

## **ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE**

### **HEAD 708 – CAPITAL SUBVENTIONS AND MAJOR SYSTEMS AND EQUIPMENT**

#### **Subventions - Miscellaneous**

#### **32QJ – Relocation and expansion of Hong Kong Maritime Museum**

Members are invited to recommend to Finance Committee the upgrading of **32QJ** to Category A at an estimated cost of \$99.31 million in money-of-the-day prices for the relocation and expansion of Hong Kong Maritime Museum.

### **PROBLEM**

The present Hong Kong Maritime Museum (HKMM) is far from Hong Kong's central districts and many schools in Hong Kong, and its site has no room for any further expansion of the museum. It needs to be relocated to a bigger site at a more easily accessible location so as to allow for its expansion and accommodation of larger number of visitors.

### **PROPOSAL**

2. The Secretary for Home Affairs (SHA), on the advice of the Director of Architectural Services (D Arch S), proposes to upgrade **32QJ** to Category A at an estimated cost of \$99.31 million in money-of-the-day (MOD) prices for the relocation of HKMM to Central Pier 8 and expansion of the museum.

**/PROJECT .....**

**PROJECT SCOPE AND NATURE**

3. The proposed scope of **32QJ** comprises –
- (a) alteration of the existing building structure of Central Pier 8 and construction of a new museum at Central Pier 8 with new floor slabs and stairs and the following facilities –
    - (i) an exhibition area with 15 themed gallery spaces;
    - (ii) a special exhibition gallery;
    - (iii) a museum shop;
    - (iv) a ticketing counter;
    - (v) a museum café;
    - (vi) a museum office;
    - (vii) a Maritime Heritage Resource Centre;
    - (viii) an artefacts and documents store room;
    - (ix) a delivery dock;
    - (x) ancillary service rooms e.g. toilets, electrical and mechanical (E&M) plant room, etc.; and
  - (b) reinstatement of the existing museum premises at Murray House as well as the museum office and storage space at Ma Hang Estate, both in Stanley, to bare shell interior conditions.
4. The project site includes the eastern berth of the lower and upper deck levels, the whole floor space of the public viewing deck and the roof viewing deck of Central Pier 8. The construction floor area (CFA) is approximately 4 076 m<sup>2</sup>. A site plan, artistic impressions and floor layout plans are shown at Enclosures 1, 2 and 3 respectively.

5. The project will be implemented in three phases –

- Phase A: Construction works at the lower deck level at Central Pier 8, which will consist of a museum office, a Maritime Heritage Resource Centre, an artefacts and documents store room, a delivery dock and ancillary service rooms.
- Phase B: Construction works at the upper deck and above levels at Central Pier 8, which will consist of a museum exhibition gallery, a special exhibition gallery, a museum shop, a ticketing counter, a museum café and ancillary service rooms.
- Phase C: Reinstatement of the existing museum premises at Murray House and museum office and storage space at Ma Hang Estate to bare shell conditions.

6. Subject to funding approval by the Finance Committee, HKMM plans to start works under Phases A and B in May 2011. Works under Phase C will commence in January 2012 after the museum has moved out of the existing premises at Murray House before the tenancy expires in February 2012. Works under Phases A, B and C are expected to be completed in March 2012, August 2012 and February 2012 respectively. The new museum at Central Pier 8 is tentatively scheduled for opening in December 2012 after completion of the construction works and statutory inspection for the new museum.

## JUSTIFICATION

7. The museum is currently located at Murray House in Stanley. It has a gross area of 684 metre square (m<sup>2</sup>), with a gallery space of 427 m<sup>2</sup>. The museum office and storage space are located in two shop units in Ma Hang Estate, which are physically separated from the museum. Since the commissioning of the museum in 2005, the number of exhibits has gone up from about 650 to about 3 000 items, and the library collection has expanded from about 20 to about 2 000 books. Constrained by the space available, the present site has no room to provide for any further expansion of the museum. Moreover, the present location of the museum is too far from Hong Kong's central districts and many schools in Hong Kong.

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8. From the cultural policy's perspective, we welcome and encourage the establishment of private museums, which complement publicly-funded museums in maintaining a diverse museum presence in Hong Kong. We support the proposed relocation and expansion of HKMM to Central Pier 8 as the project will help HKMM develop itself into a major maritime museum that is commensurate with Hong Kong's standing as an international port city and as a regional cultural hub. As an international port city with over 100 years' history, Hong Kong's maritime history and traditions have great historical and cultural significance. The sustained development of the HKMM will help showcase Hong Kong's unique and outstanding development in this area.

