

DISCOVERY BAY CITY OWNERS' COMMITTEE
Minutes of Meeting No.3 2013-14 held on 7th May 2014
7:30pm at MPH, Discovery Bay Office Centre

Members Present:

Mr. Simon Mawdsley	(SM)	Chairman, COC & Midvale VOC
Ms. Amy Yung	(AY)	Chairlady, Beach VOC
Mr. James Heathe	(JH)	Chairman, Chianti VOC
Mr. Colin Boshier	(CB)	Chairman, La Vista VOC
Mr. Ip Chiu Kwan	(ICK)	Vice-Chairman, Siena One VOC
Dr. Francis Chiu	(FC)	Chairman, Siena Two B VOC
Mrs. Maggie Chan	(MC)	Chairlady, Neo Horizon VOC
Mr. Sam Cole	(SC)	Chairman, Parkridge VOC
Mr. Kent Rossiter	(KR)	Chairman, La Costa VOC
Dr. Lee Shui	(LS)	Vice-Chairman, Amalfi VOC
Mr. Rene Buts	(RB)	Vice-Chairman, Greenvale VOC
Dr. Jennie Lee	(JL)	Chairlady, DB Plaza VOC
Mr. Eddy Shen	(ES)	Chairman, Headland VOC
Mr. Alan McDonald	(AM)	Vice-Chairman, Peninsula VOC
Mr. Tony Cheng	(TC)	Representative, Registered Owner
Mr. Leslie Fung	(LF)	Representative, Registered Owner
Mr. Derek Chu	(DC)	Representative, Hotel
Mr. Edwin Lu	(EL)	Representative, Clubs
Mr. Ian Hunt	(IH)	Representative, School
Mr. Vincent Chua	(CKC)	Director, DBSML
Mr. F.K. Wong	(FKW)	Chief Manager, Estate, DBSML

Apologies:

Mrs. Judy Mathews	(JM)	Chairlady, Greenvale VOC
Mrs. Baby Hefti	(BH)	Chairlady, Peninsula VOC
Mrs. Alison Dack	(AD)	Chairlady, Siena One VOC
Ms. Lee Huen Yee	(LHY)	Chairlady, Parkvale VOC
Mr. David Kwok	(DK)	Chairman, Amalfi VOC
Champion Associates Ltd.	(CAL)	Chairman, Bijou Hamlet VOC

Secretary:

Mr. Kenneth Chan	(CYY)	Senior Manager, Estate, DBSML
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Assistant to Secretary:

Ms. Key Lam	(KL)	Assistant Manager, Community Relations & Admin, DBSML
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By Invitation:

Mr. W.S. Yau	(WSY)	Senior Manager, Contract Management and Works, DBSML
Ms. Dennis Tang	(DT)	Director of ISS Adams Securforce Ltd.
Mr. Mark Li	(ML)	Asst General Manager of ISS Adams Securforce Ltd.
Mr. Kevin Ng	(KN)	AON Hong Kong Limited Representative
Mr. Edmond Chan	(EC)	AON Hong Kong Limited Representative
Mr. Joanna Lee	(JL)	AON Hong Kong Limited Representative
Mr. Francis Chu	(FC)	AON Hong Kong Limited Representative

Staff of City Management:

Mr. Wilson Chan	Manager, Estate, DBSML
Mr. Daniel Ma	Manager, Estate, DBSML
Mr. Steve Kwok	Manager, Estate, DBSML
Mr. G. H. Koo	Manager, Estate, DBSML

Mr. Kenneth Kan
 Mr. Samuel Ip
 Mr. Frankie Tsang

Manager, Estate, DBSML
 Assistant Manager, Estate, DBSML
 Assistant Manager, Security, DBSML

Observers:

Mr. Julian Gordon	Owner, Beach
Mr. Victor Riley	Owner, Midvale
Mr. Thomas Burkhalter	Owner, Peninsula
Mr. Edwin Rainbow	Owner, Peninsula
Mr. Gorge Chan	Owner, Neo Horizen
Mr. David Ball	Owner, Headland
Mr. Nicolle	Owner, Greenvale
Ms. Maryanne Milios	Owner, Headland
Ms. Pauline Pong	Owner, Siena One

The Meeting was declared duly convened with the necessary quorum of Members present.

