

立法會
Legislative Council

LC Paper No. CB(1)951/16-17
(These minutes have been seen
by the Administration)

Ref : CB1/PL/DEV

Panel on Development

Minutes of meeting
held on Tuesday, 28 March 2017, at 2:30 pm
in Conference Room 1 of the Legislative Council Complex

Members present : Hon Tommy CHEUNG Yu-yan, GBS, JP (Chairman)
Hon Kenneth LAU Ip-keung, MH, JP (Deputy Chairman)
Hon WONG Ting-kwong, SBS, JP
Hon CHAN Kin-por, BBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon Michael TIEN Puk-sun, BBS, JP
Hon Frankie YICK Chi-ming, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting

Hon Holden CHOW Ho-ding
Hon Wilson OR Chong-shing, MH
Hon CHAN Chun-ying
Hon Tanya CHAN
Hon HUI Chi-fung
Hon LUK Chung-hung
Hon LAU Kwok-fan, MH
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Nathan LAW Kwun-chung
Dr Hon YIU Chung-yim
Dr Hon LAU Siu-lai

Members absent : Hon Abraham SHEK Lai-him, GBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon KWOK Wai-keung
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Alvin YEUNG
Hon SHIU Ka-chun
Hon CHEUNG Kwok-kwan, JP

Member attending : Hon Steven HO Chun-yin, BBS

Public officers attending : **Agenda item IV**

Mr LAI Cheuk-ho
Principal Assistant Secretary (Works)
Development Bureau

Mr Ricky LAU Chun-kit, JP
Head of Civil Engineering Office
Civil Engineering and Development Department

Mr Allan LEE Kwan
Chief Engineer/Port Works (Acting)
Civil Engineering and Development Department

Ms Amy CHEUNG Yi-mei
Assistant Director of Planning/Territorial
Planning Department

Agenda item V

Mr Eric MA Siu-cheung, JP
Secretary for Development

Mr Maurice LOO Kam-wah
Deputy Secretary (Planning and Lands)²
Development Bureau

Mr Alex CHOW Kim-ping
Assistant Director/Mandatory Building Inspection
Buildings Department

Agenda item VI

Mr Vitus NG
Principal Assistant Secretary (Works)³
Development Bureau

Mr LUK Wai-hung
Assistant Director/New Works
Water Supplies Department

Mr CHAN Tak-yeung
Chief Engineer/Consultants Management
Water Supplies Department

Mr Kelvin KWOK Yau-ting
Chief Chemist
Water Supplies Department

Agenda item VII

Mr Vitus NG
Principal Assistant Secretary (Works)³
Development Bureau

Mr LUK Wai-hung
Assistant Director/New Works
Water Supplies Department

Mr YEUNG Sek-kui
Chief Engineer/Design
Water Supplies Department

Agenda item VIII

Mr WONG Wai-man, JP
Project Manager (NTE)
Civil Engineering and Development Department

Mr Stephen LI Tin-sang
Chief Engineer/NTE2
Civil Engineering and Development Department

**Attendance by
Invitation : Agenda item V**

Ir WAI Chi-sing, GBS, JP, FHKEng
Managing Director
Urban Renewal Authority

Mr Pius CHENG Kai-wah
Executive Director (Operations)
Urban Renewal Authority

Mr Daniel HO Chi-wai
Head, Building Rehabilitation
Urban Renewal Authority

Clerk in attendance : Ms Sharon CHUNG
Chief Council Secretary (1)2

Staff in attendance : Miss Rita YUNG
Senior Council Secretary (1)2

Mr Raymond CHOW
Senior Council Secretary (1)6

Ms Mandy LI
Council Secretary (1)2

Ms Christina SHIU
Legislative Assistant (1)2

Action

I Confirmation of minutes

(LC Paper No. CB(1)700/16-17 — Minutes of policy briefing
cum meeting on
24 January 2017)

The minutes of the policy briefing cum meeting on 24 January 2017 were confirmed.

II Information papers issued since the last meeting

2. Members noted that no information paper had been issued since the meeting on 28 February 2017.

III Items for discussion at the next meeting

(LC Paper No. CB(1)699/16-17(01) — List of outstanding items
for discussion

LC Paper No. CB(1)699/16-17(02) — List of follow-up actions)

3. Members agreed that the next regular meeting scheduled for Tuesday, 25 April 2017, at 2:30 pm would be extended to end at 5:30 pm to discuss the following items proposed by the Administration:

- (a) PWP Item No. 7814CL — Tung Chung New Town Extension — Reclamation and Advance Works;
- (b) PWP Item No. 3466RO — Improvement to Hoi Bun Road Park and adjacent area;
- (c) Proposed creation of a permanent post of Chief Landscape Architect in the Architectural Services Department; and
- (d) Implementation arrangements for the Hung Shui Kiu New Development Area Project.

(Post-meeting note: The Panel would continue the discussion on "PWP Item No. 765CL — Development of Anderson Road Quarry Site — Road Improvement and Infrastructure Works", agenda item VIII, at the meeting on 25 April 2017.)

4. Mr KWONG Chun-yu referred to the escalator incident that had happened at Langham Place in Mong Kok on 25 March 2017. He suggested that the Panel should discuss the Administration's regulatory control over lift and escalator safety at the next regular meeting or a special meeting.

5. Mr LAM Cheuk-ting, Ms Tanya CHAN and Mr CHAN Han-pan supported that a special meeting be held to discuss lift and escalator safety. Ms CHAN requested that the Administration should provide the following information in its discussion paper on the subject:

- (a) a list showing the locations of all the high-rise escalators of vertical rise 15 metres or above in Hong Kong;
- (b) the results of the special inspections on these escalators conducted after the escalator incident at Langham Place; and
- (c) background information about regulatory control over lift and escalator safety.

6. The Chairman said that as there were already four discussion items on the agenda of the next regular meeting, he would arrange with the Administration a special meeting to discuss regulatory control over lift and escalator safety. He asked members to advise him in writing the questions that they would like to raise on the subject at the special meeting, so that the Administration could be better prepared for the meeting.

(Post-meeting note: On 29 and 31 March 2017, Mr KWONG Chun-yu and Mr Nathan LAW wrote to the Chairman respectively about their concerns on the subject (LC Papers Nos. CB(1)771/16-17(03) and CB(1)771/16-17(04)) (Chinese version only). At the instruction of the Chairman, a special meeting was held on Wednesday, 19 April 2017, from 10:45 am to 12:45 pm to discuss "regulatory control over lift and escalator safety".)

