

For discussion
29 May 2006

PWSC(2006-07)17

ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 703 – BUILDINGS

Law and Order – Police

243LP – Reprovisioning of Central District Headquarters and Central Divisional Station of the Police

Members are invited to recommend to Finance Committee the upgrading of **243LP** to Category A at an estimated cost of \$243.2 million in money-of-the-day prices for the reprovisioning of Central District Headquarters and Central Divisional Station of the Police at Chung Kong Road, Sheung Wan.

PROBLEM

A permanent location is needed for Central District Headquarters (CDIST HQs) and Central Divisional (CDIV) Station of the Police, which are temporarily accommodated in the Arsenal House Complex.

PROPOSAL

2. The Director of Architectural Services (D Arch S), with the support of the Secretary for Security, proposes to upgrade **243LP** to Category A at an estimated cost of \$243.2 million in money-of-the-day (MOD) prices for reprovisioning CDIST HQs and CDIV Station to a site adjacent to the existing Waterfront Divisional (WFDIV) Station at Chung Kong Road, Sheung Wan.

/PROJECT

PROJECT SCOPE AND NATURE

3. The scope of the project comprises –
- (a) construction of an Annex Block on a site of approximately 1 680 m² (including 360 m² from WFDIV Station) at Chung Kong Road, Sheung Wan to provide about 14 890 m² in construction floor area or 3 780 m² in net operational floor area (NOFA)¹ for the following facilities –
 - (i) office accommodation of about 1 169 m²;
 - (ii) supporting and operational facilities of about 1 479 m², including operational standby accommodation, changing areas, operation room and interview rooms;
 - (iii) other ancillary facilities of about 1 132 m², including briefing rooms, store rooms, equipment rooms, duty room, fitness training room, resource centre and dog kennels etc.; and
 - (iv) 86 vehicle spaces and 26 motor cycle spaces for police and visitors;
 - (b) modification/expansion of facilities in the existing WFDIV Station (e.g. canteen, armoury), for use after the amalgamation of CDIV and WFDIV; and
 - (c) associated works required (e.g. relocation of the plant rooms to the rear of the existing WFDIV site to make room for the construction work).

A site layout plan is at Enclosure 1. We plan to start the construction works in January 2007 for completion in November 2009.

/JUSTIFICATION

¹ NOFA is a standard term used to describe the floor area actually allocated to the users for carrying out the intended activities. Unlike Construction Floor Area (CFA) which takes into account all areas within the building structure envelope, NOFA does not include areas for toilets, bathrooms and showers, lift lobbies, stair halls, public/shared corridors, stairwells, escalators and lift shafts, pipe/services ducts, refuse chutes and refuse rooms, balconies, verandahs, open decks and flat roofs, loading/unloading areas, mechanical plant rooms, etc.

JUSTIFICATION

4. Previously, CDIST HQs and CDIV Station were located in the Central Police Station Compound (CPSC). CPSC was built in 1864, and has been declared a Grade One Listed Building under the Antiquities and Monuments Ordinance (Cap. 53) since 1995. During a Government review of its tourism strategy, CPSC has been identified as one of the locations that would be developed into a tourist destination. To make way for this initiative, CPSC has been vacated and CDIST HQs and CDIV Station have been temporarily moved to the Arsenal House Complex since September 2004. They are currently occupying the space designed and built for the Wan Chai District Headquarters (WCHDIST HQs) and Wan Chai Divisional (WCHDIV) Station of the Police.

Enhancing operational efficiency for CDIST HQs and CDIV Station

5. Effective policing requires, among other things, the appropriate location of different police formations. A police formation is established to serve a specific area². The establishment and location of the formation is planned taking into account such factors as the major uses of the area (e.g. commercial, industrial and residential), the population, crime rate, and the presence of vital security points and installations (e.g. power stations). Each formation should be so located to enable police officers to be deployed promptly and efficiently within the area. The location should also afford good access to members of the public without jeopardising security.

