyclable wastes to be processed in the EcoPark, Ms Miriam LAU sought explanation on the differences in the targeted percentage of waste recovery between the five types of recyclable wastes specified at Enclosure 2. She also asked whether glass bottles would be included for processing in the EcoPark.
- 46. DD/EP(2) said that the list in Enclosure 2 set out the major types of recyclable wastes recovered locally. These material types were included in the proposed PRS and formed the major targets of the recycling processes in the EcoPark, after having consulted the recycling industry and the green organizations. On the differences in the projected throughputs of the five types of recyclable wastes in the EcoPark, DD/EP(2) explained that they were worked out on the basis of relevant factors such as the practical limitations in achieving full recycling of the materials, the economic and market value of the re-manufactured products as well as their contribution to promoting a circular economy etc. Regarding glass bottles, AD/WMP said that the material was difficult to be re-processed and the recycled product was of relatively low market value. It could be used as a construction and building material but it would be very expensive for the users.
- 47. Ms Miriam LAU pointed out the Administration had explained in its paper that the EcoPark would cater for the processing of the most common recyclable materials collected in Hong Kong and priority would also be given to materials which were otherwise difficult to recycle. She urged the Administration to take measures to deal with the waste problem arising from glass bottles.

<u>Action</u> - 12 -

- DD/EP(2) noted the views. He said that the Administration acknowledged that glass bottles as a waste material was a problem which had to be addressed. The Administration was working in this direction in consultation with the industry and environmental organizations.
- 48. Noting that the consultants' fees for site supervision for the construction of the EcoPark amounted to \$34.3 million, against the total project cost of \$319.1 million, Mr Patrick LAU considered that the fees level was excessively high. He pointed out that for the two previous projects **302EP** and **26EA** being considered, the site supervision fees were much lower. In the case of **302EP**, the site supervision fees were \$1.8 million against the total construction cost of \$106.1 million, while in **26EA** the site supervision fees were \$1.0 million against the total construction cost of \$170.6 million. He questioned whether the high site supervision fees for the EcoPark were justified. The Chairman also considered that the site supervision fees for the EcoPark were much on the high side.
- 49. Mrs Selina CHOW said that while she would not criticize the site supervision fees for this project as excessive, the Administration should generally review the wide differences in such expenditure item between some projects to see if they were justified.
- 50. DD/EP(2) and AD/WMP explained that the EcoPark in Tuen Mun was the first EcoPark ever to be built in Hong Kong. In view of the unique and multi-disciplinary nature of the project, it was reasonable to make conservative estimates of the cost items, including site supervision fees. The EcoPark was a large-scale civil engineering project, whose supporting infrastructure involved the construction of a wide and varied range of facilities including site formation, internal roads, drains and sewers, utilities installations, wastewater treatment facility, marine loading/unloading areas and cargo handling facilities, as well as construction of buildings and ancillary facilities for recycling operations etc. Moreover, many of the planned facilities were advanced facilities designed with substantial environmental protection features, intended to serve as a model for other major green projects. It was expected that professional consultants' services in various fields would have to be engaged, hence accounting for the relatively high estimated fees for site supervision work. AD/WMP pointed out that the estimated \$34.3 million in site supervision fees made up about 12% of the total estimated construction cost. This did not far exceed the average level for other large-scale civil engineering projects. DD/EP(2) added that the estimated fees level, though at the top end of the range, was not excessive.
- 51. The Permanent Secretary for the Environment, Transport and Works (Works) said that buildings projects and civil engineering projects varied in nature, complexity and size. In comparison with civil engineering projects, buildings projects usually involved lesser and smaller sites and hence simpler site supervision work. 302EP and 26EA were school building projects. They were smaller in scale and therefore the site supervision work would be less complicated when compared to the EcoPark, which was a major civil engineering project involving multi-disciplinary professional supervisory staff. He pointed out that site

<u>Action</u> - 13 -

Admin

supervision fees for school projects normally ranged between 2% to 4% of the total project cost, while that for civil engineering projects was about 10%. He agreed that the estimated consultants' fees for site supervision for the EcoPark, at 12% of the total construction cost, though not excessive, were a bit on the high side. He said that the Administration would review the level of estimate and report on the outcome before the relevant meeting of the FC.

