

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

### **HEAD 703 – BUILDINGS**

#### **Civil Engineering - Land Development**

#### **794CL – The demolition of existing superstructures at Caroline Hill Road site, Causeway Bay**

Members are invited to recommend to the Finance Committee the upgrading of **794CL** to Category A at an estimated cost of \$53 million in money-of-the-day prices for the demolition of existing superstructures at Caroline Hill Road site, Causeway Bay.

### **PROBLEM**

We need to demolish the existing superstructures at Caroline Hill Road site, Causeway Bay in order to clear the land for alternative uses.

### **PROPOSAL**

2. The Director of Architectural Services, with the support of the Secretary for Development, proposes to upgrade **794CL** to Category A at an estimated cost of \$53 million in money-of-the-day (MOD) prices for the demolition of existing superstructures at the site situated at the junction of Caroline Hill Road and Leighton Road in Causeway Bay.

**/PROJECT .....**

**PROJECT SCOPE AND NATURE**

3. The scope of **794CL** comprises –
- (a) demolition of the existing superstructures within the site, which include –
    - (i) the ex-Electrical and Mechanical Services Department (EMSD) Headquarters, including a 11-storey office building, a five-storey building for an apprentice workshop, a seven-storey building for staff quarters, three one-storey workshops, an one-storey storage shed and a covered vehicle workshop;
    - (ii) a six-storey ex-Civil Aid Service (CAS) building;
    - (iii) a one-storey building for Post Office Recreation Club; and
    - (iv) a three-storey building for Pacific Century Cyber Works (PCCW) Recreation Club;
  - (b) disconnection / diversion of any existing underground services;
  - (c) forming level of the site to match with the existing level of external paving at entrances and exits; and
  - (d) fencing off the site upon completion of demolition works.

\_\_\_\_\_ A site and location plan of the project and photos of existing structures are at Enclosures 1 and 2 respectively.

4. Subject to funding approval of the Finance Committee (FC) in this legislative session, we plan to commence the proposed demolition works in the second quarter of 2017 for completion in the fourth quarter of 2018.

**JUSTIFICATION**

5. The site measures about 26 300 square metres (m<sup>2</sup>) in area. It is occupied by the ex-EMSD Headquarters, the ex-CAS Headquarters, the Post

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Office Recreation Club and the PCCW Recreation Club. The EMSD Headquarters and CAS Headquarters were relocated to Kowloon Bay in 2005 and Yau Ma Tei in 2006 respectively. The ex-EMSD Headquarters and ex-CAS Headquarters were used by various bureaux/departments since then, and are now vacated for demolition. The Post Office Recreation Club and the PCCW Recreation Club will be vacated before commencement of the proposed demolition works.

6. The site is currently zoned “Government, Institution or Community (G/IC)” and “Other Specified Use” annotated ‘Sports and Recreation Club’ under the approved Wong Nai Chung Outline Zoning Plan No. S/H7/19. To optimise the use of government land in core business districts, the site will be rezoned for commercial development and other uses including G/IC uses. The existing superstructures at the site will be demolished to clear the land for alternative uses.

## FINANCIAL IMPLICATIONS

7. We estimate the capital cost of the project to be \$53 million in MOD prices (please see paragraph 9 below), broken down as follows –

		\$ million	
(a)	Site works	9.1	
(b)	Building demolition works	23.8	
(c)	External works	8.6	
(d)	Consultants’ fees	0.8	
	(i) contract administration	0.5	
	(ii) management of resident site staff (RSS)	0.3	
(e)	Remuneration of RSS	0.7	
(f)	Contingencies	4.3	
	Sub-total	47.3	(in September 2016 prices)
(g)	Provision for price adjustment	5.7	
	Total	53.0	(in MOD prices)

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8. We propose to engage a consultant to undertake contract administration and site supervision for the project. A detailed breakdown of the estimate for consultants' fees and RSS costs by man-months is at Enclosure 3. The total floor area to be demolished is 28 678 m<sup>2</sup>. The estimated unit cost for building demolition works is \$830 per m<sup>2</sup> of floor area in September 2016 prices. We consider this unit cost reasonable as compared with that of similar projects undertaken by the Government.

