## 立法會 Legislative Council

LC Paper No. PWSC233/18-19 (These minutes have been seen by the Administration)

Ref: CB1/F/2/1(19)B

## Public Works Subcommittee of the Finance Committee of the Legislative Council

Minutes of the 20<sup>th</sup> meeting held in Conference Room 2 of the Legislative Council Complex on Friday, 26 April 2019, at 11:00 am

## **Members present:**

Ir Dr Hon LO Wai-kwok, SBS, MH, JP (Chairman)

Hon Charles Peter MOK, JP (Deputy Chairman)

Hon Abraham SHEK Lai-him, GBS, JP

Hon Tommy CHEUNG Yu-yan, GBS, JP

Hon CHAN Hak-kan, BBS, JP

Dr Hon Priscilla LEUNG Mei-fun, SBS, JP

Hon Claudia MO

Hon Michael TIEN Puk-sun, BBS, JP

Hon Frankie YICK Chi-ming, SBS, JP

Hon MA Fung-kwok, SBS, JP

Hon CHAN Chi-chuen

Hon CHAN Han-pan, BBS, JP

Hon LEUNG Che-cheung, SBS, MH, JP

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 Alvin YEUNG

Hon Andrew WAN Siu-kin

Hon CHU Hoi-dick

Dr Hon Junius HO Kwan-yiu, JP

Hon HO Kai-ming

Hon Holden CHOW Ho-ding

Hon Wilson OR Chong-shing, MH

Hon CHEUNG Kwok-kwan, JP

Hon HUI Chi-fung

Hon LUK Chung-hung, JP

Hon LAU Kwok-fan, MH

Dr Hon CHENG Chung-tai

Hon KWONG Chun-yu

Hon Jeremy TAM Man-ho

Hon Gary FAN Kwok-wai

Hon AU Nok-hin

Hon Vincent CHENG Wing-shun, MH

Hon Tony TSE Wai-chuen, BBS

Hon CHAN Hoi-yan

#### **Members absent:**

Hon Starry LEE Wai-king, SBS, JP Hon WU Chi-wai, MH Hon Tanya CHAN

## **Public officers attending:**

Mr Raistlin LAU Chun, JP

Deputy Secretary for Financial Services

and the Treasury (Treasury)3

Mr Vincent MAK Shing-cheung,

JP

Deputy Secretary for Development

(Works)2

Ms Bernadette LINN, JP Permanent Secretary for Development

(Planning and Lands)

Mr Elvis AU Wai-kwong, JP Deputy Director of Environmental

Protection (1)

Ms Margaret HSIA Mai-chi Principal Assistant Secretary for

Financial Services and the Treasury

(Treasury) (Works)

Mr Bill WONG Kwok-piu Principal Assistant Secretary for Food

and Health (Food)3

Mr LAI Cheuk-ho Project Manager (North)

North Development Office

Civil Engineering and Development

Department

Ms Teresa MA Oi-suet Senior Engineer (North)6

North Development Office

Civil Engineering and Development

Department (Acting)

Dr LEUNG Siu-fai, JP Director of Agriculture, Fisheries and

Conservation

Mr Peter MA Wai-chung Assistant Director of Agriculture,

Fisheries and Conservation

(Agriculture) (Acting)

Mr Sonny AU Chi-kwong,

PDSM, PMSM, JP

Under Secretary for Security

Ms Trinky CHAN Tsz-ki Assistant Secretary for Security (A1)

Mrs Sylvia LAM YU Ka-wai, JP Director of Architectural Services

Ms Suzanna CHAN Chung-kwan Chief Project Manager 201

Architectural Services Department

Captain Michael CHAN, MBS,

MBB, GMSM, AE

Controller

Government Flying Service

Mr Raymond SY Kim-cheung Deputy Secretary for Transport and

Housing (Transport)1 (Acting)

Mr Michael LEUNG Chung-lap,

JP

Project Manager (East)

Civil Engineering and Development

Department

Mr Sunny LO Sai-pak Chief Engineer (East)1

East Development Office

Civil Engineering and Development

Department

Mr KAN Hon-shing Chief Engineer (East)3

East Development Office

Civil Engineering and Development

Department

Mr Samson LAM Sau-sang Assistant Commissioner for Transport

(Planning)

Mr Kelvin SIU Kin-man Chief Engineer (Major Projects)

**Transport Department** 

#### Clerk in attendance:

Ms Doris LO Chief Council Secretary (1)2

#### **Staff in attendance:**

Ms Christina SHIU Legislative Assistant (1)2
Ms Christy YAU Legislative Assistant (1)8
Ms Clara LO Legislative Assistant (1)9

**Action** 

The Chairman advised that there were eight funding proposals on the agenda for the meeting. The first to sixth proposals were items carried over from the previous meeting, while the seventh and eighth proposals were new submissions from the Administration. He reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of the Legislative Council, they should disclose the nature of any direct or indirect pecuniary interests relating to the funding proposals under discussion at the meeting before they spoke on the proposals. He also drew members' attention to Rule 84 of RoP on voting in case of direct pecuniary interest.