## FINANCIAL IMPLICATIONS

9. The total estimated cost of the project is \$101.26 million (in MOD prices). HKMM will contribute \$1.95 million in MOD prices from its own source of funding.

10. SHA, on the advice of D Arch S, recommends a capital funding of \$99.31 million in MOD prices to be provided by the Government (please see paragraph 12 below), broken down as follows –

		<b>\$ million</b>	
(a)	Demolition	3.97	
(b)	Building	34.55	
(c)	Building services	22.45	
(d)	Additional energy conservation measures	0.57	
(e)	Exhibition works	26.57	
(f)	Site supervision	2.21	
(g)	Contingencies	4.09	
		<hr/>	
	Sub-total	94.41	(in September 2010 prices)
(h)	Provision for price adjustment	6.85	

/ \$ million.....

		<b>\$ million</b>	
		<hr/>	
	Sub-total	101.26	(in MOD prices)
(i)	Less contribution by HKMM	(1.95)	
		<hr/>	
	Total	99.31	(in MOD prices)
		<hr/>	

A detailed breakdown of the estimates for the resident site staff costs by man-months is at Enclosure 4.

11. The CFA of this project is approximately 4 076 m<sup>2</sup>. The estimated construction unit cost, represented by the building and building services costs, is HK\$13,984 per m<sup>2</sup> of CFA in September 2010 prices. D Arch S considers the estimated construction unit cost reasonable, and comparable to those of similar projects.

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

<b>Year</b>	<b>\$million (Sept 2010)</b>	<b>Price adjustment factor</b>	<b>\$million (MOD)</b>	<b>Contribution by HKMM (MOD)</b>	<b>32QJ \$million (MOD)</b>
2011-12	47.52	1.04250	49.54	1.95	47.59
2012-13	39.70	1.09463	43.46		43.46
2013-14	7.19	1.14936	8.26		8.26
	94.41		101.26	1.95	99.31

13. We have derived the MOD estimates on the basis of the Government's latest set of assumptions on the trend rate of change in the prices of public sector building and construction output for the period 2010 to 2014. HKMM will award the contract on a lump-sum basis because the scope of the works can be clearly defined in advance. The contract will provide for price adjustments.

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14. HKMM estimates that the annual operating cost of the new museum at Central Pier 8 will range from \$12 million to \$14 million. The Government intends to provide funding support up to a maximum of \$4.429 million per annum for five years starting from the commissioning of the new museum, subject to detailed vetting of HKMM's finalised budget.

## **PUBLIC CONSULTATION**

15. On 11 January 2008, we consulted the Legislative Council (LegCo) Panel on Home Affairs. Members were generally supportive of the HKMM's request for the Government's support for its continued development and requested the Administration to consider the proposal actively.

16. We consulted the Culture, Leisure and Social Affairs Committee of the Central and Western District Council on the proposed relocation of the HKMM to Central Pier 8 in April and June 2010. Whilst there were different views, members in general did not object to the relocation project. Some were however concerned about the loss of existing open space on the public viewing deck and the roof viewing deck. HKMM has taken these views into consideration insofar as the constraints of space and the requirements of museum operations allow. Specifically, HKMM will leave the roof viewing deck as an open public space with landscaping and casual seating. The museum café, entry foyer and museum retail spaces will also be open to free public access and will give views into the museum and, through the extensive use of glazing, out into the Victoria Harbour in both directions.

17. On 25 June 2010, HKMM submitted a planning permission application to Town Planning Board (TPB) under section 16 of the Town Planning Ordinance for portions of G/F and 1/F, 2/F and 3/F (including Mezzanine Floor) of Central Pier 8 for the proposed exhibition hall and ancillary restaurant (museum café) uses. TPB approved the application with conditions on 13 August 2010.

18. We consulted the LegCo Panel on Home Affairs on 10 December 2010 and Members were generally in support of the proposed project.

**/ ENVIRONMENTAL.....**

## ENVIRONMENTAL IMPLICATIONS

19. The project is not a designated project under the Environmental Impact Assessment Ordinance (Cap. 499) and has very limited potential to give rise to adverse environmental impacts. HKMM undertakes to implement the standard pollution control measures during their construction as promulgated by Director of Environmental Protection.