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

<b>Year</b>	<b>\$ million (Sept 2016)</b>	<b>Price adjustment factor</b>	<b>\$ million (MOD)</b>
2017 – 18	18.0	1.05750	19.0
2018 – 19	19.0	1.12095	21.3
2019 – 20	5.0	1.18821	5.9
2020 – 21	3.0	1.25950	3.8
2021 – 22	2.3	1.32562	3.0
	<hr/> 47.3 <hr/>		<hr/> 53.0 <hr/>

10. 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 from 2017 to 2022. We will deliver the proposed works through a lump-sum contract because the scope of the works can be clearly defined in advance.

11. The proposed project has no recurrent financial implications.

## **PUBLIC CONSULTATION**

12. We consulted the Development, Planning & Transport Committee of the Wan Chai District Council on the proposed demolition works in June 2016. Members indicated in-principle support to the proposed demolition works.

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13. We consulted the Legislative Council Panel on Development on 28 February 2017. Panel Members supported submitting the funding proposal to the Public Works Subcommittee (PWSC) for consideration. Supplementary information requested by Panel Members has been submitted to the Panel on 15 March 2017.

## ENVIRONMENTAL IMPLICATIONS

14. The project is not a designated project under the Environmental Impact Assessment Ordinance (Cap. 499). We have engaged a consultant to carry out Preliminary Environmental Review (PER) for the project. The PER has concluded and the Director of Environmental Protection (DEP) agreed that the project would not have long-term adverse environmental impact. We have included in the project estimates the cost to implement suitable mitigation measures to control short-term environmental impacts during demolition.

15. We have also prepared an Asbestos Investigation Report (AIR) and Asbestos Abatement Plan (AAP) and have agreed the findings with DEP. As the AIR has identified some asbestos containing materials (ACM) inside the existing buildings of the site, we will remove and dispose the ACM in accordance with the AAP and the requirements under the Air Pollution Control Ordinance and Waste Disposal Ordinance, prior to the demolition of the existing buildings. The removed ACM will be disposed of at designated landfills.

16. We have considered suitable measures including selective demolition and on-site sorting of waste in the planning and design stages to reduce generation of construction waste where possible. In addition, we will require the contractor to reuse inert construction waste on site or in other suitable construction sites as far as possible (e.g. using suitable excavated materials for filling within the site, and using metal site hoardings and signboards so that these materials can be recycled or reused in other projects), in order to minimise the disposal of inert construction waste to public fill reception facilities<sup>1</sup>. We will encourage the contractor to maximise the use of recycled or recyclable inert construction waste, and the use of non-timber formwork to further reduce the generation of construction waste.

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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 (Cap. 354N). Disposal of inert construction waste in public fill reception facilities requires a licence issued by the Director of Civil Engineering and Development.

17. At the start of demolition stage, we will require the contractor to submit a waste management plan (WMP) setting out the waste management measures for our approval. The WMP will include appropriate mitigation measures to avoid, reduce, reuse and recycle inert construction and demolition waste. We will ensure that the day-to-day operations on site comply with the approved WMP. We will require the contractor to separate the inert portion from non-inert construction waste on site for disposal at appropriate facilities. We will control the disposal of inert construction waste and non-inert construction waste to public fill reception facilities and landfills respectively through a trip-ticket system. We will record the disposal, reuse and recycling of construction waste for monitoring purposes.

18. During demolition, 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 but are not limited to the use of silencers, mufflers, acoustic lining or shields for noisy demolition activities, frequent cleaning and watering of the site, and the provision of wheel-washing facilities to minimise dust generation.

19. We estimate that the project will generate in total 16 700 tonnes of construction waste which comprises 16 100 tonnes and 600 tonnes of inert and non-inert construction waste respectively. For the inert construction waste, we will reuse 8 100 tonnes (48.5% of the total construction waste) on site and deliver the remaining 8 000 tonnes (47.9% of the total construction waste) to public fill reception facilities for subsequent reuse. We will dispose of the remaining 600 tonnes (3.6% of the total construction waste) of non-inert construction waste at the designated landfills. The total cost for accommodating construction waste at public fill reception facilities and landfill sites is estimated to be about \$0.7 million for this project (based on a unit charge rate of \$71 per tonne and \$200 per tonne for disposal at public fill reception facilities and landfills respectively as stipulated in the Waste Disposal (Charges for Disposal of Construction Waste) Regulation).

## **HERITAGE IMPLICATIONS**

20. This 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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## LAND ACQUISITION

21. The project does not require any land acquisition.

## BACKGROUND INFORMATION

22. We upgraded **794CL** to Category B in September 2015. We engaged consultants to undertake topographical and tree survey, utility mapping, preliminary environmental review, asbestos survey, traffic impact assessment as well as quantity surveying consultancy service to assist in tender documentation. The total cost of the above-mentioned services 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 consultants/contractors have completed all these services and works. Tender evaluation is in progress, and the tender is targeted to be awarded in the second quarter of 2017 subject to FC’s approval.