## Head 707 – New Towns and Urban Area Development PWSC(2018-19)43 471RO The Establishment of an Agricultural Park in Kwu Tung South

2. <u>The Chairman</u> advised that the proposal, i.e. <u>PWSC(2018-19)43</u>, sought to upgrade part of 471RO to Category A at an estimated cost of \$176.6 million in money-of-the-day ("MOD") prices for the establishment of the Agricultural Park ("Agri-Park") Phase 1. The Subcommittee deliberated on the funding proposal at the meetings on 9 and 17 April 2019, and would now continue its deliberation.

[At 11:08 am, the Chairman asked members who wished to propose motions under paragraph 32A of the Public Works Subcommittee ("PWSC") Procedure to submit their motions in writing as soon as possible.]

## Lodging and storage facilities

- 3. <u>Dr KWOK Ka-ki</u> opined that with only temporary lodging facilities but not permanent ones provided in the Agri-Park Phase 1, existing farmers operating on the site would be forced to move to places outside the site, and this would be unfair to them. He considered that permanent lodging facilities should be provided in the Agri-Park Phase 1, so that affected farmers could continue their original farming practices and rest arrangements in the Agri-Park.
- 4. <u>Mr CHU Hoi-dick</u> pointed out that many farmers in Tsiu Keng and Long Valley as well as those affected by the North East New Territories New Development Areas Project were dissatisfied that only temporary lodging facilities would be provided in the Agri-Park Phase 1. He and <u>Dr CHENG Chung-tai</u> were of the view that suitable facilities should be provided in the Agri-Park for farmers to maintain their "living-cum-farming" lifestyle. <u>Dr CHENG</u> also suggested that assistance and/or subsidy should be offered to farmers who would be forced to abandon farming because of the Agri-Park project, so as to help them switch gradually to other trades and maintain their livelihood during the transitional period.
- 5. <u>Director of Agriculture, Fisheries and Conservation</u> ("DAFC") replied that the provision of temporary basic lodging facilities currently proposed, though not suitable for long-term residential purposes, would enable tenants of the Agri-Park Phase 1 or their workers to stay close to the farmlands for taking care of their crops when necessary. This arrangement should be able to meet their operational needs. In addition, the Administration would, according to the established mechanism, address the housing needs of the

farmers displaced by the Agri-Park project or the Government's land development projects implemented within the same timeframe of the Agri-Park project. He said that the Administration had been maintaining communication with the existing farmers operating on the site of the Agri-Park Phase 1 and had discussed with them the rehabilitation arrangements, including the proposal of providing temporary basic lodging facilities. They had not raised strong objection to the current proposal.

- 6. <u>Dr KWOK Ka-ki</u> enquired whether each tenant of the Agri-Park Phase 1 could rent more than one storage unit when necessary. <u>DAFC</u> replied that the Administration's preliminary proposal was that each tenant of the Agri-Park Phase 1 would be allotted one storage unit under the tenancy agreement. For individual tenants with special storage needs, appropriate arrangements would be considered having regard to their actual circumstances.
- 7. Mr CHU Hoi-dick pointed out that farmers currently operating on the site of the Agri-Park Phase 1 did not have to pay rents for the structures (including accommodation and storage facilities, etc.) on their farmlands. However, if they chose to rehabilitate their farmlands in the Agri-Park Phase 1 in the future, they would be required to pay extra rent for temporary lodging and storage facilities in addition to that for farmlands. He sought explanation on the rationale of the above-mentioned arrangements and whether the farmers concerned had been consulted on the proposed rental levels.
- 8. DAFC said that the Administration was considering the rental levels applicable to the following two groups of farmers: (a) existing farmers operating within the area of the Agri-Park prior to its establishment; and (b) farmers displaced by the Government's land development projects implemented within the same timeframe of the Agri-Park project and accepting the Agri-Park's tenancy terms and conditions. In this connection, the median of current rents for crop farms in the vicinity of the Agri-Park Phase 1 had been taken as reference. Rents would be set according to the established mechanism, and communication with farmers would be maintained with a view to setting the rents at reasonable levels. Besides, 16 farmers of group (a) had been consulted on the estimated rental level (i.e. about \$1,000 per dau chung), and they had not indicated that the estimated rental level was beyond their affordability. The rents for temporary basic lodging and storage facilities were mainly for covering maintenance costs of the facilities. Although the above-mentioned 16 farmers currently might not need to pay rents for the structures on their farmlands, they had to take care of the maintenance of such structures by themselves, and this involved a certain amount of expenditures.