IV PWP Item No. 751CL — Planning and engineering study on Sunny Bay reclamation

(LC Paper No. CB(1)578/16-17(07) — Administration's paper on 751CL — Planning and engineering study on Sunny Bay reclamation

LC Paper No. CB(1)578/16-17(08) — Paper on proposed reclamation at Sunny Bay prepared by the Legislative Council Secretariat (Updated background brief)

LC Paper No. CB(1)699/16-17(03) — Letter dated 28 February 2017 from Hon Steven HO Chun-yin)

Motions proposed by Hon Michael TIEN Puk-sun and Hon Jeremy TAM Man-ho respectively

(LC Paper No. CB(1)699/16-17(04) — Wording of the motion proposed by Hon Michael TIEN Puk-sun

LC Paper No. CB(1)699/16-17(05) — Wording of the motion proposed by Hon Jeremy TAM Man-ho)

7. The Chairman said that at the previous meeting on 28 February 2017, the Panel had commenced the discussion on the agenda item. At that meeting, he had received two proposed motions from Mr Michael TIEN and Mr Jeremy TAM respectively. The two proposed motions had been circulated to members. Before the present meeting, Mr TIEN had submitted a revised version of his proposed motion. The revised version had been tabled at the meeting. He considered that both Mr TIEN's proposed motion (the revised version) and Mr TAM's were directly related to the agenda item. As Mr TIEN's motion had been submitted prior to Mr Tam's at the previous meeting (on 28 February 2017), the Panel would first consider Mr TIEN's motion. The Chairman further advised that, as the two proposed motions were inconsistent with each other, if Mr TIEN's motion was passed, Mr TAM's motion would be deemed to be negated. Mr Jeremy TAM said he did not agree to the Chairman's view. The Chairman referred Mr TAM to paragraph 3.58 of the Handbook for Chairmen of Panels. Mr TAM considered that his

motion had been submitted prior to Mr TIEN's because Mr TIEN submitted a revised version after 28 February.

8. The Chairman said he would ask members to consider the two proposed motions after the discussion on the agenda item.

Reclamation as a way to increase land supply

9. Mr CHAN Han-pan expressed support for the proposed reclamation at Sunny Bay as well as Mr Michael TIEN's proposed motion. He agreed with Mr TIEN that it was appropriate for the Administration to position Sunny Bay as a leisure, entertainment and tourism hub. He considered that Mr TIEN's motion reflected the views of the Democratic Alliance for the Betterment and Progress of Hong Kong on the impact of the proposed reclamation on the fisheries industry and fisheries resources.

10. Mr CHAN Han-pan asked when the proposed planning and engineering ("P&E") study on Sunny Bay reclamation was expected to be completed. Head of Civil Engineering Office, Civil Engineering and Development Department ("Head/Civil Engineering Office/CEDD"), replied that the P&E study would take about two years to complete.

11. Mr CHAN Han-pan and Ms Alice MAK referred to railway works projects in which the actual ground properties found during the construction stage were different from the geological information obtained by ground investigations. Mr CHAN called on the Administration to conduct adequate site investigation works in respect of the proposed reclamation at Sunny Bay. Ms MAK asked how the Administration could ensure that adequate site investigation works would be conducted, such that the information obtained would accurately reflect the actual ground properties. At the request of the Chairman, the Administration would provide a written response to Ms MAK's question after the meeting.

Admin

12. Dr YIU Chung-yim declared that he had previously worked with the Institute of Future Cities of The Chinese University of Hong Kong, which had been commissioned by the Civil Engineering and Development Department ("CEDD") to carry out a study, including the collection of public views, for potential reclamation at Ma Liu Shui. Given that there were diverse views among the public on increasing land supply through reclamation, Dr YIU Chung-yim and Mr Nathan LAW opined that the Administration should not conduct community

engagement exercises with stakeholders only after the reclamation extent, land uses and technical feasibility were established. Dr YIU asked whether the Administration would follow the approach adopted by the aforesaid study for potential reclamation at Ma Liu Shui in the study for the proposed reclamation at Sunny Bay, i.e. to gather public views on the proposed reclamation project without pre-set positions on the design and scale of the project and the use of the reclaimed land.

13. In response, Principal Assistant Secretary for Development (Works)5 ("PAS/DEV(W)5") said that in the 2007 Revised Concept Plan for Lantau and during the public engagement exercises for the study on "Enhancing Land Supply Strategy: Reclamation outside Victoria Harbour and Rock Cavern Development" and the proposed development strategy for Lantau, there had been general public support for developing the Sunny Bay reclamation for leisure, entertainment and tourism purposes. Head/Civil Engineering Office/CEDD said that the Administration would evaluate the effectiveness of the collection of views with the approach referred to by Dr YIU on potential reclamation at Ma Liu Shui and take it into consideration as appropriate when devising the approach for conducting the community engagement exercise under the P&E study on the proposed reclamation at Sunny Bay.

14. Mr LEUNG Che-cheung expressed support for the funding proposal for carrying out the P&E study. In his view, the study should evaluate the economic benefits and job opportunities to be brought about by the future developments at the reclamation site, so as to justify the cost for the reclamation works. Holding a similar view, Mr LUK Chung-hung asked about the number of jobs to be created by the future developments at the reclaimed land. In response, PAS/DEV(W)5 said that the proposed P&E study would include an evaluation of the economic benefits of and job opportunities to be brought about by the land use proposals for the reclaimed land.

15. Mr CHU Hoi-dick asked whether the Administration would provide the report on the engineering feasibility studies for proposed reclamation at Sunny Bay to the Panel; if no, the reasons. Admin The Administration would provide a written response to Mr CHU's question after the meeting.

16. Ms Tanya CHAN noted that the Administration planned to conduct a feasibility study on Route 11, which would link up North Lantau and Yuen Long via Tsing Lung Tau, and there was a proposal that Route 11 could be extended in future to connect the proposed East Lantau

Metropolis ("ELM") and Hong Kong Island. She queried whether the proposed reclamation at Sunny Bay was aimed to pave way for the development of ELM.

17. In response, PAS/DEV(W)5 said that the Sunny Bay reclamation and development of ELM were two separate projects. ELM was a proposed strategic growth area under the study "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030" ("HK2030+"). If public support for proceeding with ELM could be obtained in future, there would be an opportunity for connecting the Route 11 to the proposed traffic and transport infrastructures of ELM. This could help form a more complete strategic transport network linking the Northwest New Territories to Hong Kong Island West via Lantau and ELM. The Administration was gathering public views on the proposals under HK2030+.

Proposed use of the reclaimed land

18. Mr Nathan LAW, Ms Tanya CHAN and Mr Jeremy TAM queried the outstanding land demand for tourism-related facilities, and the justification for the proposed reclamation at Sunny Bay to provide land for recreation and tourism-related developments. Ms CHAN opined that the Administration should step up the promotion of the natural scenic attractions in Hong Kong, rather than developing more and more man-made attractions. Mr TAM asked whether the Development Bureau had consulted the Hong Kong Tourism Board and other concerned parties on the land demand for tourism-related facilities. Given that he had not been convinced on the land use proposals for the reclaimed land, he expressed opposition to the proposed reclamation at Sunny Bay.

19. Ms Alice MAK suggested that the Administration should consider using the proposed reclamation site at Sunny Bay for research and development uses, in addition to recreation and tourism-related developments.

20. In response, Assistant Director of Planning/Territorial advised that the Planning Department had concluded the "Consolidated Economic Development Strategy for Lantau and Preliminary Market Positioning Study for Commercial Land Uses in Major Developments of Lantau" in early 2017. It was confirmed that it would be appropriate to develop the proposed reclamation site at Sunny Bay for leisure, entertainment and tourism uses. PAS/DEV(W)5 said that the Development Bureau had

communicated with the Tourism Commission and the Hong Kong Tourism Board in preparing the blueprint for Lantau development and the proposal of reclaiming land at Sunny Bay for leisure, entertainment and tourism developments. The proposed P&E study would develop detailed development proposals for the reclaimed land.