20. At the planning and design stages, HKMM has considered measures to reduce the generation of construction waste where possible (e.g. using metal site hoardings and signboards which can be recycled or reused in other projects). In addition, HKMM will require the contractor to reuse inert construction waste (e.g. use of demolished concrete rubble for filling within the site) on site or in other suitable construction sites as far as possible, in order to minimize the disposal of inert construction waste at public fill reception facilities.<sup>1</sup> HKMM will encourage the contractor to maximize the use of recycled or recyclable inert construction waste, as well as the use of non-timber formwork to further minimize the generation of construction waste.

21. At the construction stage, HKMM will also require the contractor to submit for approval a plan setting out the waste management measures, which will include appropriate mitigation means to avoid, reduce, reuse and recycle inert construction waste. HKMM will ensure that the day-to-day operations on site comply with the approval plan. HKMM will require the contractor to separate inert portion from non-inert construction waste on site for disposal at appropriate facilities. HKMM will control the disposal of inert construction waste and non-inert construction waste at public fill reception facilities and landfills respectively through a trip-ticket system.

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<sup>1</sup> Public fill reception facilities are specified in Schedule 4 of the Waste Disposal (Charges for Disposal of Construction Waste) Regulation. Disposal of inert construction waste in public fill reception facilities requires a licence issued by the Director of Civil Engineering and Development.

22. HKMM estimates that the project will generate in total about 2 459 tonnes of construction waste. Of these, HKMM will deliver 523 tonnes (21.3%) of inert construction waste on site and deliver 1 567 tonnes (63.7%) of inert construction waste at public fill reception facilities for subsequent reuse. In addition, HKMM will dispose 369 tonnes (15%) of non-inert construction waste at landfills. The total cost for accommodating construction waste at public fill reception facilities and landfill sites is estimated to be \$88,434 for this project (based on a unit cost of \$27 per tonne for disposal at public fill reception facilities and \$125 per tonne<sup>2</sup> at landfills).

## ENERGY CONSERVATION MEASURES

23. This project has adopted various forms of energy efficient features, including –

- (a) Variable refrigerant volume (VRV) air-conditioning system;
- (b) Heat recovery fresh air pre-conditioners (FAP) in the air-conditioned spaces;
- (c) T5 energy efficient fluorescent tubes with electronic ballast and lighting control by daylight sensors; and
- (d) Light-emitting diode (LED) type exit signs.

24. The total estimated additional cost for adoption of energy efficient features is around \$0.57 million, which has been included in the cost estimate for this project. The energy efficient features will achieve 5.5% energy savings in the annual energy consumption with a payback period at about 6.3 years.

## HERITAGE IMPLICATIONS

25. The project will not affect any heritage site, i.e. all declared monuments, proposed monuments, graded historic sites/buildings, sites of archaeological interest and Government historic sites identified by the Antiquities and Monuments Office.

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<sup>2</sup> 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 per m<sup>3</sup>), nor the cost to provide new landfills (which is likely to be more expensive) when the existing ones are filled.