23. Of the 120 existing trees within project boundary, 87 trees will be preserved. Of the 87 trees to be preserved, there are three important trees<sup>2</sup> including two Old and Valuable Trees. The proposed demolition works will involve felling of 33 trees. All trees to be removed are not important trees nor rare plant species. In the future development at this site, compensatory trees should be provided.

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<sup>2</sup> “Important trees” refer to trees in the Register of Old and Valuable Trees, or any other trees that meet one or more of the following criteria –

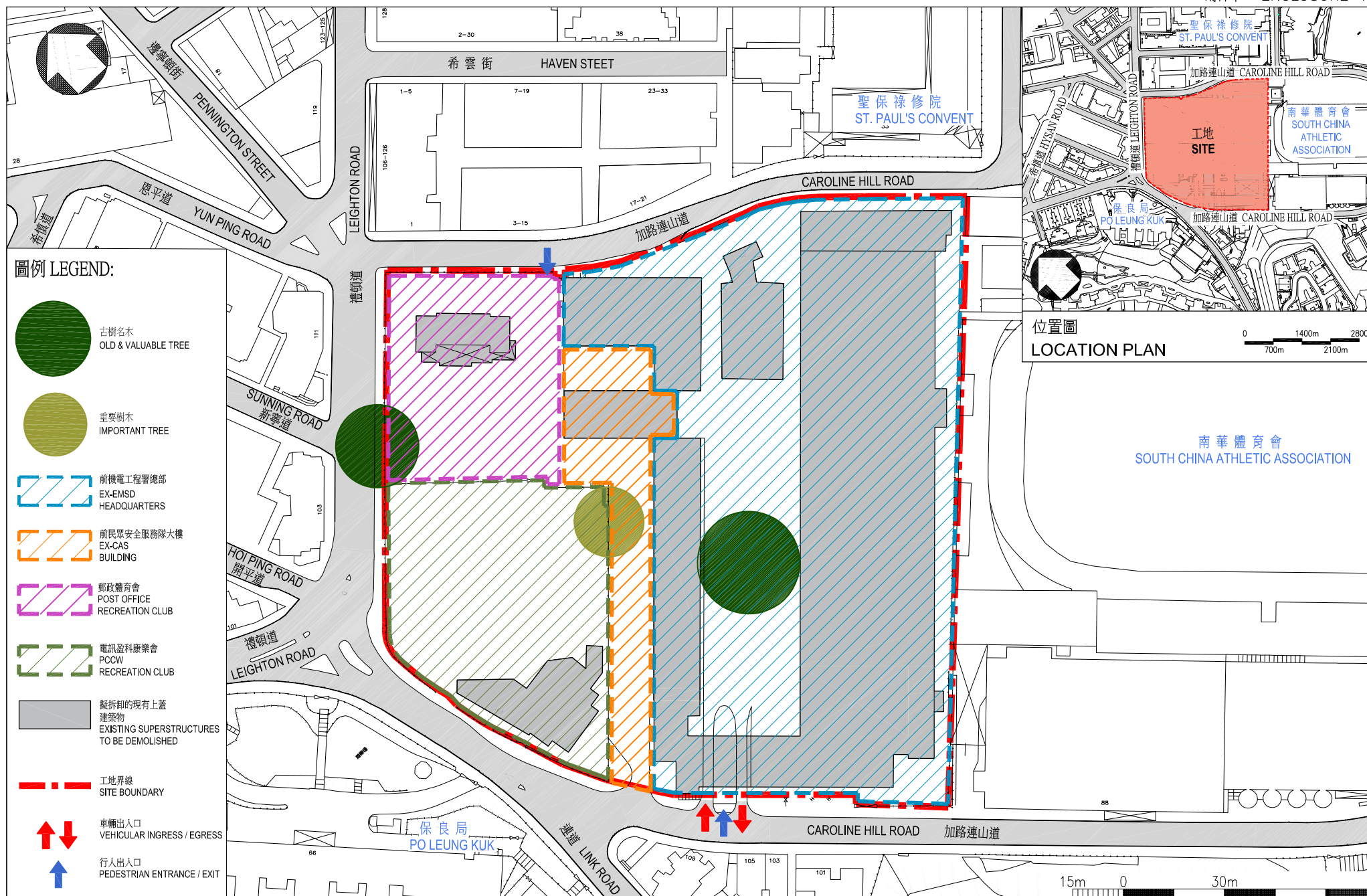
- (a) trees of 100 years old or above;
- (b) trees of cultural, historical or memorable significance e.g. Fung Shui tree, tree as landmark of monastery or heritage monument, and trees in memory of an important person or event;
- (c) trees of precious or rare species;
- (d) trees of outstanding form (taking account of overall tree sizes, shape and any special features) e.g. trees with curtain like aerial roots, trees growing in unusual habitat; or
- (e) trees with trunk diameter equal to or exceeding 1.0 metre (m) (measured at 1.3 m above ground level), or with height/canopy spread equal to or exceeding 25 m.