21. Referring to a 60-hectare site at Penny's Bay that had been reserved for many years for the Phase 2 development of the Hong Kong Disneyland Resort ("HKDL"), Mr CHU Hoi-dick and Dr KWOK Ka-ki opined that the Administration should use the site for leisure, entertainment and tourism development, instead of proposing reclamation at Sunny Bay. Dr KWOK further suggested that the Administration should consider relocating the brownfield operations in the New Territories to the aforesaid site at Penny's Bay, so as to release the brownfield sites for housing development.

22. PAS/DEV(W)5 advised that, for the long-term development of HKDL, the Administration and The Walt Disney Company would continue to explore the Phase 2 development of the resort. The Administration maintained the view that it was appropriate to develop the proposed reclamation site at Sunny Bay for leisure, entertainment and tourism uses no matter the reserved site at Penny's Bay would eventually be used for the expansion of HKDL or not. Assistant Director of Planning/Territorial said that the Planning Department would commence a comprehensive survey on the distribution and uses of brownfield sites in the New Territories. The study findings would facilitate the Administration to formulate appropriate policies for tackling brownfield sites in different areas, with a view to achieving the objectives of optimizing land utilization and releasing the potentials of such sites.

23. Mr LAM Cheuk-ting said that the Democratic Party supported the proposed reclamation at Sunny Bay. Nevertheless, he had reservation on Mr Michael TIEN's suggestion of constructing permanent racetracks on the reclaimed land, given the limited utilization rate and cost-effectiveness of the racetracks.

24. Mr LUK Chung-hung asked whether the proposed P&E study would explore the construction of a cycle track connecting Sunny Bay and Tung Chung. PAS/DEV(W)5 replied that the construction of the above cycle track would be explored under the Lantau Development initiatives.

Possible environmental impact of proposed reclamation at Sunny Bay

25. Ms Tanya CHAN pointed out that a lot of major infrastructure projects were under construction/planning in the western waters near Lantau, including the projects associated with the Hong Kong-Zhuhai-Macao Bridge and the Hong Kong International Airport's three-runway system. She expressed concern about the possible impact of reclamation at Sunny Bay on the marine habitat of the Chinese White Dolphins ("CWDs"). Holding a similar view, Mr LEUNG Kwok-hung said that reclamation would have a significant adverse and irreversible impact on the natural habitat.

26. Head/Civil Engineering Office/CEDD said that the Administration noted the public's concern about the potential impact of reclamation on marine ecology and environment. According to the on-site survey on CWDs conducted by CEDD, Sunny Bay was unlikely a CWD hotspot and had only low and probably occasional dolphin activities. On the other hand, there had been frequent dolphin activities in the waters of west and southwest of Lantau in recent years.

27. Mr Steven HO asked about the definition of "fisheries" (漁業) in Environmental Impact Assessments ("EIAs"), and how the Administration would examine and address the impact of the proposed reclamation at Sunny Bay on the practices of the fisheries industry (漁業) (but not fisheries resources (漁業資源)) in the proposed P&E study. He requested the Administration to provide a written response to his questions.

Admin

28. Referring to media reports on the collapse of seawalls in the Hong Kong-Zhuhai-Macao Bridge Hong Kong Link Road project, Mr Chan Chi-chuen sought elaboration on the non-dredged method for seawall construction and reclamation that had been proposed to apply to the proposed reclamation at Sunny Bay. He asked whether reclamation contractors would be capable of adopting the above reclamation method.

29. Head/Civil Engineering Office/CEDD said that with the adoption of the non-dredged reclamation method, dredging and disposal of marine mud would almost be avoided, thus the construction would pose less impacts to the environment. There were different non-dredged reclamation techniques available and applied in local reclamation projects.

30. Dr CHENG Chung-tai referred to media reports that historic sites had been found at Sunny Bay. He enquired whether the proposed reclamation would cause adverse impact on any heritage sites or natural resources at Sunny Bay. In response, Head/Civil Engineering Office/CEDD advised that no heritage sites or sites of archaeological interest had been made known at the potential reclamation site. The cumulative EIA conducted by CEDD had revealed that no direct impact on sites of conservation importance near the potential reclamation site was expected.

Motions proposed by members

31. The Chairman said that he had received an amendment proposed by Mr Jeremy TAM to the motion (the revised version) proposed by Mr Michael TIEN. Members agreed that Mr TIEN's proposed motion and Mr TAM's amendment be dealt with at the meeting.

32. The Chairman advised that the Panel would first vote on the amendment proposed by Mr TAM; if the amendment was not passed, the Panel would vote on the motion proposed by Mr TIEN.

33. Mr Michael TIEN spoke on his motion. He highlighted that the multi-purpose venues proposed to be provided on the reclaimed land at Sunny Bay would be suitable for holding various kinds of road events, including motorsports, cycling and marathon events. The wording of his motion was as follows:

(Translation)

"Given that the Government plans to carry out a detailed planning and engineering study to establish the reclamation extent, land uses and technical feasibility of the Sunny Bay reclamation, this Panel urges the Government to continue to position Sunny Bay as a leisure, entertainment and tourism hub, so as to achieve synergy effect with the tourism facilities and developments in Lantau. This Panel requests that flexibility be allowed in the aforesaid planning and engineering study for the development of different leisure and entertainment facilities in the future as far as possible, including but not limited to the development of multi-purpose venues for holding road events, resort hotels, large-scale entertainment and performance complexes, commercial and business facilities as well as projects in leisure agriculture and fisheries trades, so as to enable the provision of the most suitable

leisure and entertainment facilities in response to prevailing market developments and public expectations. This Panel also requests the authorities to examine comprehensively the impacts caused by the planning and engineering works of various reclamation projects on the fisheries industry, fisheries resources, marine ecology and various industries, and review expeditiously the relevant mechanisms, so as to avoid causing any adverse impact on existing resources and industries."

34. Mr Jeremy TAM spoke on his amendment to Mr TIEN's motion. He opined that the Administration should refrain from seeking funding approval for carrying out the P&E study on the proposed reclamation at Sunny Bay before the Administration had completed feasibility studies and cost-benefit analyses on the development of the various leisure and entertainment facilities proposed in Mr TIEN's motion.

35. The Chairman put Mr TAM's amendment to vote. Mr CHU Hoi-dick requested a division and the voting bell was rung for five minutes. Eleven members voted for, 20 members voted against the amendment and no member abstained. The votes of individual members were as follows:

For:

Mr LEUNG Kwok-hung
Mr Kenneth LEUNG
Mr CHU Hoi-dick
Dr CHENG Chung-tai
Mr Nathan LAW
Dr LAU Siu-lai
(11 members)

Mr CHAN Chi-chuen
Dr KWOK Ka-ki
Ms Tanya CHAN
Mr Jeremy TAM
Dr YIU Chung-yim

Against:

Mr Kenneth LAU (Deputy Chairman)	Mr WONG Ting-kwong
Mr CHAN Kin-por	Mrs Regina IP
Mr Paul TSE	Mr Michael TIEN
Mr Frankie YICK	Mr YIU Si-wing
Mr CHAN Han-pan	Mr LEUNG Che-cheung
Ms Alice MAK	Dr Helena WONG
Dr Junius HO	Mr LAM Cheuk-ting
Mr Holden CHOW	Mr Wilson OR
Mr CHAN Chun-ying	Mr HUI Chi-fung
Mr LUK Chung-hung	Mr LAU Kwok-fan
(20 members)	

Abstain:

(0 member)