## LAND ACQUISITION

26. The project does not require any land acquisition.

## BACKGROUND INFORMATION

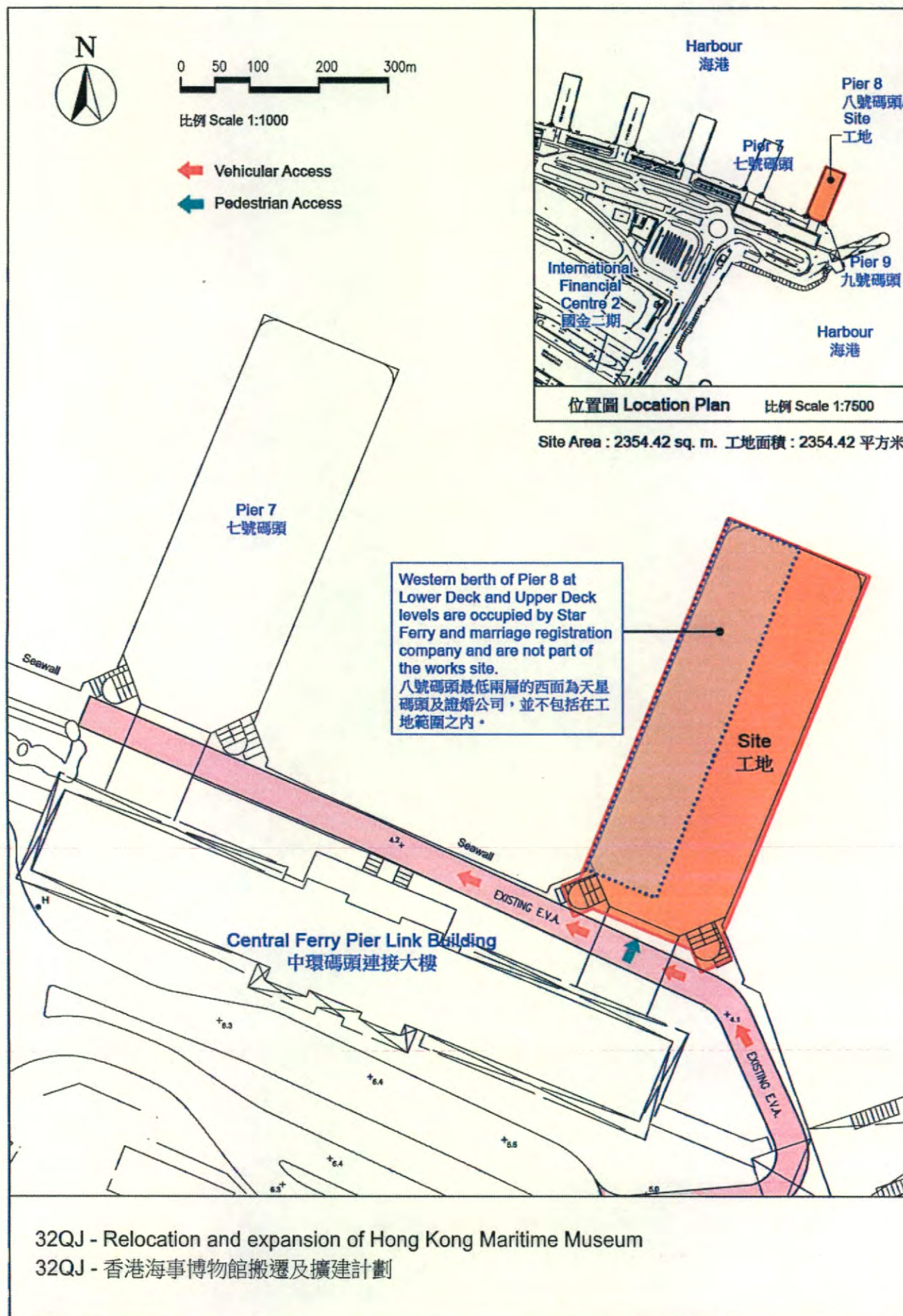
27. Opened formally in September 2005, HKMM is an independent private museum open to the public. In October 2007, HKMM put forth a proposal to the Government to relocate and expand the museum to Central Pier 8.

28. We upgraded in January 2010 **22QJ** – “Relocation and Expansion of Hong Kong Maritime Museum – consultancy studies” to Category A at an estimated cost of \$14.468 million in MOD prices for HKMM to engage consultants for preparing the detailed design of the museum at Central Pier 8 and work out the estimated cost for the project. We also upgraded **32QJ** to Category B in September 2010.

29. The proposed project will not involve the removal of any trees. We will implement landscape proposal for the roof viewing deck as part of the project to satisfy the requirement of TPB.

30. We estimate that the proposed works will create about 77 jobs (70 for labourers and another 7 for professional/technical staff) providing total employment of 1 300 man-months.

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Home Affairs Bureau  
January 2011







從東北面望向香港海事博物館的構思圖

View of Hong Kong Maritime Museum from Northeast view (artistic impression)