		Action
1.	<p>APOLOGIES</p> <p>CYY stated that apologies had been received from JM of Greenvale, BH of Peninsula, AD of Siena One, and DK of Amalfi. Representing on their behalf were RB, AM, ICK respectively, as well as LS, the Vice-Chairmen of these villages. Apologies were also received from LHY of Parkvale, and GR, the representative of DBIS, replaced by IH. He also congratulated KR of La Costa for his recent re-election as chairman.</p> <p>AY reiterated that because the position of representative of Hillgove Village was still vacant, the legality of COC might be challenged. Her attendance was to protect the interest of Beach Village.</p>	7:32 PM
2.	<p>UNAUTHORIZED RECORDING OF COC PROCEEDINGS FOR PERSONAL USE <i>(COC Paper 444/4)</i></p> <p>2.1 Referring to the COC paper 444/4 which had been sent to Members, ES said the purpose of such a motion was to protect all the COC members, who were authorized to attend the COC meetings. Some discussions of the meeting should be highly confidential and for the interest of the DB community, not as a forum for personal attack.</p> <p>2.2 SM cited the resolution suggested by ES on prohibiting unauthorized recording of the COC proceedings for personal use. Except for any CM staff in attendance fulfilling the secretarial function, no recording, either analogue or digital, would be permitted without prior consent of the COC and CM. Parties included, but not limited to, are any present members, owners, and/or their representatives in attendance.</p> <p>2.3 RB expressed that the COC meetings were not confidential and not a security matter, hence members should be comfortable with recording the meeting by others, as they were well behaved. AY added that the purpose of recording was to increase transparency, acting as a monitoring function. SC questioned why ES had concerns about recording the meetings.</p> <p>2.4 SM redirected Members to the focus of the discussion, the manner of</p>	7:42 PM

	<p>how it should be recorded. FC responded that he mostly agreed with SC, and further added that it was a matter of courtesy that prior permission being given by the Committee was essential. JH opposed the motion because the COC meeting minutes would then also be circulated and posted out in DB.</p> <p>2.5 SC questioned that if the motion were passed, could anyone then record the meeting, other than the CM staff. He asked CM to advise. FKW responded that according to Clause 17, Page 42 of the Principal Deed, "the (COC) Committee shall cause to be kept, records and minutes of proceedings of the Committee. Sub clause (b) further provided that such records and minutes shall be kept in place as the Committee may, from time to time, be open to inspection by any member of the Committee or any Owner, with reasonable notice being given." As City Management is the secretary of the Committee, it is therefore obliged to record the proceedings. Recording of the proceedings by any parties, other than CM, is not permitted.</p> <p>2.6 After deliberation among members, ES requested to move the motion stated in the COC Paper 444/4 and was seconded by JL by a show of hands.</p> <p>2.7 The vote was recorded as below:</p> <p style="padding-left: 40px;">In favour : FC, MC, LS, EL, 2 representatives of HKR, 2 representatives from City Management, ES, DC and JL</p> <p style="padding-left: 40px;">Against : KR, AM, JH, ICK, SC, AY, RB, CB</p> <p style="padding-left: 40px;">Abstain : SM</p> <p>CYY declared the motion passed.</p>	7:53PM
3.	<p>PRESENTATION ON SECURITY SERVICES BY ISS ADAMS</p> <p>3.1 CYY advised that in light of the one-plus-one year option to renew the security service contract is due in June; the purpose of the presentation was for ISS to brief members on their review of the service performance over the last 11 months. With a power-point presentation, Ms. Dennis Tang (DT), Director of ISS Adams and Mr. Mark Li (ML), Assistant General Manager of ISS Adams, briefed members on various issues including staff deployment, comments on guard performance, and a summary of the headquarter support, including training, drills, and site visits etc. To strive for continuous improvement, ISS also proposed various improvement measures for the enhancement of the service standard for the 2nd year of service.</p> <p>3.2 In relation to overall guard quality, ML pointed out that the lack of English speaking guards in the job market was their primary concern. Although the shortage rate was under 3.5%, they promised to recruit and keep enhancing the English ability of staff and to improve their quality of customer service.</p> <p>3.3 JH questioned whether the policy enabled security guards to smoke when they were on duty, as he had witnessed a guard smoking with other colleagues outside. This occurred between 3pm and 5pm in the afternoon.</p> <p>3.4 AY pointed out two important issues of speeding and illegal parking. AY</p>	7:56 PM