36. The Chairman declared that the amendment moved by Mr Jeremy TAM was not carried.

37. The Chairman put the motion proposed by Mr Michael TIEN to vote. At members' request, the Chairman ordered a division and the voting bell was rung for five minutes. Seventeen members voted for, 11 members voted against the motion and three members abstained. The votes of individual members were as follows:

For:

Mr Kenneth LAU (Deputy Chairman)	Mr WONG Ting-kwong
Mr CHAN Kin-por	Mrs Regina IP
Mr Paul TSE	Mr Michael TIEN
Mr Frankie YICK	Mr YIU Si-wing
Mr CHAN Han-pan	Mr LEUNG Che-cheung
Ms Alice MAK	Dr Junius HO
Mr Holden CHOW	Mr Wilson OR
Mr CHAN Chun-ying	Mr LUK Chung-hung
Mr LAU Kwok-fan	
(17 members)	

Against:

Mr LEUNG Kwok-hung	Mr CHAN Chi-chuen
Mr Kenneth LEUNG	Dr KWOK Ka-ki
Mr CHU Hoi-dick	Ms Tanya CHAN
Dr CHENG Chung-tai	Mr Jeremy TAM
Mr Nathan LAW	Dr YIU Chung-yim
Dr LAU Siu-lai	
(11 members)	

Abstain:

Dr Helena WONG	Mr LAM Cheuk-ting
Mr HUI Chi-fung	
(3 members)	

38. The Chairman declared that the motion was carried.

(Post-meeting note: A copy of the wording of the motion passed was circulated to members on 30 March 2017 vide LC Paper No.

CB(1)759/16-17(01).) The Administration's response to the motion was circulated to members on 28 April 2017 vide LC Paper No. CB(1)891/16-17(01).]

Submission of the proposal to the Public Works Subcommittee

39. The Chairman put the question of whether members supported the submission of the funding proposal to the Public Works Subcommittee ("PWSC") for consideration to vote. At members' request, the Chairman ordered a division and the voting bell was rung for five minutes. Twenty members voted for, 11 members voted against the question, and no member abstained. The votes of individual members were as follows:

For:

Mr Kenneth LAU (Deputy Chairman)	Mr WONG Ting-kwong
Mr CHAN Kin-por	Mrs Regina IP
Mr Paul TSE	Mr Michael TIEN
Mr Frankie YICK	Mr YIU Si-wing
Mr CHAN Han-pan	Mr LEUNG Che-cheung
Ms Alice MAK	Dr Helena WONG
Dr Junius HO	Mr LAM Cheuk-ting
Mr Holden CHOW	Mr Wilson OR
Mr CHAN Chun-ying	Mr HUI Chi-fung
Mr LUK Chung-hung	Mr LAU Kwok-fan
(20 members)	

Against:

Mr LEUNG Kwok-hung	Mr CHAN Chi-chuen
Dr KWOK Ka-ki	Dr Fernando CHEUNG
Mr CHU Hoi-dick	Ms Tanya CHAN
Dr CHENG Chung-tai	Mr Jeremy TAM
Mr Nathan LAW	Dr YIU Chung-yim
Dr LAU Siu-lai	
(11 members)	

Abstain:

(0 member)

40. The Chairman concluded that the Panel supported the Administration's submission of the proposal to PWSC.

V Encouraging property owners to participate in Smart Tender Scheme

(LC Paper No. CB(1)699/16-17(06) — Administration's paper on encouraging property owners to participate in Smart Tender Scheme)

41. The Chairman invited members to raise questions to representatives of the Administration and the Urban Renewal Authority ("URA") attending the meeting on the Administration's proposal, as an initiative under the 2017-2018 Government Budget, to allow property owners to participate in URA's "Smart Tender" Building Rehabilitation Facilitating Services scheme ("the Smart Tender scheme") at a concessionary rate.

42. The Chairman reminded members that in accordance with Rule 83A of RoP of LegCo, they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects.

Combating bid-rigging in building maintenance works

43. While welcoming the Administration's initiative to include a commitment of \$300 million in the 2017-2018 draft Estimates to allow property owners to participate in the Smart Tender scheme at a concessionary rate, Mr LUK Chung-hung enquired: (a) since the implementation of the scheme in May 2016, whether the Administration had received reports/complaints from property owners or owners' corporations ("OCs") on suspected bid-rigging in relation to residential building maintenance works; if yes, the number of such reports/complaints; and (b) whether the Administration or URA had followed up the bid-rigging issues in (a); if yes, the details; if no, the reasons.

44. Head, Building Rehabilitation, Urban Renewal Authority ("H(BR)/URA"), advised that the Smart Tender scheme aimed to strengthen technical assistance and professional advice to property owners for carrying out building repair and maintenance works. It was a fee-charging service for owners' organizations ("OOs") of multiple-owned residential or composite buildings, not including buildings of 3 storeys or below, and New Territories ("NT") Exempted Houses.

45. H(BR)/URA further advised that under the Smart Tender scheme, URA would provide participating building OOs with a set of "DIY tool-kits" which comprised guidelines and pro-forma documents to facilitate the proper procurement of contractors for undertaking the works and consultants for overseeing the works. Besides, URA would line up independent third-party advisors to offer advice to the building OOs. Such advice covered estimates on the costs of building repair and maintenance works to be carried out by building OOs, so that they might assess whether the tender prices received for the works were reasonable. Moreover, URA would make available an electronic tendering platform for building OOs to conduct the tendering exercise for engaging contractors. By inviting and receiving expressions-of-interest and issuing tender documents through the tendering platform and keeping the identity of tenderers anonymous until tender opening, the risk of the tendering process being manipulated or interfered by axe-grinders could be reduced.

46. In view of the limited time available for the Administration to reply to each member's questions, the Chairman requested the Administration/URA to provide a written response to Mr LUK Chung-hung's questions after the meeting.

(Post-meeting note: The supplementary information provided by the Administration and URA was circulated to members vide LC Paper No. CB(1)866/16-17(01) on 24 April 2017.)

47. Mr Nathan LAW suggested that URA should make public the "DIY tool-kits" to facilitate all concerned OOs in organizing building repair and maintenance works. H(BR)/URA responded that URA would consider uploading the content of "DIY tool-kits" onto URA's website (i.e. the "Building Rehabilitation Information Net") for public information.

Enhancing the publicity on the scheme

48. Mr Paul TSE welcomed the implementation of the Smart Tender scheme. Noting that URA had received a total of 48 valid applications for participating in the scheme but only 39 applications had been approved so far, Mr TSE enquired about the reasons for URA to have rejected the remaining 9 applications, and how the approved applications could be categorized under the tiered approach mentioned in paragraph 8 of the Administration's paper (LC Paper No. CB(1)699/16-17(06)). H(BR)/URA advised that, as at 27 March 2017, a total of 65 applications

had been received. Among these applications, 48 had been approved, 10 were pending approval, and 6 had been withdrawn by the applicants for different reasons. Only one application, of which the applicant had failed to submit relevant documents after repeated reminders, had been rejected by URA.