24. We estimate that the proposed works will create about 30 jobs (25 for labourers and five for professional/technical staff) providing a total employment of 500 man-months.

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Development Bureau  
March 2017





圖例 LEGEND:

-  古樹名木  
OLD & VALUABLE TREE
-  重要樹木  
IMPORTANT TREE
-  前機電工程署總部  
EX-EMSD HEADQUARTERS
-  前民安安全服務隊大樓  
EX-CAS BUILDING
-  郵政體育會  
POST OFFICE RECREATION CLUB
-  電訊盈科康樂會  
PCCW RECREATION CLUB
-  擬拆卸的現有上蓋建築物  
EXISTING SUPERSTRUCTURES TO BE DEMOLISHED
-  工地界線  
SITE BOUNDARY
-  車輛出入口  
VEHICULAR INGRESS / EGRESS
-  行人出入口  
PEDESTRIAN ENTRANCE / EXIT

位置圖

LOCATION PLAN

南華體育會  
SOUTH CHINA ATHLETIC ASSOCIATION

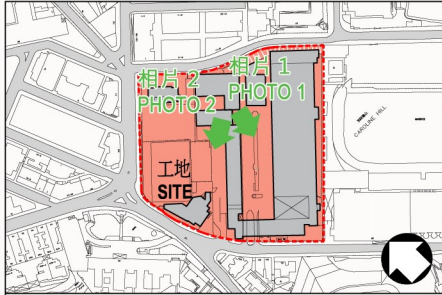
工地平面圖  
SITE PLAN

794CL  
拆卸銅鑼灣加路連山道用地的現有上蓋建築物  
THE DEMOLITION OF EXISTING SUPERSTRUCTURES AT  
CAROLINE HILL ROAD SITE, CAUSEWAY BAY



ARCHITECTURAL  
SERVICES  
DEPARTMENT 建築署





拍照位置及方向  
POSITION AND DIRECTION OF SHOOTING



前機電工程署總部  
(南面部分)  
EX-EMSD  
HEADQUARTERS  
(SOUTHERN  
PORTION)