	<p>also complained about the length of time it takes to move the illegal cars. AY appealed to the Members, asking them to take photos and mark their license plates for road safety purposes. AY also observed that patrol cars have been misused for individual residents, and urged for action to be taken.</p> <p>3.5 FC wondered why no direct telephone number had been provided for those issues. ML responded that they would deploy more manpower to handle the cases and he was glad to leave his telephone number for all the Members for all emergencies.</p> <p>3.6 To address various Members' concerns and queries, ISS agreed to reply in writing. To conclude, CYY would send the softcopy of the presentation to all Members and upon receiving the ISS's reply, CM would issue a COC paper, including the summary of the pledge ISS had made and the queries raised during the meeting, which would be part of the conditions of the next year's contract.</p> <p>3.7 After the Q&A session, CYY invited the COC Chairman to present a certificate to an outstanding security staff member, Mr. Chow Wai Leung. CYY sited Mr. Chow's outstanding performance while on duty in Greenvale, in particular, an incident leading to a successful arrest of a bicycle thief.</p> <p>(SM was invited to present the certificate to Chow Wai Leung.)</p> <p>(DT from ISS also delivered the HK\$1000 cash coupon to Chow Wai Leung.)</p>	8:21PM
7.	<p>ITEMS FOR DISCUSSION</p> <p>With the Chairman's approval, this agenda item was moved forward</p> <p>7.7 Insurance Service Package for 2014/15</p> <p>7.7.1 With a power-point presentation, representatives from AON, Mr. Kevin Ng (KN), Mr. Edmond Chan (EC), Ms Joanna Lee, (JNL) and Mr. Francis Chu (FRC) introduced the existing insurance package. As per CB's request, AON focused on the insurance programme structure of Property All Risks with recommendations by setting three different deductible levels. JNL suggested the last two scenarios, in which for the loss of water damage and typhoon/rainstorm, it would be HKD50,000 at minimum or 25% of loss and HKD100,000 at minimum or 25% of loss respectively, while for the loss of lightning, it would be HKD20,000 at minimum or 20% of loss and HKD50,000 at minimum or 20% of loss. JNL advised that in scenario 2, the deductible amount for individual residential unit would be HK\$ 7,000, whereas in scenario 3, the sum would be HK\$20,000.</p> <p>7.7.2 FKW supplemented the reason why there was a separation of the broker and underwriter services. During previous years, the broker service was lumped with the underwriter service under one tender. However, the response rate was extremely low with regards to returned tenders and the insurance premium had been increasing every year. Last year, the renewal sum of the Property All Risks (PAR) premium increased by 50%. CM, with the support of the COC,</p>	8:25 PM

adopted a two-tier system in which a broker was engaged to look at existing insurance policies independently from a professional point of view. A tailor-made insurance package solution was then suggested for the benefit of the community. FKW also pointed out that with the help of a broker, a tailor-made insurance package could attract more underwriters to tender for.

7.7.3 FKW stated that the main focus of AON's presentation was to seek the Members' endorsement to open up the tendering process of the insurance package. Among all policies, FKW stressed that Members should pay attention to PAR insurance since the premium was about two-thirds of the total insurance amount. FKW further advised that CM had engaged John Foord as an independent surveyor to evaluate the property values of DB. According to the report, there would be a 30% increase of the building re-construction cost if we continued to insure the whole building. Alternatively, Members may decide to insure common areas. FKW added that other insurance policies were similar to the existing one with comparatively lower costs.

7.7.4 SM questioned that if Members hesitated about the insurance company, what procedures would be involved.

7.7.5 FKW responded that Members had to decide which insurance package they preferred in this meeting due to the limited time frame. AON only played the instructional role to prepare tenders and invite underwriters to quote. FKW stated that AON had already short-listed a number of underwriters in their presentation for tendering and he emphasised that Members had to decide on the scope of the insurance policy in this meeting.

7.7.6 RB asked for clarification on the simple motion of insuring the PAR on the whole building or common areas only.

7.7.7 FKW responded that based on the number of claims in the past five years, most of the claims related to the residential units. The issue was that due to the increase of reconstruction costs, Members might prefer not to insure the entire building resulting in higher premiums for most owners. On the other hand, if Members continued to adopt the existing coverage with alleviated impact on insurance expense, one of the ways-out was to increase the deductible level. Hence, FKW suggested that Members consider and evaluate all three scenarios.