- 9. <u>Dr KWOK Ka-ki</u> opined that the Administration should consider charging farmers affected by the Agri-Park project lower rents (should they choose to rehabilitate their farmlands in the Agri-Park Phase 1 in the future) and corporate tenants higher rents. <u>Mr CHU Hoi-dick</u> also asked whether Agri-Park tenants who did not belong to group (a) or (b) mentioned above would be charged higher rents for farmlands and related facilities.
- 10. <u>DAFC</u> replied that a management advisory board for the Agri-Park would be set up, and it would study the rental levels applicable to the tenant groups (including corporate tenants) mentioned by Mr CHU Hoi-dick.
- 11. Given that some questions from members involved broad policy issues, the Chairman reminded members that those policy-related questions should be put to the relevant Panels instead. He also reminded members to avoid asking repetitive questions on the same issues.

## Irrigation facilities

- 12. <u>Dr KWOK Ka-ki</u> pointed out that many farmers worried that tenants of the Agri-Park Phase 1 would be required to adopt sprinkler or drip irrigation method, which might not be suitable for certain crops. He sought clarification on whether tenants of the Agri-Park Phase 1 would be allowed to adopt other irrigation methods of their own choice.
- 13. <u>DAFC</u> advised that the Administration had been encouraging farmers to adopt efficient irrigation methods to save water. Irrigation methods such as sprinkler and drip could not only save water but also streamline farming procedures. As such, tenants of the Agri-Park Phase 1 would generally be requested to use the sprinkler or drip system provided in the Agri-Park. If sprinkler or drip irrigation method was not suitable for the crops planted by the tenants, other suitable irrigation methods would be allowed having regard to the actual circumstances.

#### Other issues

14. Mr AU Nok-hin considered that in the face of the competition from produce imported from the Mainland, the Administration should step up efforts in promoting local produce, and assist local farmers in expanding the sales network of their produce. In this connection, he enquired about the major sales channels of the produce of the Agri-Park Phase 1. In response, <u>DAFC</u> advised that at present, all local farms had established sales channels for their produce, and the Vegetable Marketing Organization had also provided assistance in promoting quality produce of local farms.

Additionally, the Agri-Park Phase 1 would provide suitable facilities and make appropriate arrangements to facilitate the tenants' organization of promotional activities such as farmers' markets by tenants.

15. <u>Mr Gary FAN</u> enquired how the Administration regulated the use of pesticides in order to promote sustainability of local agriculture and conservation of biodiversity. <u>DAFC</u> replied that in Hong Kong, the use of pesticides was subject to the regulation of the Pesticides Ordinance (Cap. 133). The Agriculture, Fisheries and Conservation Department had also promoted good agricultural practices to farmers, including the proper use of pesticides.

[At 11:22 am, the Chairman said that he would allow members who were waiting for their turn to raise questions to each raise one question. After that, the "question and answer time" would end.]

Motions proposed under paragraph 32A of the Public Works Subcommittee Procedure

- 16. <u>The Chairman</u> said that he had received two motions proposed by two members under paragraph 32A of the PWSC Procedure. He considered that the proposed motions were directly related to the agenda item.
- 17. At 11:34 am, the Subcommittee put to vote the question that the proposed motions be proceeded forthwith. At the request of members, the Chairman ordered a division. The results were as follows:

Motion proposed by	Motion number	Proceeded
		forthwith or not
Mr CHAN Chi-chuen	<u>1</u>	No
	(Chinese version only)	
Mr CHU Hoi-dick	<u>2</u>	No
	(Chinese version only)	

## Voting on PWSC(2018-19)43

18. <u>The Chairman</u> put <u>PWSC(2018-19)43</u> to vote. At the request of members, <u>the Chairman</u> ordered a division. Twenty members voted for and 10 members voted against the proposal, and no one abstained. The votes of individual members were as follows:

For:

Mr Charles Peter MOK (Deputy Chairman) Mr Tommy CHEUNG Mr CHAN Hak-kan Dr Priscilla LEUNG Action - 9 -

Mr Michael TIEN
Mr MA Fung-kwok
Mr LEUNG Che-cheung
Dr Helena WONG
Mr Holden CHOW
Mr HUI Chi-fung
Mr LAU Kwok-fan
Mr Tony TSE
(20 members)

Mr Frankie YICK
Mr CHAN Han-pan
Ms Alice MAK
Mr HO Kai-ming
Mr Wilson OR
Mr LUK Chung-hung
Mr KWONG Chun-yu
Ms CHAN Hoi-yan

Against:

Ms Claudia MO Dr KWOK Ka-ki Mr Alvin YEUNG Dr CHENG Chung-tai Mr Gary FAN (10 members) Mr CHAN Chi-chuen
Dr Fernando CHEUNG
Mr CHU Hoi-dick
Mr Jeremy TAM
Mr AU Nok-hin

Abstained: (0 member)

19. <u>The Chairman</u> declared that the item was endorsed by the Subcommittee. <u>The Chairman</u> asked members whether the item needed to be voted on separately at the relevant Finance Committee ("FC") meeting. <u>Mr CHU Hoi-dick</u> requested that the item, i.e. <u>PWSC(2018-19)43</u>, be voted on separately at the relevant FC meeting.

