

For information

LEGISLATIVE COUNCIL PANEL ON TRANSPORT

**Replacement of Specialised Vehicles Providing Towing Services for the
Tsing Ma Control Area, North Lantau Highway and Penny's Bay**

PURPOSE

This paper informs Members of our proposal to replace four specialised vehicles providing towing services for the Tsing Ma Control Area (TMCA), North Lantau Highway (NLH) and Penny's Bay.

BACKGROUND

2. Specialised vehicles are deployed at the TMCA, NLH and Penny's Bay to ensure safe operation as well as efficient and effective incident management of the areas. Since 2007, we have begun to replace the specialised vehicles which have reached or are approaching the end of their economic serviceable life, generally after they have been in use for over ten years.

PROPOSAL

3. We propose to replace four specialised vehicles providing towing services for the TMCA, NLH and Penny's Bay which are approaching the end of their economic serviceable life. These include one medium recovery vehicle for TMCA, and one medium recovery vehicle and two heavy recovery vehicles for NLH and Penny's Bay. A heavy recovery vehicle is used for recovery operations for heavy goods vehicles, medium goods vehicles, double-deck buses and container vehicles, whereas a medium recovery vehicle is used for recovery operations for medium goods vehicles and light goods vehicles. The estimated cost is \$15.120 million.

JUSTIFICATION

4. At the annual vehicle inspection in 2010 by the Electrical and Mechanical Services Department (EMSD), the four specialised vehicles mentioned above, which were purchased in 1998 (for TMCA) or 1999 (for NLH and Penny's Bay), were assessed to be approaching the end of their economic serviceable life. Their replacement is necessary to ensure safe operation as well as efficient and effective incident management of the TMCA, NLH and Penny's Bay. Having regard to the lead time required for the procurement and delivery of the specialised vehicles, we need to commence the procurement exercise in 2011-12 for completion by November 2013. The efficiency of recovery operations at the TMCA, NLH and Penny's Bay will be affected if they are not replaced in time. Moreover, as the vehicles proposed to be replaced are all of Euro II standard, their replacement with Euro V models is also conducive to improving the environment.

5. While the management, operation and maintenance of the TMCA and the provision of towing services at the NLH and Penny's Bay are contracted out, the Government is responsible for providing the operators with the necessary vehicles and equipment.

FINANCIAL IMPLICATIONS

6. We estimate that the cost of the proposed replacement of the four specialised vehicles will be \$15.120 million, broken down as follows –

	Qty	Unit Cost (\$ million)	Sub-total (\$ million)	Total (\$ million)
(a) Replacement of				12.600
(i) Heavy recovery vehicle	2	3.500	7.000	
(ii) Medium recovery vehicle	2	2.800	5.600	
(b) Electrical and Mechanical Services Trading Fund (EMSTF) project management charges				1.260
(c) Contingency (10% of (a))				1.260
			Grand Total	15.120

7. Regarding paragraph 6(a) above, the estimated cost of \$12.6 million is for procuring two heavy recovery vehicles and two medium recovery vehicles, each to be installed with a hydraulic lifting boom and an under lift, dual deck winches on body and a winch at the front bumper.

8. Regarding paragraph 6(b) above, the estimated cost of \$1.26 million is for meeting the charges of the EMSTF for the preparation of the tender specifications and tender documents, evaluation of the tender submissions, overseeing the vehicle procurement and delivery process, attending factory acceptance tests, undertaking inspection and commissioning tests, and providing training to the contractors on the operation and maintenance of the specialised vehicles.

9. We intend to phase the expenditure as follows –

Year	\$ million
2011-12	0.756
2012-13	4.536
2013-14	9.828
Total	15.120

10. The proposed replacement will not incur any additional recurrent cost.

11. Under the current policy, the depreciation cost of the proposal for the TMCA will be partly recovered through the toll charges and other charges (e.g. removal fee or escort fee) as appropriate. Nevertheless, the estimated impact is immaterial.

IMPLEMENTATION PLAN

12. We plan to commence the proposed replacement of the four vehicles in December 2011 for completion by November 2013. The project will take about 24 months to complete as the vehicles have to be manufactured according to our specifications. The detailed replacement programme is at the Enclosure.

WAY FORWARD

13. We plan to seek funding approval of the Finance Committee in December 2011 for replacing the four specialised vehicles.

ADVICE SOUGHT

14. Members are invited to note our proposal to replace the four specialised vehicles providing towing services for the TMCA, NLH and Penny's Bay.

Transport and Housing Bureau
October 2011

Enclosure

**Replacement of Four Specialised Vehicles Providing Towing Services for the Tsing Ma Control Area,
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	Task	Duration (months)	2011				2012				2013				2014				
			1-6		7-12		1-6		7-12		1-6		7-12		1-6		7-12		
1	Tender preparation	2																	
2	Tender invitation	2																	
3	Tender evaluation	4																	
4	Ordering, construction, testing and delivery of vehicles	16																	
Total		24																	