相片1  
PHOTO 1



電訊盈科康樂會  
PCCW  
RECREATION  
CLUB

相片2  
PHOTO 2

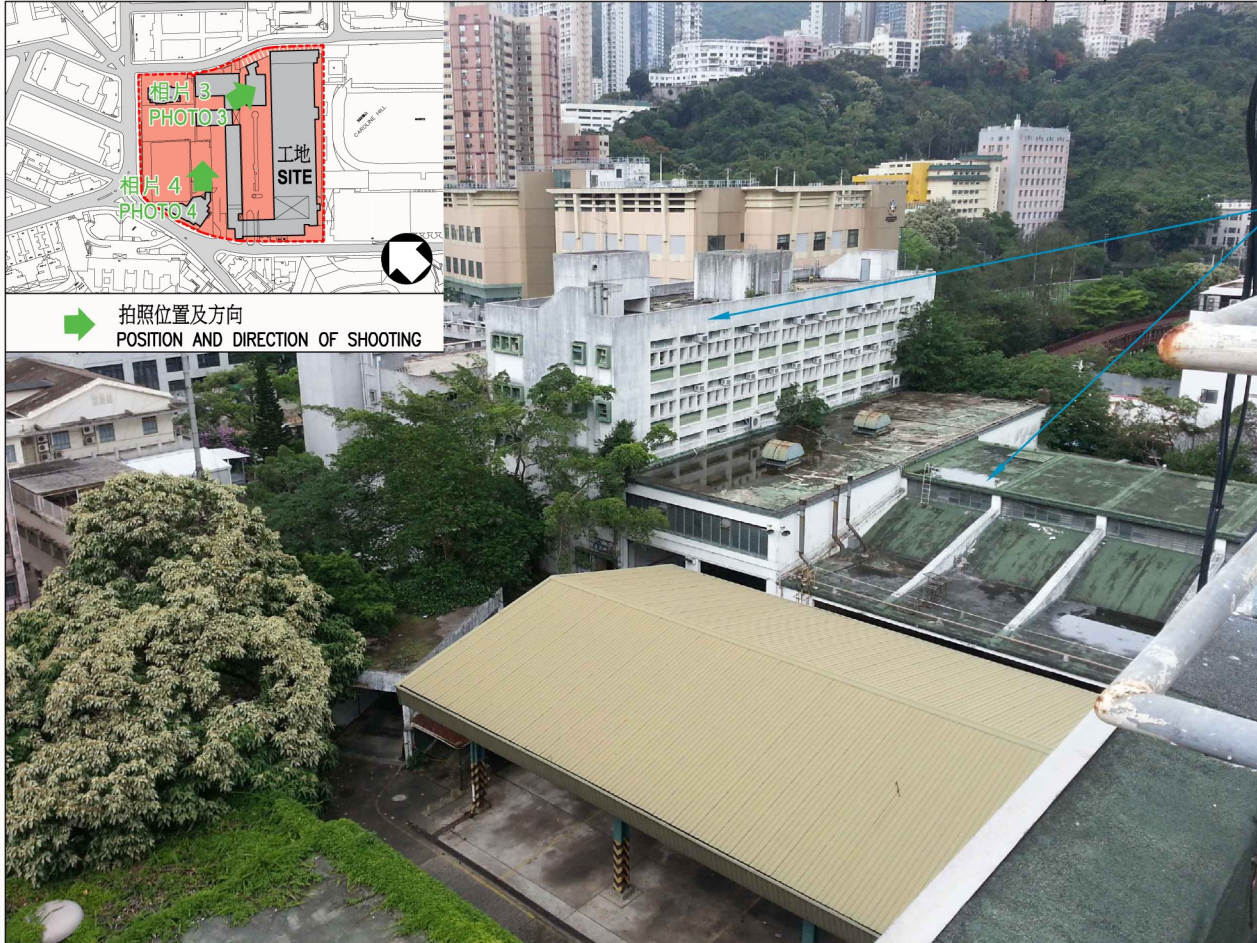
地盤現有建築物相片  
PHOTOS OF EXISTING  
STRUCTURES ON SITE

794CL  
拆卸銅鑼灣加路連山道用地的現有上蓋建築物  
THE DEMOLITION OF EXISTING SUPERSTRUCTURES AT  
CAROLINE HILL ROAD SITE, CAUSEWAY BAY



ARCHITECTURAL  
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前機電工程署總部  
(北面部分)  
EX-EMSD  
HEADQUARTERS  
(NORTHERN  
PORTION)

相片3  
PHOTO 3



前民眾安全  
服務隊大樓  
EX-CAS  
BUILDING

郵政體育會  
POST OFFICE  
RECREATION  
CLUB

相片4  
PHOTO 4

地盤現有建築物相片  
PHOTOS OF EXISTING  
STRUCTURES ON SITE

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THE DEMOLITION OF EXISTING SUPERSTRUCTURES AT  
CAROLINE HILL ROAD SITE, CAUSEWAY BAY



ARCHITECTURAL  
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**794CL – The demolition of existing superstructures at Caroline Hill  
Road site, Causeway Bay**

**Breakdown of the estimates for consultants' fees and resident site staff costs  
(in September 2016 prices)**

		Estimated man- months	Average MPS* salary point	Multiplier (Note 1)	Estimated fee (\$ million)
(a) Consultants' fee for contract administration (Note 2)	Professional	–	–	–	0.3
	Technical	–	–	–	0.2
	Sub-total				0.5
(b) Resident site staff (RSS) costs (Note 3)	Technical	23	14	1.6	1.0
	Sub-total				1.0
Comprising –					
(i) Consultants' fees for management of RSS				0.3	
(ii) Remuneration of RSS				0.7	
<b>Total</b>					<b>1.5</b>

\* 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 = \$26,700 per month).
2. The consultants' fee for contract administration is calculated in accordance with the existing consultancy agreement for provision of quantity surveying services for **794CL**. The construction phase of the assignment will only be executed subject to Finance Committee's approval to upgrade **794CL** to Category A.
3. The actual man-months and actual costs will only be known after completion of the demolition works.