## Head 703 – Buildings PWSC(2018-19)44 190GK Flight Simulator Training Centre of the Government Flying Service

20. The Chairman advised that the proposal, i.e. PWSC(2018-19)44, sought to upgrade 190GK to Category A at an estimated cost of \$112.1 million in MOD prices for the construction of a Flight Simulator Training Centre ("FSTC") in the car park area of the Government Flying Service ("GFS") Headquarters. The Administration consulted the Panel on Security on the proposed project on 8 January 2019. Panel members did not object to the submission of the funding proposal to PWSC for consideration. A report on the gist of the Panel's discussion was tabled at the meeting.

Effectiveness of the proposed Flight Simulator Training Centre in pilot training

- 21. Mr AU Nok-hin pointed out that according to paragraph 9(c) of PWSC(2018-19)44, the proposed FSTC could improve training and assessment efficiency of GFS. In this connection, he sought the following supplementary information on how the proposed FSTC could improve training efficiency:
  - (a) according to the current regulations, the hours of training that GFS pilots of different ranks should receive in order to achieve the qualifications to become fully operational;
  - (b) (i) the time normally taken for GFS pilots of different ranks to complete the required training hours in order to achieve the qualifications to become fully operational under the actual circumstances at present; and (ii) the overall training time expected to be reduced after the commissioning of the proposed FSTC; and
  - (c) whether there would be any change to the training standards (including training hour requirements) for GFS pilots of different ranks due to the commissioning of the proposed FSTC.
- Controller, Government Flying Service ("C/GFS") advised that the Administration would provide the above supplementary information after the meeting. He pointed out that according to the internal guidelines and training manual of GFS, staff in the Pilot Grade and Air Crewman Officer Grade were categorized into a number of operational levels, and the training hours required for each level varied. In gist, it took about eight to 10 years for helicopter pilots to achieve the qualifications to become fully operational, and the actual time taken depended on the progress of individual pilots. GFS expected that after the commissioning of the proposed FSTC, the overall training time for each pilot could be reduced by about one year on average.

(*Post-meeting note:* The supplementary information provided by the Administration was circulated to members vide <u>LC Paper No. PWSC223/18-19(01)</u> on 24 May 2019.)

23. <u>Mr CHAN Chi-chuen</u> asked how the proposed FSTC could increase the overall operating time of pilots and enhance the safety level of their operation and training.

- C/GFS explained that at present, GFS sent its helicopter pilots 24. overseas to undergo simulator training on a regular basis. Each training exercise lasted for about four to five days, and the travelling time of a round-trip was about two days. Besides, according to the requirements under the fatigue risk management system for pilots, if the trip of a pilot spanned across three or more time zones, the pilot should take a rest for two local nights after returning to Hong Kong before he/she could resume duty. As such, each helicopter pilot who underwent overseas training each time would have to stay away from work for about 10 days. If pilots received simulator training locally, the above-mentioned travelling and rest time could be saved. He also pointed out that some training for GFS helicopter pilots were conducted on real helicopters. After the establishment of the proposed FSTC, pilots could simulate the performance of general helicopter operations and procedures through the use of a simulator. Moreover, training for some operational procedures (e.g. those during mechanical breakdown) could not be conducted on real helicopters due to safety or design reasons. simulator, on the other hand, could provide training on such operational procedures, thus enhancing pilots' competency in handling special situations when performing their duties.
- 25. Mr AU Nok-hin sought explanation on why GFS's training would be constrained by the continuous growth in air traffic volume at the Hong Kong International Airport ("HKIA"). C/GFS explained that the speed of helicopters used by GFS was much lower than that of ordinary civil aircrafts. Air traffic would be seriously affected if a helicopter entered the airspace at an inappropriate time. As such, the continuous growth in local air traffic volume would reduce the availability of training slots.
- 26. <u>Mr Jeremy TAM</u> expressed his support for the establishment of the proposed FSTC, which could give GFS more flexibility in deploying its manpower resources and reduce the use of real helicopters for training, thus minimizing the impact of GFS's training on the operation of HKIA.