49. In response to Mr Paul TSE's enquiry on the rationale for the proposed tiered approach for the concessionary rate, Secretary for Development ("SDEV") advised that, at present, each participating building OO had to pay URA a fee which was determined by the number of units and the average annual rateable value of the domestic units in the subject building. The fee ranged from \$25,000 to \$160,000 per application. Under the proposed tiered approach, buildings at tier 1 (with domestic units of which the average annual rateable value was less than \$120,001 (for buildings in the urban area) or less than \$92,001 (for buildings in the NT)) would only be required to pay 5% of the current fee, whereas buildings at tier 2 and tier 3 would be required to pay 20% and 50% of the current fee respectively.

50. Given that the participation rate under the Smart Tender scheme was relatively low, Mr Paul TSE queried whether the root cause of the low participation was the high service charge. Mr Nathan LAW sought elaboration on the factors discouraging owners/OOs from participating in the scheme. Mr LAM Cheuk-ting said that many management companies discouraged OOs from joining the scheme. Some consultants claimed that they could provide services similar to those under the Smart Tender scheme. Mr LAM called upon the Administration and URA to step up publicity on the scheme.

51. Mr LAU Kwok-fan and Mr Wilson OR welcomed the Administration's initiative to allow property owners to participate in the Smart Tender scheme at a concessionary rate. They expressed concern on the inadequate publicity on the scheme. Mr LAU considered that the scheme was an effective tool to help property owners carry out building repair and maintenance works and to minimize the risk of bid-rigging for such works. He opined that the Development Bureau and URA should work closely with the Home Affairs Department ("HAD") to strengthen public education and publicity on the scheme. Mr OR suggested that URA should, in collaboration with HAD, appoint ambassadors to approach OCs and promote the scheme in the community. Mr YIU Si-wing enquired about the division of work between URA and HAD in respect of providing support to property owners in building rehabilitation.

52. H(BR)/URA advised that URA and HAD had been making concerted efforts to organize education and publicity activities to enhance property owners' knowledge about the Smart Tender scheme. Some property owners might still be reluctant to join the scheme due to cost or other concerns. With the introduction of concessionary fees, it was expected that more property owners would be able to benefit from the scheme. SDEV supplemented that owners of about 4 500 buildings would benefit from the initiative in the next five years. URA would step up its efforts in promoting the scheme and the Government would review the effectiveness of the initiative at an appropriate time.

53. Referring to paragraph 11 of the Administration's paper, which stated that the \$300 million government funding could benefit around 3 000 OOs over a period of five years, Mr Wilson OR enquired how the estimation had been arrived at, and how the Administration and URA would ensure that the targeted participation level could be met.

54. Managing Director, Urban Renewal Authority ("MD/URA") said it was expected that, with the introduction of concession in the fees, around 4 500 buildings would apply for the Smart Tender scheme in the next five years. The number of buildings in the first year was estimated to be about 500, taking in view that currently there were about 300 to 400 participants every year for the Integrated Building Maintenance Assistance Scheme. URA was confident that the scheme would meet the target of handling 4 500 buildings or 3 000 OOs in the next five years.

Selection of an independent third-party advisor

55. Mr Paul TSE enquired about the selection criteria for appointing an independent third-party advisor for each successful applicant under the scheme, the monitoring mechanism for the performance of these advisors, and whether such an arrangement would bring adverse effect to building professionals by reducing their job opportunities. Mr Nathan LAW asked whether the appointment of an independent third-party advisor would be made by open tender. Mr MA Fung-kwok was concerned how building owners could deal with the unsatisfactory performance of the independent third-party advisors.

56. H(BR)/URA advised that the selection of the independent advisors had been made through an open tendering process and the tenderers might come from the lists of professionals such as engineers and surveyors maintained by URA and the Government. Prior to assigning a particular appointed independent advisor to an applicant, the independent

advisor would be asked to declare that he/she had no conflict of interest with the applicant concerned (i.e. the eligible OO), and URA would monitor his/her performance and impose penalty measures in case of unsatisfactory performance.

57. Mr YIU Si-wing enquired whether and how a successful applicant under the scheme could have choices of independent third-party advisors, and whether any mechanism was in place (e.g. imposing sanctions to achieve a deterrent effect) to ensure the due performance of these advisors. URA would provide a written response to Mr YIU's question after the meeting.

(Post-meeting note: URA's supplementary information was circulated to members vide LC Paper No. CB(1)866/16-17(01) on 24 April 2017.)

58. Mr MA Fung-kwok asked whether an independent third-party advisor appointed to an OC under the scheme was allowed to take up building maintenance works for the OC at a later stage. H(BR)/URA replied in the negative. MD/URA supplemented that URA would request a successful applicant to sign a service agreement with URA, and a tripartite agreement with URA and the appointed independent advisor to define the rights and obligations of the various parties and the scope of services under the Smart Tender scheme.

Procurement of contractors for building maintenance works

59. Dr YIU Chung-yim declared that he was the Deputy Chairman of the OC of a residential development in Pokfulam and the OC had joined the Smart Tender scheme. He said that URA had little involvement in OOs' procurement of contractors for building maintenance works and the Authority had not requested tenderers to adopt a two-envelope approach in submitting tenders. He was concerned that insufficient work had been done by URA in helping OOs check the track records of tenderers for building maintenance works. Dr YIM suggested that a blacklist of building maintenance contractors be drawn up to include those who had bad track records and forbid them from submitting tenders. He asked how URA would enhance the existing mechanism for vetting the eligibility of contractors.

60. MD/URA advised that bid-rigging was a complicated issue which could not be resolved by one single measure. URA would consider launching a building rehabilitation platform to provide one-stop

information related to building repair and maintenance. Users would find a generalized workflow and practical information on building rehabilitation; information about various subsidy schemes with application forms; case sharing, tender notices, building rehabilitation projects reference, etc. Besides, the proposed platform would provide lists of consultants, contractors and inspectors of works for the reference of OOs and property owners in planning building maintenance works.

61. Mr Wilson OR enquired, in case of poor performance of a contractor, how URA would offer assistance to building owners. URA would provide a written response to Mr OR's question after the meeting.

(Post-meeting note: URA's supplementary information was circulated to members vide LC Paper No. CB(1)866/16-17(01) on 24 April 2017.)

Partial service under the scheme

62. Mr CHAN Chun-ying welcomed the Administration's initiative to allow property owners to participate in the Smart Tender scheme at a concessionary rate. He opined that the initiative would help more property owners secure the necessary technical support in carrying out building maintenance works. Mr CHAN and Mr Paul TSE enquired whether URA would offer partial service under the scheme to an applicant, for instance, in a case where the applicant had already appointed an authorized person or registered inspector for carrying out inspections and supervising the building rehabilitation works at the time of application for joining the scheme.

63. SDEV advised that it was infeasible to offer partial service under the scheme. The proposed concessionary rates were low and it was difficult to split the service charge into tiny portions according to the different stages of the service. H(BR)/URA supplemented that OOs were encouraged to enjoy the full service under the scheme, and thus should join the scheme prior to the appointment of their authorized persons or registered inspectors.

64. MD/URA advised that if an applicant had already appointed an authorized person or a registered inspector to conduct the prescribed supervision and inspection as stipulated in the Statutory Notice of Mandatory Building Inspection Scheme from the Buildings Department, and the applicant intended to appoint the same authorized person or registered inspector for supervising the prescribed repair, URA would

consider accepting the application provided that the applicant could submit all relevant documents to prove that the procurement had been carried out by open tender and in compliance with the relevant statutory requirements. URA would provide a written response to the aforesaid question raised by Mr CHAN Chun-ying and Mr Paul TSE after the meeting.