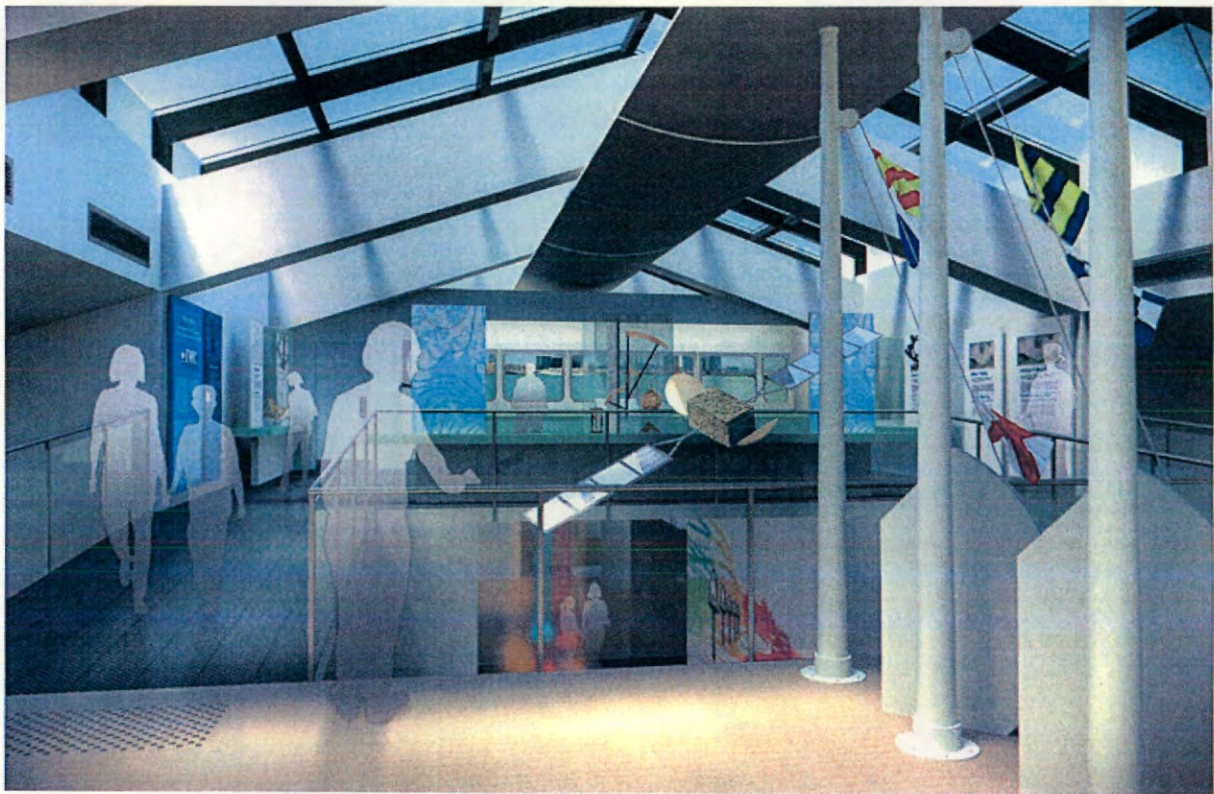
從尖沙咀遠處望向香港海事博物館的構思圖

View of Hong Kong Maritime Museum from Northwest far view (artistic impression)

32QJ - Relocation and expansion of Hong Kong Maritime Museum

32QJ - 香港海事博物館搬遷及擴建計劃





博物館天台觀景層的室內構思圖

Interior View of Roof Viewing Deck Level (artistic impression)