## Cost effectiveness of the proposed Flight Simulator Training Centre

- 27. Mr Tony TSE asked why the construction unit cost of the project, calculated in terms of building and building services costs, was at a relatively high level (\$85,135 per sq m of construction floor area), and whether one of the reasons was the higher ceiling height of the proposed FSTC compared to those of ordinary buildings.
- 28. <u>Dr KWOK Ka-ki</u> expressed his support for the project. He asked whether the Administration had strived to minimize the construction cost of

the proposed FSTC, and whether the relevant tendering procedures had commenced.

- 29. In response, Director of Architectural Services ("D Arch S") said that the ceiling height of the simulator hall of the proposed FSTC was about 15 m, which was higher than the ceiling heights of general projects. In order to minimize the construction cost, a function-oriented design with the highest cost-effectiveness was adopted for the proposed FSTC. The main reason for the slightly high construction unit cost of the proposed FSTC per sq m was that the construction floor area of the project was relatively small leading to a lower economy of scale. Moreover, the construction site, being located within HKIA, was subject to more works constraints, such as complying with the security requirements of HKIA and avoiding lifting operations from affecting air traffic, etc. The Administration had yet to invite tenders for the proposed project, and the actual construction cost might be adjusted after the completion of the tendering procedures. Nevertheless, as advised by the quantity surveyors of the Architectural Services Department, the construction cost currently proposed was already very close to the market price.
- 30. At Mr Tony TSE's request, <u>the Administration</u> would provide supplementary information to further explain the reasons for the high construction unit cost of the proposed project.

(*Post-meeting note:* The supplementary information provided by the Administration was circulated to members vide <u>LC Paper No. PWSC223/18-19(01)</u> on 24 May 2019.)

- 31. Mr Jeremy TAM enquired about the estimated cost of procuring the simulator, and whether GFS had earmarked resources to train the existing staff or recruit additional staff to operate the simulator and handle its repairs and maintenance. Mr AU Nok-hin raised a similar question and asked whether the Administration would need to seek funding approval of FC for procuring the simulator.
- 32. <u>Under Secretary for Security</u> ("USS") replied that the Administration had added a new item under GFS's Capital Account Subhead 603 in the 2019-2020 Estimates, in which \$400 million had been earmarked for the procurement of the simulator. Funding approval of the Legislative Council would be sought through the Appropriation Bill 2019. <u>C/GFS</u> supplemented that the actual expenses to be incurred in installing the simulator would depend on the result of the tender. Moreover, GFS would create five additional technician posts for the operation, repairs and maintenance of the simulator.

- 33. Mr Tony TSE enquired whether the simulator to be installed would be suitable for training pilots of H175 helicopters only. Dr KWOK Ka-ki enquired about the serviceable life of the simulator; and if GFS needed to switch to other helicopter models, whether the simulator would have to be replaced as well.
- 34. <u>C/GFS</u> replied that the simulator to be installed would be of the highest standard (i.e. level D), which would be only suitable for providing flight simulator training of H175 helicopters. The serviceable life of the simulator was expected to exceed 15 years, which was in line with that of H175 helicopters being delivered to Hong Kong in batches. When GFS replaced those helicopters, the relevant parts of the simulator would be updated at the same time to meet the training requirements arising from the use of new helicopters, whilst the building structure of FSTC would remain suitable for the purpose.
- 35. Mr Tony TSE and Mr CHAN Chi-chuen opined that the Administration should provide a cost-benefit analysis of the proposed FSTC, which should include the construction cost of the proposed project, the cost for procuring the simulator, the recurrent expenditure arising from the proposed FSTC and simulator per annum, savings per annum upon operation of the simulator, etc., as well as a comparison between the expenditures incurred by the proposed FSTC and those for maintaining the existing practice (i.e. arranging for each helicopter pilot to undergo simulator training or assessment overseas on a regular basis).
- 36. <u>C/GFS</u> responded that according to the estimates of GFS, after the establishment of the proposed FSTC, GFS would no longer need to arrange for each helicopter pilot to undergo simulator training or assessment overseas, thus saving the relevant expenses. The pilots' travelling and rest time saved could be used on performing other duties, thus achieving savings in terms of time cost. Upon operation of the simulator, some training and assessments originally conducted on real helicopters could be carried out on the simulator instead.
- 37. <u>USS</u> supplemented that the total investment of the proposed FSTC amounted to about \$520 million and the cost recovery period was 15 years approximately.
- 38. At the requests of Mr Tony TSE, Mr CHAN Chi-chuen and the Chairman, the Administration would provide the details of cost-benefit analysis of the proposed FSTC in writing after the meeting.

(*Post-meeting note:* The supplementary information provided by the Administration was circulated to members vide <u>LC Paper No.</u> PWSC223/18-19(01) on 24 May 2019.)