6. For the above purpose, there are six police regions, each of which is divided into police districts, which are further sub-divided into police divisions. In the case of CDIST, it covers an area running from Arsenal Street in the east, up to the peak and the Aberdeen Country Park in the south. It is delineated by the Eastern Street in the west and extends along the waterfront. For the CDIV Station, which is under the command of CDIST HQs, it serves an area generally to the south of Queen's Road Central and Queen's Road West. Therefore, the current temporary location of CDIST HQs and CDIV Station in the Arsenal House Complex is not ideal. A site search taking into account the needs of CDIST and CDIV has identified a site at Chung Kong Road, Sheung Wan as suitable for reprovisioning CDIST HQs and CDIV Station.

/Amalgamation

² Source: Hong Kong Planning Standard and Guidelines.

Amalgamation of CDIV and WFDIV

7. At present, the WFDIV covers an area generally to the north of Queen's Road Central and Queen's Road West. Locating CDIV Station at the site at Chung Kong Road will enable the amalgamation of CDIV and WFDIV. The amalgamation will result in the better use of resources and economies of scale, hence improving operational efficiency.

WCHDIST HQs and WCHDIV Station

8. WCHDIST HQs and WCHDIV Station at Gloucester Road were built in 1932. The facilities and building services installations are old and maintenance is expensive. Moreover, the outdated design of the building layout and facilities have restricted office expansion and affected present day operational requirements. Hence there is an operational need to relocate WCHDIST HQs and WCHDIV Station to the Arsenal House Complex as planned as soon as practicable. The planned relocation may only take place after the vacation of CDIST HQs and CDIV Station from the Arsenal House Complex.

FINANCIAL IMPLICATIONS

9. It is estimated that the total capital cost of the project to be approximately \$243.2 million in MOD prices (see paragraph 10 below), made up as follows –

	\$ million
(a) Reprovisioning of existing plant rooms and modification costs to existing WFDIV Station and site works	14.7
(b) Piling	23.6
(c) Building	94.8
(d) Building services	64.9
(e) Drainage	1.0
(f) External works	3.3

/(g)

		\$ million	
(g)	Furniture and equipment	6.0	
(h)	Consultants' fee for quantity surveying services at construction stage	1.4	
(i)	Contingencies	20.3	
	Sub-total	230.0	(in September 2005 prices)
(j)	Provision for price adjustment	13.2	
	Total	243.2	(in MOD prices)

We propose to engage a consultant to undertake the quantity surveying services of the project. A breakdown of the estimate for consultants' fee is at Enclosure 2. The construction floor area of the proposed complex is 14 890 m². The estimated construction unit cost, represented by the building and the building services costs, is \$10,725 per m² of construction floor area in September 2005 prices. We consider this unit cost reasonable as compared to that of other government design-and-build project.

10. Subject to approval, the expenditure will be phased as follows –

Year	\$ million (Sep 2005)	Price adjustment factor	\$ million (MOD)
2006 – 07	1.0	1.01500	1.0
2007 – 08	18.0	1.03023	18.5
2008 – 09	45.0	1.04568	47.1
2009 – 10	140.0	1.06136	148.6
2010 – 11	26.0	1.07728	28.0
	230.0		243.2

/11.

11. 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 2006 to 2011. We will tender the project as a design-and-build contract. We intend to award the contract on a lump-sum basis because we can clearly define the scope of the works in advance, leaving little room for uncertainty. The contract will provide for price adjustments because the contract period will exceed 21 months.

12. We estimate the annual recurrent expenditure arising from this project to be about \$7.6 million.

PUBLIC CONSULTATION

13. An information paper on the proposed development was presented to the Central and Western District Council (CWDC) on 19 January 2006. Members of CWDC supported the project. We informed the Wan Chai District Council (WCDC) on 21 March 2006 of the plan to re-provision WCHDIST HQs and WCHDIV from Gloucester Road to the Arsenal House Complex after completion of the CDIST HQs and CDIV project, and WCDC raised no objection.