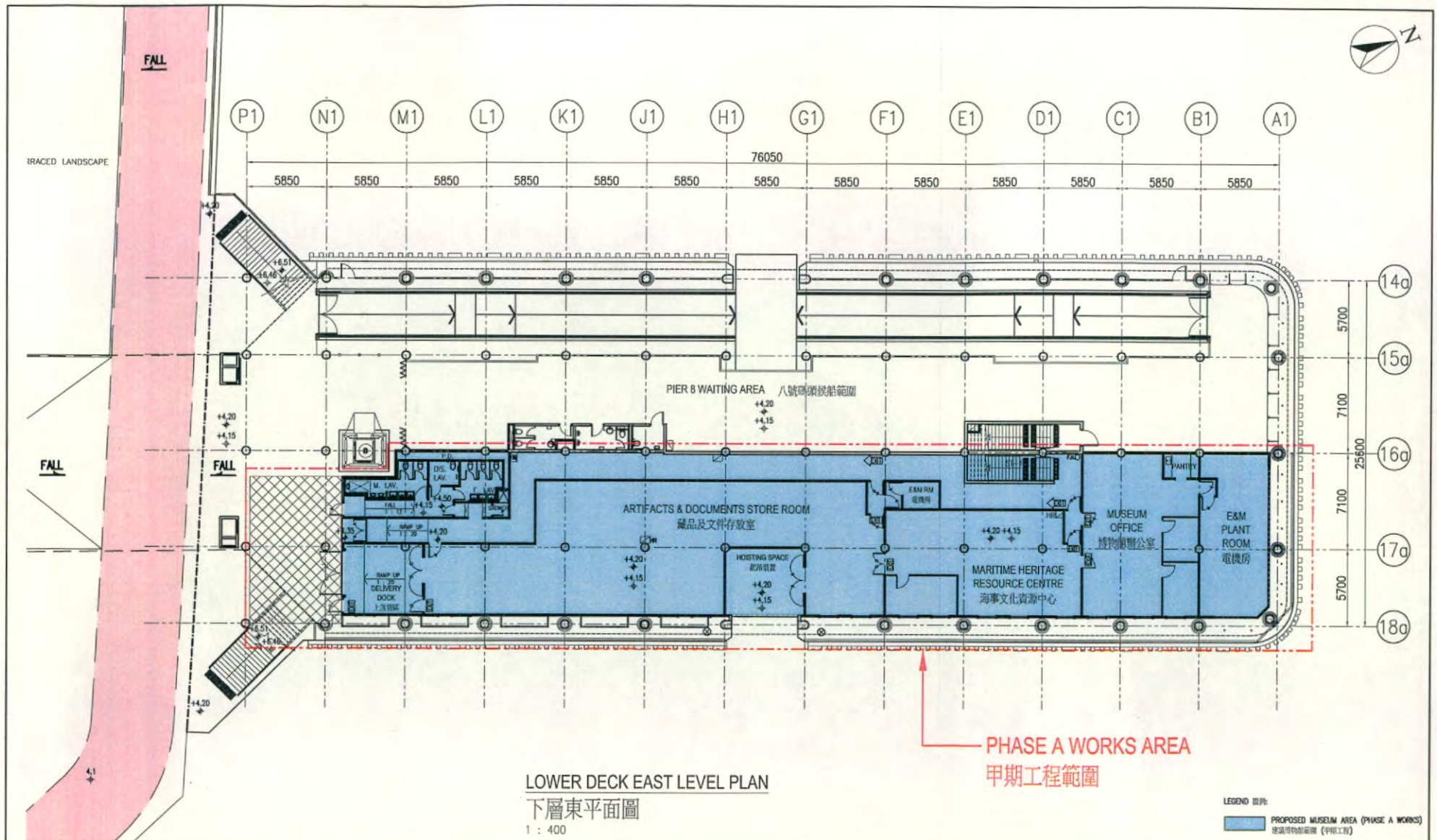
博物館上層東的室內構思圖

Interior View of Upper Deck East Level (artistic impression)