- 39. <u>Dr KWOK Ka-ki</u> and <u>Mr Tony TSE</u> enquired whether the simulator, after meeting the training and assessment needs of GFS, would have any vacant slots available for rental by other organizations (such as public organizations of other jurisdictions). <u>Mr CHAN Chi-chuen</u> asked whether, to the Administration's knowledge, there were operators in other Asian jurisdictions using H175 helicopters.
- 40. <u>C/GFS</u> advised that the simulator would be mainly used for meeting the training and assessment needs of the Pilot Grade and Air Crewman Officer Grade staff in GFS. The utilization of the simulator during daytime was expected to reach saturation. GFS had no plan at this stage to use the simulator for commercial purposes and make it available for rental by other organizations during evenings. The suitability of the simulator for rental by other organizations would also depend on whether they were using H175 helicopters. It was known that there were operators in Malaysia using H175 helicopters, and operators in the Mainland would adopt that model of helicopters as well in the near future.
- 41. <u>USS</u> supplemented that the number of helicopter pilots in GFS was expected to reach 62 by mid-2021. Each pilot was required to undergo helicopter simulator training and assessments on a half-yearly basis, which took about five days each time. That was to say, the new simulator would have be in use for more than 600 days in order to fulfil the annual simulator training and assessment requirements of 62 pilots.
- 42. At Mr Tony TSE's request, the Administration would provide supplementary information on the above issues, including the estimated utilization rate of the simulator during its initial period of operation.

(*Post-meeting note:* The supplementary information provided by the Administration was circulated to members vide <u>LC Paper No. PWSC223/18-19(01)</u> on 24 May 2019.)

43. Mr Jeremy TAM pointed out that Airbus Helicopters would partner with other company/companies to establish a flight simulator training centre in Texas, USA, in which a flight simulator for H175 helicopters would be installed. He considered that the Administration should, in analyzing the cost-effectiveness of the proposed FSTC, make a comparison with the expenditures involved for arranging pilots to undergo simulator training in Texas, USA. In this connection, he enquired about the hourly charge for

GFS to rent the H175 helicopter simulator in France at present, and whether the Administration knew the hourly charge for the H175 helicopter simulator to be provided by the flight simulator training centre in Texas, USA. <u>C/GFS</u> advised that the Administration would provide the above information after the meeting.

(*Post-meeting note:* The supplementary information provided by the Administration was circulated to members vide <u>LC Paper No. PWSC223/18-19(01)</u> on 24 May 2019.)

## Engineering design and reuse of inert construction waste

- 44. <u>Mr AU Nok-hin</u> pointed out that according to the breakdown of construction costs set out in paragraph 13 of <u>PWSC(2018-19)44</u>, the cost of external works was \$18.6 million. He asked what the external works was and the materials to be used for the external walls of the proposed FSTC.
- 45. <u>D Arch S</u> replied that the external works of the project included the provision of parking spaces outside the proposed FSTC, protection of underground pipelines, greening works, etc. The Administration would use aluminium panels and steel to build the external walls of the proposed FSTC as far as possible, so as to minimize the use of concrete. This would help not only reduce the weight of the building and depth of excavation but also shorten the construction period.
- 46. Mr Jeremy TAM asked whether the Administration would consider requesting the contractor to directly transport the inert construction waste generated from the project to the construction site of HKIA's Three-Runway System ("3RS") project for reuse, rather than delivering it to public fill reception facilities, so as to save time and costs.
- 47. <u>D Arch S</u> said that Mr Jeremy TAM's suggestion would be actively considered if the schedule of the FSTC project and could match that of the 3RS project.

# Method and procedures for procuring helicopter flight simulator training device

48. <u>Mr AU Nok-hin</u> and <u>the Chairman</u> sought supplementary information on the procurement method and procedures for the simulator. <u>Mr AU</u> also asked whether GFS had improved its procurement procedures according to the recommendations of the Director of Audit's Report No. 64. <u>C/GFS</u> said that all of the GFS's procurement procedures had to comply with the guidelines laid down by the Government Logistics Department. GFS had

<u>Action</u> - 16 -

learnt from experience and enhanced the background vetting against bidding companies. <u>USS</u> supplemented that to GFS's knowledge, there were four companies supplying simulators for H175 helicopters. The helicopter manufacturer had undertaken that it was willing to provide the data of H175 helicopters to the Administration, regardless of the latter's final choice of simulator supplier.

(*Post-meeting note:* The supplementary information provided by the Administration was circulated to members vide <u>LC Paper No. PWSC223/18-19(01)</u> on 24 May 2019.)

49. Mr AU Nok-hin asked how GFS would handle damaged parts of the simulator. C/GFS replied that the simulator supplier was required to provide spare parts and maintenance services in accordance with the procurement contract. After the expiry of the warranty period, GFS would repair the damaged parts of the simulator by itself as far as practicable. If the simulator had serious wear and tear that was beyond repair, it would need to be replaced.