(Post-meeting note: URA's supplementary information was circulated to members vide LC Paper No. CB(1)866/16-17(01) on 24 April 2017.)

65. Mr LAM Cheuk-ting and Dr YIU Chung-yim asked whether URA would consider offering partial reimbursement to participants of the Smart Tender scheme who had joined the scheme and made full payment before the Administration announced the initiative to offer concession in the fees.

66. MD/URA advised that participating OOs would settle the service charge by three stages according to the service agreement. URA would consider offering partial reimbursement of service charge to the aforesaid participants, subject to approval of the Board of URA.

Different schemes on building rehabilitation

67. Mr HO Kai-ming welcomed the implementation of the Smart Tender scheme. Mr HO and Mr LAM Cheuk-ting enquired whether successful applicants under the Smart Tender scheme were allowed to join other building rehabilitation subsidy/loan schemes of URA (e.g. the Integrated Building Maintenance Assistance Scheme) and/or other government departments, and the other way round. MD/URA replied in the affirmative. Mr LAM requested URA to consider rendering assistance to successful applicants under the Smart Tender scheme in examining the terms and conditions of a works contract prepared by the appointed contractor. URA would provide a written response to aforementioned questions and views raised by Mr HO and Mr LAM after the meeting.

(Post-meeting note: URA's supplementary information was circulated to members vide LC Paper No. CB(1)866/16-17(01) on 24 April 2017.)

68. Mr YIU Si-wing enquired whether any mechanism was in place to provide subsidy to building owners, in particular elderly owners in need,

to undertake repair and maintenance works. H(BR)/URA advised that the Integrated Building Maintenance Assistance Scheme administrated by URA provided owners in need, including elderly owners, with financial assistance in, and technical support for arranging building repair works.

69. Mr LAU Kwok-fan suggested the Administration should consider establishing an independent regulatory body for building maintenance matters to set up a standing assistance scheme and provide one-stop building management services, including checking the completion of works. Mr LEUNG Che-cheung was concerned about the assistance for property owners who had identified irregularities/deficiencies in building maintenance works. He enquired, apart from providing advice to building owners on tender-related issues, whether URA would help property owners check completed maintenance works. Mr Wilson OR considered that URA should assist OOs and property owners in handling the issues that arose after they had appointed the contractors for carrying out building maintenance works.

70. H(BR)/URA advised that the Smart Tender scheme had provided building OOs with an open and fair tendering platform free from intervention, as well as independent cost estimates to facilitate them in assessing whether the tender prices were comparable with market levels. On the checking of works upon completion, OOs and property owners should employ authorized persons and, if necessary, clerks of works for carrying out inspections and supervising the building rehabilitation works. SDEV emphasized that the appointed authorized person should closely monitor the implementation of the maintenance works to ensure conformity with the contract.

Cost and manpower of the Urban Renewal Authority for implementing the Smart Tender scheme at a concessionary rate

71. Mr CHAN Chun-ying sought information on the costs incurred by URA in providing the service under the Smart Tender scheme and whether the \$300 million earmarked by the Administration would be sufficient to cover the operating costs. SDEV advised that the Government would partner with URA in the implementation of the Smart Tender scheme at a concessionary rate. Under the partnership arrangement, URA would continue administer the scheme. Furthermore, URA would continue to bear the general administrative costs for the scheme, such as legal cost, auditor's fee and staff cost. The Government would make use of the \$300 million government funding to reimburse URA with the concession offered to building OOs

and out-of-pocket expenses to be incurred by URA for handling the additional caseload on an accountable basis.

72. Mr LUK Chung-hung and Mr HO Kai-ming sought information on whether URA would deploy additional manpower for implementing the Smart Tender scheme at a concessionary rate. URA would provide the requested information after the meeting.

(Post-meeting note: URA's supplementary information was circulated to members vide LC Paper No. CB(1)866/16-17(01) on 24 April 2017.)

VI PWP Item No. 363WF — Upgrading of Disinfection Facilities in Water Treatment Works

(LC Paper No. CB(1)699/16-17(07) — Administration's paper on 363WF — Upgrading of Disinfection Facilities in Water Treatment Works)

73. Principal Assistant Secretary (Works)3, Development Bureau, advised that the proposal was to upgrade PWP Item No. 363WF to Category A at an estimated cost of \$875.6 million in money-of-the-day prices for an upgrading of disinfection facilities in water treatment works ("WTWs"). With the aid of a powerpoint presentation, Assistant Director/New Works, Water Supplies Department ("AD(NW)/WSD"), elaborated on the Administration's proposal of upgrading the disinfection facilities by installing chlorine generation facilities in 11 major WTWs and Tai Lam Chung No. 2 Chlorination Station. Subject to the funding approval of the Finance Committee ("FC"), the Administration planned to commence the installation works in the third quarter of 2017 for completion by the fourth quarter of 2020. Details of the proposal were given in the Administration's paper (LC Paper No. CB(1)699/16-17(07)).

(Post-meeting note: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)748/16-17(01) by email on 29 March 2017.)

74. The Chairman reminded members that in accordance with Rule 83A of RoP of LegCo, they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects.

Production cost for chlorine generation

75. Mr MA Fung-kwok indicated support for the proposal. He noted that, as the quantity of chlorine gas used at four small WTWs was low and no chlorine generation facility that could fit the production need of a small WTW was available in the market, WSD planned to convert the chlorine gas generated in the designated major WTWs to sodium hypochlorite solution, which would then be transported to these small WTWs to replace chlorine for disinfection operation. Mr MA asked: (a) whether it would be more cost-effective to centralize chlorine gas generation in a few major WTWs, so that the chlorine gas generated there could be converted to sodium hypochlorite solution, which could then be transported to small- and medium-sized WTWs for disinfection operation; (b) about the respective production costs for chlorine gas/sodium hypochlorite solution according to the Administration's proposal and his suggestion in (a).

76. Chief Engineer/Consultants Management, Water Supplies Department, explained that the chlorine production process proposed was to generate chlorine gas by electrolyzing brine through electrodes separated by a membrane. An extra chemical process would be required to convert the chlorine gas generated to sodium hypochlorite solution. The sodium hypochlorite solution was about 10 times more in quantity than the liquid chlorine (i.e. the form in which the chlorine gas was transported) to achieve equivalent disinfection effect and the solution's disinfection strength would diminish over time, the Administration considered it not feasible to generate and transport a large quantity of sodium hypochlorite solution for daily disinfection operation, except for small WTWs.

77. AD(NW)/WSD added that under the existing liquid chlorine system, the operation and maintenance costs were about \$26,500 per tonne of chlorine, whereas the production costs of the proposed facilities would be \$19,000 per tonne of chlorine, i.e. about 30% lower than the existing costs.

Safety of the chlorine production process

78. Expressing support for the proposal, Mr LEUNG Che-cheung was concerned about the safety issues concerning the production of chlorine at a WTW, in particular, the potential risks to the residents living in the vicinity.

79. AD(NW)/WSD explained that at present, the liquid chlorine sufficient for 90-day use was transported to WTWs for storage and use, with safety measures in place to prevent chlorine leakage. By contrast, under the Administration's proposal, the chlorine gas would be generated in WTWs according to the demand and consumed immediately upon production. As no chlorine gas would be stored, the risks of chlorine leakage arising from storage of liquid chlorine would be eliminated. Moreover, safety measures would be implemented to ensure the reliability of the chlorine generation facilities.