B2QJ - Relocation and expansion of Hong Kong Maritime Museum

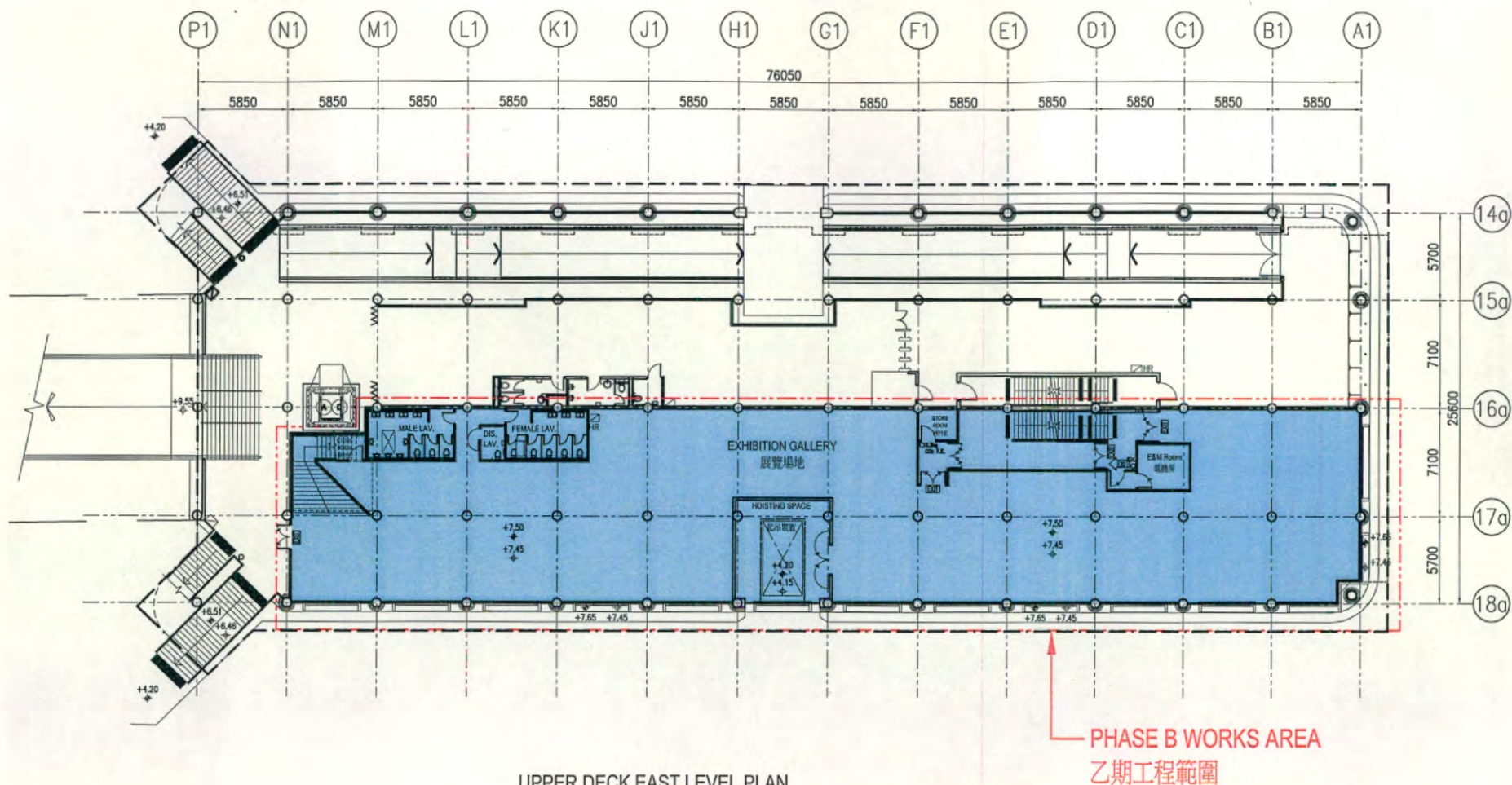
32QJ - 香港海事博物館搬遷及擴建計劃





32QJ - Relocation and expansion of Hong Kong Maritime Museum  
 32QJ - 香港海事博物館搬遷及擴建計劃





LEGEND 圖例:  
 PROPOSED MUSEUM AREA (PHASE B WORKS)  
 建議博物館範圍 (乙期工程)

32QJ - Relocation and expansion of Hong Kong Maritime Museum  
 32QJ - 香港海事博物館搬遷及擴建計劃