- 52. Mr Patrick LAU remarked that the concept of environmental protection also involved cost saving to sustain long-term development. He urged the Administration to examine the possibility of bringing down the site supervision fees, taking into consideration the requisite facilities of the EcoPark. He further commented that more reuseable materials, which would incur less costs and do less harm to the environment, should be used in the construction of the EcoPark. AD/WMP responded that while the Administration agreed in general with the points made, he pointed out that many environmentally friendly products e.g. solar panels, though costly to use, would achieve overall cost saving in the long run.
- 53. The item was voted on and endorsed.

# PWSC(2005-06)50 167DR Provision of grease trap waste treatment facility at a refuse transfer station

- 54. The Chairman advised members that the EA Panel was consulted on this project at its meeting on 23 January 2006. At members' request, a supplementary information paper was circulated to Panel members on 7 February 2006.
- 55. Miss CHOY So-yuk, Chairman of the EA Panel, said that Panel members supported the proposal in principle but requested the Administration to consult both the Sham Shui Po District Council and Kwai Tsing District Council on the project. Some Panel members considered that more grease trap waste treatment facilities (GTWTF) should be set up if the facilities were proved to be effective in treatment of grease trap waste (GTW). The Administration should also consider prescribing mandatory requirement for waste producers to deliver GTW to the GTWTF, and imposing charges for the use of the GTWTF. The Panel had also requested the Administration to provide information on possible revenue from the sale of the recovered oil and grease for reuse.
- 56. The Assistant Director of Environmental Protection (Environmental Infrastructure) (AD(EI)) responded to the issues raised by the EA Panel as follows:
  - (a) The Administration had consulted the Environment and Food Committee of the Sham Shui Po District Council on the project. It would consult the relevant committee under the Kwai Tsing District Council in the afternoon of 15 February 2006;

<u>Action</u> - 14 -

- (b) Although the GTW arisings had remained fairly constant since mid 2004, the Administration would continue to monitor the future GTW arisings as part of the planning for any additional facility. The need for an additional GTWTF would be closely reviewed;
- (c) At present, all GTW was delivered to the interim GTW treatment facility in West New Territories Landfill at Nim Wan, Tuen Mun for treatment before it was disposed of at the landfill. Disposal of GTW at the interim treatment facility was managed by Environmental Protection Department (EPD) through an administrative registration system, under which any person who wished to deliver GTW to the treatment facility for disposal should first register with EPD. The Certificate of Registration required the registered collectors to discharge GTW at the proposed GTWTF, which would replace the interim facility in Tuen Mun upon its completion;
- (d) Currently, no charge was levied on the users of the interim treatment facility in Tuen Mun for disposal of GTW. On the basis of the polluter-pays principle, a charge for the disposal of GTW at Government waste treatment facility should normally be made. The Administration would revisit the current charging policy for the treatment and disposal of GTW and consult the EA Panel in due course.
- 57. In response to Mr CHAN Kam-lam's enquiry on the estimated share of revenue by the Government from the sale of recovered oil and grease to potential users, AD(EI) said that available information revealed that in France, the recovered oil and grease were sold for use as an industrial fuel at a price of about 190 EURO (HK\$1,800) per tonne. In Hong Kong, the market value of the recovered oil and grease had yet to be established but it was expected that the price might be comparable. She added that according to the contract to be entered into with the contractor of the existing West Kowloon Transfer Station (WKTS), at which the proposed GTWTF would be constructed, the Administration would require the contractor to pay a royalty to the Government as a percentage of the net profit arising from the sale of the recovered oil and grease. The Administration would negotiate the contract terms with the contractor of WKTS after funding approval was granted. Mr CHAN Kam-lam opined that the level of royalty should be finalized during the tendering process.
- 58. In reply to Mr CHAN Kam-lam's further enquiry on the annual recurrent expenditure arising from the project, AD(EI) said that the estimated annual operation cost of the proposed GTWTF at WKTS was \$9.7 million while the estimated recurrent staff cost for the monitoring of the operation of the GTWTF and the WKTS was \$1.94 million.
- 59. Noting from paragraph 6 of the Administration's paper that the Administration had invited proposals from the contractors of two existing urban refuse transfer stations on construction of the proposed GTWTF at their stations,