14. We consulted the Legislative Council Panel on Security on 2 May 2006. Members were generally supportive of the proposal and requested information on the respective accommodation when CDIST HQs and CDIV were located in CPSC previously and at Chung Kong Road, Sheung Wan in future. The supplementary information, together with an explanation to Members' enquiry on how the after-use of the Gloucester Road site when the WCHDIST HQs and WCHDIV are relocated will be dealt with, was provided to the Panel on 15 May 2006.

ENVIRONMENTAL IMPLICATIONS

15. The project is not a designated project under the Environmental Impact Assessment Ordinance (Cap. 499). We completed a Preliminary Environmental Review (PER) for the project in July 2004. The PER concluded and the Director of Environmental Protection (DEP) agreed that the project would not have any long-term environmental impacts. 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 relevant contracts. These include the use of silencers, mufflers, acoustic lining or shields for noisy construction activities, frequent cleaning and watering of the site, and the provision of wheel-washing facilities.

16. We have considered measures in the planning and design stages to reduce the generation of construction and demolition (C&D) materials where possible. In addition, we will require the contractor to reuse inert C&D materials on site or in other suitable construction sites as far as possible, in order to minimise the disposal of C&D materials to public fill reception facilities. We will encourage the contractor to maximise the use of recycled or recyclable C&D materials, as well as the use of non-timber formwork to further minimise the generation of construction waste.

17. We 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. We will ensure that the day-to-day operations on site comply with the approved WMP. We will control the disposal of public fill, C&D materials and C&D waste to public fill reception facilities³, sorting facilities³ and landfills respectively through a trip-ticket system. We 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.

18. We estimate that the project will generate about 19 420 tonnes of C&D materials. Of these, we will reuse about 210 tonnes (1%) on site, deliver 16 300 tonnes (84%) to public fill reception facilities for subsequent reuse, and 210 tonnes (1%) to sorting facilities in order to retrieve the inert portion for reuse as public fill. In addition, we will dispose of 2 700 tonnes (14%) at landfills. The total cost for accommodating C&D materials at public fill reception facilities and landfill sites, together with the cost for handling the materials at sorting facilities is estimated to be \$798,600 for this project (based on an unit cost of \$27/tonne for disposal at public fill reception facilities, \$100/tonne at sorting facilities and \$125/tonne⁴ at landfills).

LAND ACQUISITION

19. The project does not require any land acquisition.

/BACKGROUND

³ Sorting facilities and public fill reception facilities are specified in Schedule 3 and Schedule 4 respectively of the Waste Disposal (Charges for Disposal of Construction Waste) Regulation. Disposal of public fill in public fill reception facilities requires a license issued by the Director of Civil Engineering and Development.

⁴ 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 is likely to be more expensive) when the existing ones are filled.