## Voting on PWSC(2018-19)44

50. There being no further questions from members on the item, <u>the Chairman</u> put <u>PWSC(2018-19)44</u> to vote. At the request of members, <u>the Chairman</u> ordered a division. Twenty four members voted for and none voted against the proposal. No member abstained from voting. The votes of individual members were as follows:

#### For:

Mr CHAN Hak-kan Mr Charles Peter MOK (Deputy Chairman) Dr Priscilla LEUNG Mr Michael TIEN Mr Frankie YICK Mr CHAN Chi-chuen Mr CHAN Han-pan Mr LEUNG Che-cheung Ms Alice MAK Dr Helena WONG Mr Andrew WAN Mr CHU Hoi-dick Mr HO Kai-ming Mr CHEUNG Kwok-kwan Mr LUK Chung-hung Mr LAU Kwok-fan Dr CHENG Chung-tai Mr KWONG Chun-yu Mr Jeremy TAM Mr Gary FAN Mr AU Nok-hin Mr Vincent CHENG Mr Tony TSE Ms CHAN Hoi-yan

Against:

(0 member)

(24 members)

Abstained: (0 member)

51. <u>The Chairman</u> declared that the item was unanimously endorsed by the Subcommittee. <u>The Chairman</u> asked members whether the item needed to be voted on separately at the relevant FC meeting. <u>Mr AU Nok-hin</u> requested that the item, i.e. <u>PWSC(2018-19)44</u>, be voted on separately at the relevant FC meeting.

## Head 707 – New Towns and Urban Area Development PWSC(2018-19)45 785TH Trunk Road T2 and Cha Kwo Ling Tunnel – Construction

52. The Chairman advised that the proposal, i.e. PWSC(2018-19)45, sought to upgrade 785TH to Category A at an estimated cost of \$16,017 million in MOD prices for building the Trunk Road T2 and Cha Kwo Ling ("CKL") Tunnel. The Administration consulted the Panel on Transport on the proposed project on 15 June 2018. Panel members supported the submission of the funding proposal to PWSC for consideration. A report on the gist of the Panel's discussion was tabled at the meeting.

## Impact of blasting and excavation works on residents nearby

- 53. Mr HO Kai-ming, Mr AU Nok-hin and Mr Wilson OR were concerned that the vibration caused by the blasting works of the construction of the CKL Tunnel would affect the buildings and residents nearby, especially squatters whose structures were more vulnerable to vibration. Mr HO urged the Administration to minimize the quantity of explosives used for each blasting operation. Mr AU enquired how residents would be compensated if structural damages were made to their buildings as a result of the project.
- 54. Project Manager (East), Civil Engineering and Development Department ("PM(E)/CEDD") and Chief Engineer (East)3, East Development Office, Civil Engineering and Development Department ("CE(E)3/CEDD") replied that the CKL Tunnel had a total length of about 400 m. The section of tunnel near the CKL Village would be constructed using non-blasting methods, and only the section relatively far away from the village would be constructed by blasting. Site investigation works had been conducted in the vicinity of the CKL Village, during which 140 probe holes were drilled, so as to collect and have a good grasp of the geotechnical and geological information of the area. According to the Administration's assessment, the blasting and mechanical excavation works involved in the construction of the

- CKL Tunnel would not affect the structures of the buildings in the CKL Village. Site surveys and investigations would be conducted prior to the blasting works. Subject to the consent of the CKL Village residents, monitoring points would be set up at their homes for in-depth assessment of the impact of the blasting and mechanical excavation works on the buildings. During the blasting works, various measures would be taken to control the vibration caused by the works, including strict control on the quantities of explosives used for each blasting operation, close monitoring of project implementation, etc. Close communication with residents and the relevant District Councils would also be maintained. In case cracks were found in buildings during or after the blasting works, investigations would be conducted; and appropriate follow-up actions would be taken if such cracks were proved to be caused by the blasting works.
- 55. Mr AU Nok-hin was concerned whether the submarine mechanical excavation works for the construction of the CKL Tunnel might cause land subsidence of buildings or site settlement in the vicinity. CE(E)3/CEDD advised that an advanced tunnel boring machine ("TBM") would be used to construct the underwater tunnel section of the Trunk Road T2. The TBM would control the water inflow into the tunnel by using pressurized slurry. Therefore, it was expected that the impact of the tunnel excavation works on the surrounding environment would be minimal.
- 56. The Chairman suggested that the Administration should enhance communication with the public and the relevant District Councils regarding the above-mentioned blasting and mechanical excavation works. Mr Wilson OR expressed support for the project, and requested the Administration to enhance communication with the residents and district organizations regarding the project, including establishing a district liaison group.
- 57. <u>PM(E)/CEDD</u> undertook to set up a district liaison group for the project to enhance communication with local residents if the funding proposal was approved by FC.