Submission of the funding proposal to the Public Works Subcommittee

80. The Chairman advised that members belonging to the Liberal Party supported the funding proposal. The Deputy Chairman said that members belonging to the Business and Professionals Alliance for Hong Kong supported the proposal. Mr HO Kai-ming advised that members belonging to the Hong Kong Federation of Trade Unions supported the proposal.

VII PWP Item No. 356WF — Upgrading of Tung Chung Fresh Water Supply System

(LC Paper No. CB(1)699/16-17(08) — Administration's paper on 356WF — Upgrading of Tung Chung Fresh Water Supply System)

81. With the aid of a powerpoint presentation, AD(NW)/WSD briefed members on the Administration's proposal to upgrade PWP Item No. 356WF to Category A at an estimated cost of \$300.2 million in money-of-the-day prices to carry out upgrading works for the Tung Chung fresh water supply system ("the proposed project") to cope with the anticipated increase in fresh water demand in Tung Chung and enhance the reliability of the existing system. Subject to the funding approval of the Finance Committee, the Administration planned to commence the proposed works in the third quarter of 2017 for completion by the second quarter of 2020. Details of the proposal were given in the Administration's paper (LC Paper No. CB(1)699/16-17(08)).

(Post-meeting note: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)748/16-17(02) by email on 29 March 2017.)

82. The Chairman reminded members that in accordance with Rule 83A of RoP of LegCo, they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects.

Felling of trees within the project boundary

83. The Panel noted that of the 614 trees within the project boundary, 66 trees would be preserved but 548 would be felled. The Administration would incorporate planting proposals as part of the proposed project, including estimated quantities of 348 trees and 5 944 square metres of grassed area. Dr Helena WONG asked for the reasons for felling the trees. Expressing in-principle support for the proposal, Mr Holden CHOW enquired about the location for planting the 348 new trees.

84. AD(NW)/WSD advised that under the proposal, Tung Chung No. 2 fresh water service reservoir ("the proposed new service reservoir") would be constructed. The concerned site was currently a temporary slope formed in the 1990s during the construction of the existing Tung Chung fresh water service reservoir with 417 trees planted to protect the slope. These trees, not being important trees, had to be removed for the construction of the proposed new service reservoir. Of the new trees to be planted, about 118 would be grown within the project site, whereas about 230 would be grown at Siu Ho Wan water treatment works.

Usage of the rooftop of the proposed new service reservoir

85. Dr Helena WONG enquired whether the Administration would allow members of the public to make use of the space on the rooftop of the proposed new service reservoir to undertake recreational activities, similar to the arrangement for the Shek Kip Mei Service Reservoir; if yes, whether the uses would only be allowed for organizations but not individuals. Dr YIU Chung-yim said he supported the proposal in principle. Dr YIU and Mr Jeremy TAM called upon the Administration to consider opening up the rooftop of the proposed new service reservoir for public enjoyment and ball games, like cricket and baseball.

86. AD(NW)/WSD advised that the Water Supplies Department ("WSD") had consulted the Leisure and Cultural Services Department ("LCSD") whether the roofs of the proposed new service reservoir and the adjoining existing service reservoir could be of potential recreational use after completion of the construction of the proposed new service

reservoir. So far, there had been no suitable recreational use identified for the rooftops of the proposed and existing service reservoirs. Chief Engineer/Design, Water Supplies Department ("CE(D)/WSD), supplemented that while WSD had adopted an open attitude towards opening up the rooftop, public access to the rooftop should be duly managed so as to avoid contamination of the potable water in the service reservoir. If the rooftop would be open to the public for recreational activities, it needed to be properly managed by the responsible party. At the request of the Chairman, the Administration would provide a written response to members' suggestions about opening up the rooftop of the proposed new service reservoir for public use after the meeting.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)795/16-17(01) on 10 April 2017.)

87. Dr Helena WONG and Mr Jeremy TAM queried how the recreational activities (if any) on the rooftop of the proposed new service reservoir would cause damage to the proposed new service reservoir or contamination to the potable water stored therein. Mr TAM enquired whether any measures could be taken to lower the chance for visitors to the rooftop to cause contamination to the water, such as erecting a barrier around the air vents on the rooftop or installing a close-circuit television system.

88. CE(D)/WSD said, if public access to the rooftop was to be allowed but not properly managed, it would be difficult to guard against vandalism and to ensure that the potable water in the service reservoir would not be contaminated. At the request of the Chairman, the Administration would provide a written response to questions raised by Dr Helena WONG and Mr Jeremy TAM after the meeting.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)795/16-17(01) on 10 April 2017.)

Preparation for further expansion of the Tung Chung fresh water service reservoir

89. In anticipation of the increasing water demand of the new population to be brought by the proposed reclamation and a population capacity of approximately 200 000 in Tung Chung, Mr LEUNG Che-cheung was concerned whether the proposed works could meet the rising demand in the 5 to 10 years beyond 2020. In

response, AD(NW)/WSD said that the proposed works would mainly serve the population in Tung Chung New Town, while PWP Item No. 786CL "Tung Chung New Town Extension" covered engineering infrastructure works including fresh water service reservoir for the eastern and western flanks of the existing Tung Chung New Town.

90. Dr YIU Chung-yim asked how the Administration would enhance the capacity of the fresh water supply system in Tung Chung to cope with the water demand arising from the continued population growth in the area (i.e. a projected increase of 57% by 2026). CE(D)/WSD replied that one hillside site near Siu Ho Wan water treatment works had been reserved for the construction of a new fresh water service reservoir to dovetail with the implementation of Tung Chung New Town Extension. Besides, the Administration would lay new water mains in conjunction with the construction of the new roads so as to minimize the disturbance.

91. Mr LEUNG Che-cheung sought elaboration on how the New Engineering Contract ("NEC") could promote cooperation, mutual trust and collaborative risks management between contracting parties. AD(NW)/WSD advised that NEC was a suite of contracts developed by the Institution of Civil Engineers of the United Kingdom. The NEC form had put in place a collaborative risk management mechanism which could help reduce risks. Referring to the Happy Valley Underground Stormwater Storage Scheme implemented by the Drainage Services Department, AD(NW)/WSD said that the Scheme had been completed about a year ahead of schedule, which, coupled with other cost-saving measures, reduced the construction cost by \$60 million. The Administration would provide supplementary information about the NEC form after the meeting.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)795/16-17(01) on 10 April 2017.)

Accessibility of the existing Tung Chung fresh water service reservoir

92. Mr Jeremy TAM said that Members belonging to the Civic Party supported the proposal. Noting that a path had been provided to connect the existing service reservoir with Wong Lung Hang Road, Mr TAM enquired whether it was a pedestrian path or a two-lane road for vehicles. CE(D)/WSD advised that the path was a waterworks vehicular access road to facilitate the operation and maintenance of the service reservoir. As the access road was not designed up to the standard of a public road, it

was not open for public access. Mr TAM opined that the Administration should study how to improve the accessibility of the existing and the proposed service reservoirs when it considered whether to open up the rooftop for public recreational activities.