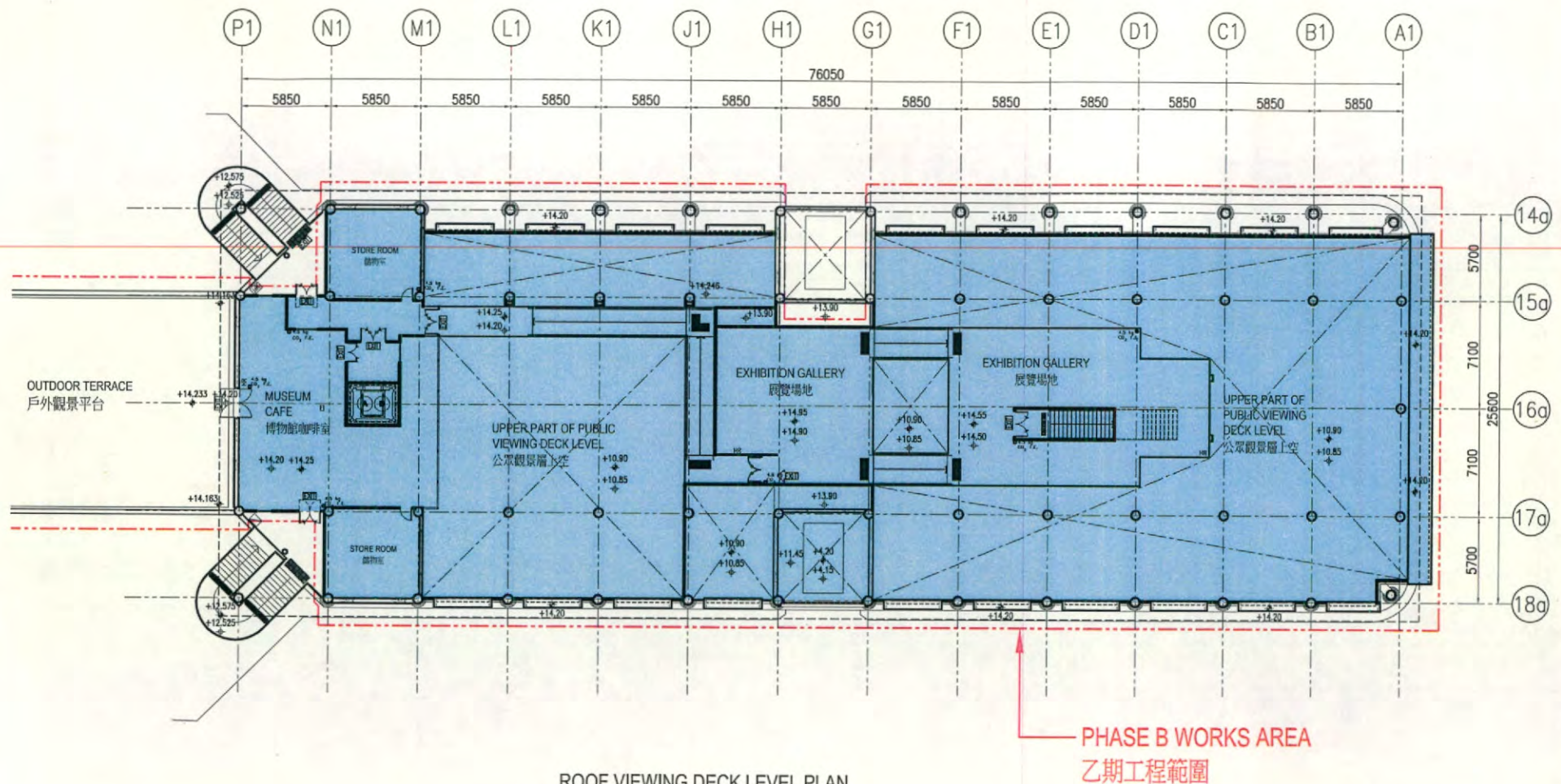




PROPOSED MUSEUM AREA (PHASE B WORKS)

32QJ - Relocation and expansion of Hong Kong Maritime Museum  
32QJ - 香港海事博物館搬遷及擴建計劃





ROOF VIEWING DECK LEVEL PLAN  
天台觀景層平面圖  
1 : 400

LEGEND 圖例:  
PROPOSED MUSEUM AREA (PHASE B WORKS)  
建議博物館範圍 (乙期工程)

32QJ - Relocation and expansion of Hong Kong Maritime Museum  
32QJ - 香港海事博物館搬遷及擴建計劃



**32QJ – Relocation and expansion of Hong Kong Maritime Museum****Breakdown of the estimates for resident site staff costs (in September 2010 prices)**

		Estimated man-months	Average MPS* salary point	Multiplier (Note 1)	Estimated fee (\$ million)
(a) Consultants' staff costs					
(i) Contract administration (Note 2)	Professional	-	-	-	-
(ii) Site supervision (Note 3)	Technical	60	14	1.6	1.91
(b) Out-of-pocket expenses (Note 4)					0.30
<b>Total</b>					<hr/> 2.21

\* MPS = Master Pay Scale

**Notes**

1. A multiplier of 1.6 is applied to the average MPS salary point to estimate the cost of resident site staff supplied by the consultants. (As at now, MPS salary point 14 = \$19,945 per month.)
2. The consultants' staff cost of \$4.5 million in MOD prices for contract administration is covered in **22QJ**. The consultancy for the construction phase of the assignment will only be executed subject to Finance Committee's approval to upgrade **32QJ** to Category A.
3. The consultants' staff cost for site supervision is based on the estimate prepared by the Director of Architectural Services. We will only know the actual man-months and actual costs after completion of the construction works.
4. Examples of out-of-pocket expenses include the purchase of documents, drawings, maps, photographs and records, printing, lithography, presentational materials, etc. The consultants are not entitled to any additional payment for overheads or profit in respect of these items.