## Project cost and project management

- 58. <u>Mr CHAN Chi-chuen</u> sought explanation on why the project cost was over \$16 billion in MOD prices and confirmation on whether no toll plaza would be set up at the Trunk Road T2 and CKL Tunnel.
- 59. In response, <u>PM(E)/CEDD</u> advised that the Trunk Road T2 and CKL Tunnel was a dual two-lane trunk road of approximately 3.4 km long, with about 3.1 km in the form of a tunnel (including the CKL Tunnel of about

- 400 m long). The cost of the tunnel was about \$4.9 billion per km, which was slightly higher than that of the Tseung Kwan O-Lam Tin Tunnel ("TKO-LTT") (about \$4.3 billion per km). The higher cost of the project was mainly due to the fact that most of the works of the Trunk Road T2 was conducted in Victoria Harbour and should be in compliance with the Protection of the Harbour Ordinance (Cap. 531). Additionally, in order to minimize the project's impact on the operation of the Hong Kong Children's Hospital nearby, it was stipulated in the project contract that the contractor should strive to avoid using the road of the South Apron Area in the Kai Tak Development Area for delivery of construction materials. Assistant Commissioner for Transport (Planning) supplemented that the Administration currently had no plan to charge users of the Trunk Road T2 and CKL Tunnel.
- 60. Mr Tony TSE expressed support for the project. He opined that the Administration should improve the project management system and monitoring mechanism, so as to avoid the recurrence of problems such as incomplete construction documentations and substandard works quality revealed in other public works projects recently. Mr CHAN Chi-chuen raised similar concerns and enquired about new measures to be introduced for proper management of the project in question.
- 61. <u>PM(E)/CEDD</u> and <u>CE(E)3/CEDD</u> said that the Administration attached great importance to the quality of management of the project, and would set up a multi-disciplinary project management team to monitor the progress and cost of the project. The contractor would be required in the relevant contract to develop a mobile application featuring a system for both works monitoring and document management, in a bid to enhance monitoring efficiency and document management.

#### Construction schedule of various sections of Route 6

- 62. Mr CHU Hoi-dick enquired about the construction progress of the Central Kowloon Route ("CKR"). Deputy Secretary for Transport and Housing (Transport)1 (Acting) replied that following the funding approval of FC in 2017, the relevant works commenced in 2018 and CKR was expected to be completed in 2025.
- 63. Mr HO Kai-ming and Mr Wilson OR urged the Administration to expeditiously commence the construction works of the Trunk Road T2 and CKL Tunnel in order to match the construction schedules of CKR and TKO-LTT, so that the entire Route 6 could be commissioned as scheduled to divert the traffic flows in East Kowloon as early as possible.

- 64. While it was estimated that the construction works of the Trunk Road T2 and CKL Tunnel and that of CKR would both be completed in 2025, Mr Tony TSE opined that the impact of different commissioning dates of the two routes on traffic in Kowloon should also be assessed to facilitate the formulation of fallback options. Mr CHU Hoi-dick also raised similar concerns and enquired why the Administration did not submit the funding proposal for the construction of the Trunk Road T2 and CKL Tunnel together with that for CKR earlier on.
- 65. <u>PM(E)/CEDD</u> explained that there were two main reasons for the Administration to submit the funding proposal for the construction of CKR first. One of them was that CKR, which connected Yau Ma Tei and Kai Tak, could operate on a stand-alone basis, while the commissioning of the Trunk Road T2 was subject to the completion of CKR. The other reason was that the construction period of CKR was longer.
- 66. Assistant Commissioner for Transport (Planning) supplemented that the primary function of the Trunk Road T2 and CKL Tunnel was to alleviate the traffic load of Kwun Tong Bypass and the main roads in Kwun Tong district. If the completion of the project took place earlier than CKR, vehicles travelling between West/Central Kowloon and East Kowloon would still have to use the existing roads (instead of CKR), rendering the Trunk Road T2 and CKL Tunnel unable to serve their primary function. However, as the Trunk Road T2 and CKL Tunnel would connect TKO-LTT, their commissioning would still help relieve the traffic load of the TKO Tunnel even if the construction of CKR had not been completed.

[At 12:57 pm, the Chairman asked members whether they agreed to extend the meeting for 15 minutes to 1:15 pm, and no members raised objection.]

## Voting on PWSC(2018-19)45

- 67. There being no further questions from members on the item, the Chairman put PWSC(2018-19)45 to vote.
- 68. The item was voted on and endorsed. <u>The Chairman</u> asked members whether the item needed to be voted on separately at the relevant FC meeting. No member made such a request.

<u>Action</u> - 21 -

69. The meeting ended at 1:06 pm.

Council Business Division 1 <u>Legislative Council Secretariat</u> 30 May 2019