Manpower support for maintaining the fresh water supply and distribution systems in Tung Chung

93. Mr HO Kai-ming said that Members belonging to the Hong Kong Federation of Trade Unions supported the proposal. He relayed the concern of a staff association about manpower shortage in maintaining the fresh water supply and distribution systems in Tung Chung. Referring to an incident in which fresh water supply to all premises in Tung Chung and nearby villages had been suspended due to a main burst and there was insufficient manpower to carry out repair work in a short time, Mr HO enquired whether the Administration would consider recruiting and deploying additional manpower to operate and maintain the fresh water supply and distribution systems in Tung Chung and North Lantau.

94. AD(NW)/WSD advised that WSD reviewed the manpower situation from time to time to ensure that sufficient resources were in place to support fresh water supply to the new developments in Tung Chung and North Lantau. The Administration would provide a written response to Mr HO's question after the meeting.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)795/16-17(01) on 10 April 2017.)

Submission of the funding proposal to the Public Works Subcommittee

95. Concluding the discussion, the Chairman said that members belonging to the Hong Kong Federation of Trade Unions, the Democratic Alliance for the Betterment and Progress of Hong Kong, the Business and Professionals Alliance for Hong Kong, the Civic Party, the Liberal Party, and Dr Hon YIU Chung-yim supported the Administration's submission of the funding proposal to the Public Works Subcommittee for consideration, while members belonging to the Democratic Party had yet to decide whether to support it.

VIII PWP Item No. 765CL — Development of Anderson Road Quarry Site — Road Improvement and Infrastructure Works

(LC Paper No. CB(1)699/16-17(09) — Administration's paper on PWP Item No. 765CL — Development of Anderson Road Quarry Site — Road Improvement and Infrastructure Works

LC Paper No. CB(1)699/16-17(10) — Paper on the development of the Anderson Road Quarry site prepared by the Legislative Council Secretariat (Updated background brief))

96. With the aid of a powerpoint presentation, Project Manager (NTE), Civil Engineering and Development Department ("PM/NTE/CEDD"), briefed members on the Administration's proposal to upgrade part of PWP Item No. 765CL to Category A at an estimated cost of \$2,750.7 million in MOD prices, for the road improvement and infrastructure works to support the proposed development at the Anderson Road Quarry ("ARQ") site. Subject to the funding approval of FC, the Administration planned to commence the proposed works in early 2018 for completion in phases from early 2021 to end-2023. Details of the proposal were given in the Administration's paper (LC Paper No. CB(1)699/16-17(09)).

(Post-meeting note: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)748/16-17(03) by email on 29 March 2017.)

97. The Chairman reminded members that in accordance with Rule 83A of the Rules of Procedure of LegCo, they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects.

Impact of the construction works on nearby residents

98. Mr HO Kai-ming expressed support for the proposed works and called for early completion of the works to improve the connectivity of the Sau Mau Ping area. He was concerned about the noise impact of the proposed road improvement works at Lin Tak Road, which involved slope cutting, on nearby residents.

99. PM/NTE/CEDD said that the Administration would implement the mitigation measures and environmental monitoring and audit programme for the proposed works as recommended in the approved Environmental Impact Assessment reports and as required under the environmental permit. Chief Engineer/NTE2, Civil Engineering and Development Department ("CE/NTE2/CEDD"), advised that for the short-term environmental impacts caused by the proposed works during construction, the Administration would control the construction dust, noise and surface run-off by mitigation measures including watering at site, use of quiet plant and working methods. The noise level of the construction works was expected to be below 70 decibels. The Administration would maintain close liaison with the local community regarding the impact of the works on nearby residents.

Impact of the development project on the traffic in Kowloon East

100. Mr Wilson OR said that there were frequent traffic congestions in Kowloon East, in particular in Kwun Tong. He asked how the proposed road improvement works could effectively address the aggregate impact of the proposed development at the ARQ site and the public rental housing ("PRH") development at Anderson Road on the traffic in Kowloon East. He requested the Administration to provide a written response to his question. He further said that he intended to propose a motion on the implementation of the proposed development at the ARQ site.

(Post-meeting note: The Administration's response was circulated to members vide LC Paper No. CB(1)847/16-17(01) on 20 April 2017.)

Provision of pedestrian connectivity facilities

101. Mr Wilson OR enquired about the implementation progress of the construction of pedestrian connectivity links to facilitate the commuting of residents from the Sau Mau Ping area to the Kwun Tong town centre. PM/NTE/CEDD responded that the Administration had proposed to construct nine sets of pedestrian connectivity facilities in the area. Funding for the first four sets had been approved by FC in June 2016 and their construction would commence soon. The proposed works under the subject funding proposal included the construction of a two-way escalator link between Hiu Yuk Path and Hiu Ming Street. For the remaining four pedestrian connectivity facilities near Po Tat Estate, Sau Mau Ping (South) Estate and Sau Mau Ping Estate, more time was

required to sort out land issues, such as potential land resumption or creation of easement. Once these issues were resolved, the Administration would seek funding approval from FC for constructing the facilities.

102. Mr HO Kai-ming urged the Administration to continue to liaise closely with the owners' corporation of Tsui Ping (North) Estate ("the OC") regarding the construction of an escalator link between Hiu Ming Street and Tsui Ping Road passing through Tsui Ping (North) Estate. In response, PM/NTE/CEDD said that the Administration had been liaising with the OC on the issue. The OC did not agree to the construction of an escalator link passing through Tsui Ping (North) Estate owing to concerns about liabilities and the nuisances that might be caused by the increased pedestrian flow to the residents. The Administration took note of Mr HO Kai-ming's views.

Development intensity and housing mix of the residential developments

103. Dr Helena WONG enquired about the development intensity of the residential developments at the ARQ site. CE/NTE2/CEDD replied that according to the Kwun Tong (North) Outline Zoning Plan approved by the Town Planning Board, there would be 11 residential developments at the ARQ site. The plot ratio of the private housing developments would range from 3 to 5.5, and that of the subsidized housing would be 6.3. The planned population of the ARQ site would be 25 000, with a private-to-subsidized housing ratio of 80:20. The subsidized housing to be provided was tentatively planned to be Home Ownership Scheme developments.

104. Dr Helena WONG opined that PRH units should be provided at the ARQ site to address the great demand. In response, PM/NTE/CEDD said that the Development at Anderson Road under construction would provide PRH units for a planned population of about 48 000. There were already a large number of existing and planned PRH units in the Sau Mau Ping area. The private-to-subsidized housing ratio of 80:20 had been proposed for the development of the ARQ site to help improve the imbalanced housing mix in the area.

Proposed Quarry Park

105. Dr Helena WONG sought elaboration on the development of the proposed Quarry Park at the ARQ site. PM/NTE/CEDD replied that about 17.5 hectares of open space at the ARQ site had been reserved for

LCSD to develop the Quarry Park in future. The landscape proposal of the Quarry Park would include suggestions about reflecting the legacy of quarry site operation at ARQ. At the request of Dr Helena WONG, the Administration would provide supplementary information on the design concept, operation, and implementation timetable of the proposed Quarry Park.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)847/16-17(01) on 20 April 2017.)

106. At 5:31 pm, the Chairman advised that the discussion on the item would be continued at the next meeting. He added that he had received a proposed motion on the item from Mr Wilson OR before 5:25 pm. The proposed motion would be considered at the next meeting.

IX Any other business

107. There being no other business, the meeting ended at 5:32 pm.

Council Business Division 1
Legislative Council Secretariat
19 May 2017