<u>Action</u> - 15 -

Mr CHAN Kam-lam enquired about how the Administration had evaluated their respective proposals. In response, AD(EI) said that the two contractors identified were the operators of WKTS and Sha Tin Transfer Station. The proposals were evaluated using pre-approved criteria by an assessment panel based mainly on the financial and technical feasibility aspects. The proposal submitted by the contractor of WKTS was selected.

- 60. Mr CHAN Kam-lam expressed concern that the contractor of WKTS, which only handled refuse transfer, might not have the high technical expertise required to operate the GTWTF.
- 61. In response, AD(EI) said the treatment process of recovery of oil and grease from GTW for reuse had been implemented in France and the process was found to be technically feasible. The recovered oil and grease had been successfully used as an alternative fuel replacing liquid fossil fuel in industrial furnances in France. She advised members that the operator of WKTS had international experience in waste management and its parent company in France was the innovator of the specialized technique used in recovery of oil and grease. She added that as the proposed GTWTF was the first such facility to be set up in Hong Kong, its operation would be closely monitored.
- 62. Noting that the local universities had conducted researches on recovery of oil and grease for reuse as an alternative industrial fuel, Ms Miriam LAU commented that the Administration should also take advantage of such researches and studies. She also asked whether the recovered oil and grease, as the end product to reduce reliance on fossil fuel, would be widely used in industry.
- 63. AD(EI) said that the Administration would make reference to ongoing and useful researches and experiments on the subject. She advised members that the existing interim treatment facility was operating in an overloaded condition as its design capacity was only 250 tonnes per day while the average intake of the interim facility was around 400 tonnes per day in 2005. The design capacity of the proposed GTWTF would be 450 tonnes per day, which with further modification in future, could be increased to sustain GTW treatment of 500 tonnes per day. As the water content of GTW was over 90%, it was estimated that approximately 15 tonnes of oil and grease could be recovered daily by GTWTF. She said the recovered oil and grease could be used as an alternative industrial fuel for use of, for example, boilers, furnances and vehicles. It was believed that the quantity of recovered oil and grease should be easily absorbed by the industry.
- 64. The item was voted on and endorsed.

<u>Action</u> - 16 -

PWSC(2005-06)46 169DR Restoration of Northwest New Territories landfills and Gin Drinkers Bay landfill – aftercare work

- 65. The Chairman informed members that the EA Panel was consulted on the project at its meeting on 28 November 2005. At members' request, the Administration provided a supplementary information paper which was circulated to Panel members on 4 January 2006. Panel members did not object to the proposal in principle but raised concern about the high cost of the restoration works of the landfills and the adverse visual impact of the project on the environment. The Panel had urged the Administration to make reference to overseas experiences in formulating an improved and more cost-effective restoration plan. In addition, the Administration should review its policy on disposal of municipal solid waste without reliance on landfills. Given the shortage of recreational facilities in Hong Kong, the Panel supported that as a matter of priority, the closed landfills should be developed for recreational purposes for the benefit of the public.
- 66. Mr Albert CHAN said that it was a planning mistake to have constructed the Gin Drinkers Bay Landfill at the present location. He pointed out that the site was originally planned for the provision of a central park for residents in Kwai Tsing District but the site had been left idle for a long time, and eventually the plan for a park was shelved because of various reasons. He suggested that the Administration should seriously explore the possibility of re-planning the land use so that the site could be put to more optimal use. Mr CHAN pointed out that the container terminal companies had previously suggested opening up the closed landfills for development as a base for providing backend support facilities for the container industry. The Government could generate revenue from such development. Mr CHAN remarked that the suggestion was worth consideration. The Administration took note of his view.
- 67. The item was voted and endorsed.
- 68. The meeting ended at 10:30 am.

Council Business Division 1 <u>Legislative Council Secretariat</u> 22 March 2006