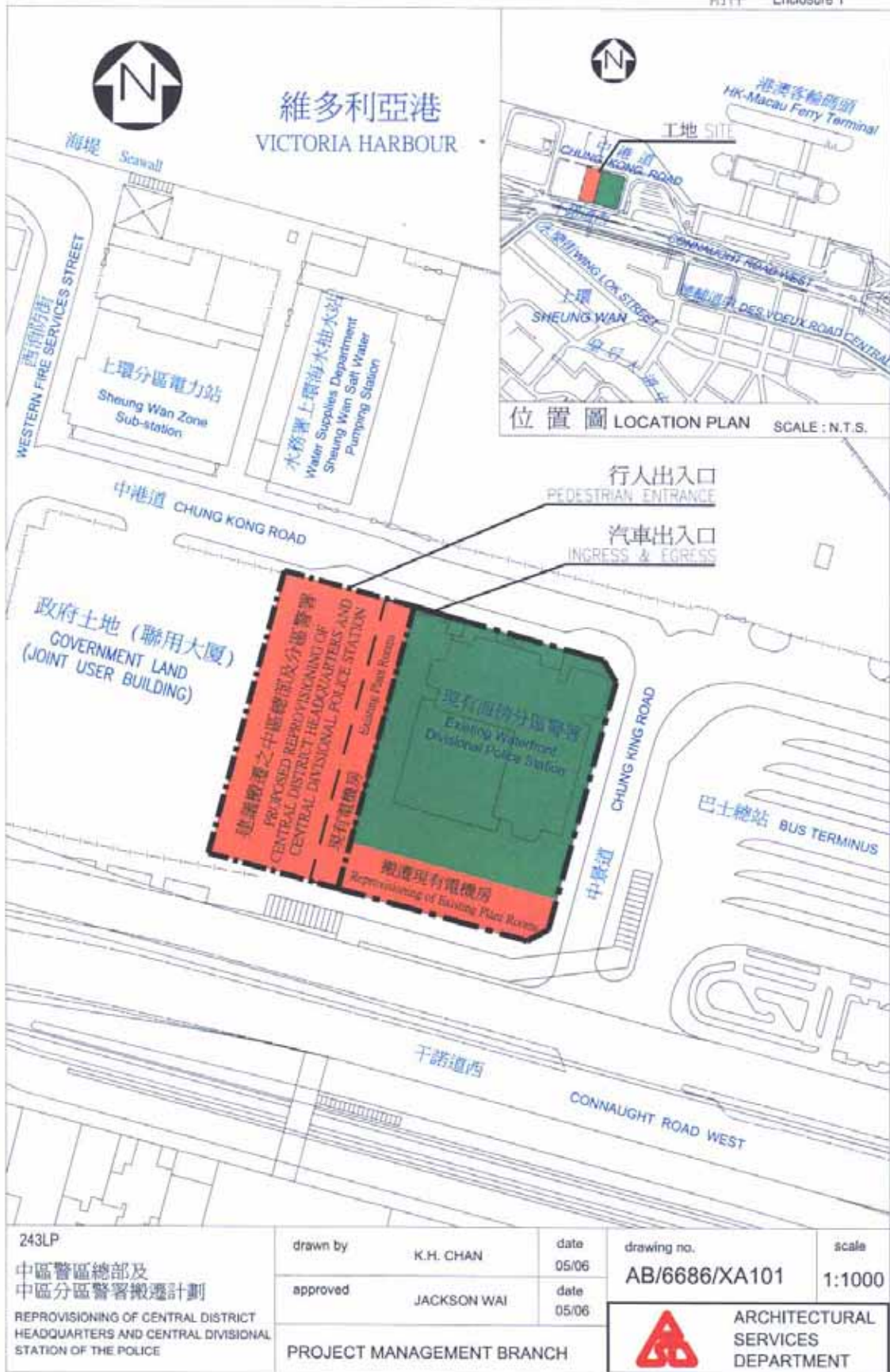
BACKGROUND INFORMATION

20. We upgraded **243LP** to Category B in October 2005. We engaged a term contractor to carry out detailed ground investigations, and employed specialist contractors to carry out a topographical survey, a utility mapping, a traffic impact assessment and the PER. We also appointed a consultant to perform pre-contract quantity surveying services. The total cost of the above consultancy services and works is about \$1.2 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 term contractor and specialist contractors have completed the ground investigations, topographical survey, utility mapping, traffic impact assessment and PER. The consultant is carrying out the pre-contract quantity survey. We are finalising the project requirements with in-house staff resources and the consultant is also preparing tender documents of the project.

21. The proposed relocation will not involve any tree removal or planting proposals.

22. We estimate that the proposed works will create about 132 jobs (120 for labourers and another 12 for professional/technical staff) providing a total employment of 4 160 man-months.

Security Bureau
May 2006



**243LP – Re-provisioning of Central District Headquarters and
Central Divisional Station of the Police**

Breakdown of the estimate for consultants' fees

Consultants' staff costs		Estimated fee (\$ million)
(i) Quantity surveying services (Note 1)	Professional	0.8
	Technical	0.6
Total		<hr/> 1.4 <hr/>

Note

1. The consultant's staff cost for quantity surveying services is calculated in accordance with the existing consultancy agreement for the provision of quantity surveying service at post contract stage. The assignment will only be executed subject to Finance Committee's approval to upgrade **243LP** to Category A.