7.7.8 CB agreed to continue the existing whole coverage package with an increase in the deductible level. If this approach were not taken, CB suspected the mentality of the claimers would lead to an increase in the number of claims. By increasing the deductible level, the number of claims would decrease.

7.7.9 SM clarified the motion was to decide whether to go for the property all risks insurance due to the cost increase and asked for FKW's recommendation. FKW responded that he recommended adopting AON's recommendation to put scenario 2 and 3 in the tender in order to obtain different deductible levels of the property all risks.

7.7.10 RB requested to obtain the copy of the report and would like to clarify the issues raised during the meeting. FKW explained that because of

the limited period of time, AON could only manage to produce the presentation that afternoon. However, FKW stated that the survey report from John Foord, once concluded with AON, could be issued to the Members for reference. AON's presentation would also be sent to Members after the meeting.

7.7.11 RB asked to be provided with quotes for common areas and individual flats as well. AON replied that it was difficult to obtain the figures of the total common areas. FKW added it was difficult to provide two sets of tenders from individual claims.

7.7.12 JH questioned the reason as to why the insurance service package had to include scenario 2 and 3, but excluded scenario 1. FKW responded that it was not difficult to quote based on scenario 1, but due to the increase in re-construction value by 30%, the returned quotes of scenario 1 would not be favourable as the increase would be at least 30% to 40%.

7.7.13 JH questioned how the HK\$100,000 claims came up with the deductible level, as far as he was concerned there might only be ten cases that reach above HK\$100,000. JNL responded that all three scenarios could be put into the market.

7.7.14 SC asked whether the three scenarios could be separately quoted for common areas and private units, and only the common areas. FRC replied that due to the time frame, if only the common areas were quoted, AON had to decide the sum insured for common areas only, which was not covered by the valuation report from John Foord. Another reason was, as DB had engaged the insurance programme for the whole building for years, AON had to separate all the common claims from the claim history, but the fact was the insurance premium claims in the past were not based on ratio, therefore, it could not reflect the actual situation to the market and DB could not be benefited by that.

7.7.15 KR, from his perspective, agreed to insure the entire building because he wondered what arguments might occur based on the identification of common or private areas.

7.7.16 JH also supported the insurance service package recommended by AON, which covered the entire building since it might be a problem for individual owners to bear such huge insurance costs.

7.7.17 FRC supplemented that it was easy to change the insurance scope from common areas to the entire building, while it was a matter of concern because of the administration of all the individual owners' policies, and the individual owners could not be benefited from the bulk purchase option. FRC also mentioned that if owners did not pay the insurance from their management fee, individual owners had to insure on their own.

7.7.18 JH requested to move the motion to accept the recommendation of AON to put the three scenarios of Property All Risks insurance for the entire building into tender. SC seconded.

7.7.19 The vote was recorded as below by shows of hands:

9:06PM

	<p>In favour : FC, MC, KR, AM, JH, IH, EL, SC, AY, CB, DC, LS, JL, ES and 2 representatives from CM and 2 representatives from HKR</p> <p>Against : Nil</p> <p>Abstain : RB, ICK and SM</p> <p>CYY announced the motion moved forward.</p>	
4.	<p>CONFIRMATION OF THE MINUTES OF PREVIOUS MEETING</p> <p>4.1 CYY advised that the draft of the previous meeting minutes had been sent to Members on the 12th February, with reminders on the 16th April and 30th April respectively. AY had commented on Items 6.14, 6.15 and 6.16 in which it had also been incorporated. Revised meeting minutes had been attached for Members' reference.</p> <p>RB then gave one comment: Item 5.1.6 of the previous meeting minutes – to add 'returned' before "tender" in the first sentence. WSY reiterated that it was allowed to look at tender document, not returned tender. The Secretary agreed to check the recording of the meeting and provide the exact wording.</p> <p>4.2 In regard to the above amendment, with SM proposed and RB seconded, the minutes were confirmed.</p>	9:10PM
5.	<p>MATTERS ARISEN FROM PREVIOUS MINUTES</p> <p>5.1 Relocation of DB01R Bus Terminal at Tung Chung (COC Paper 429/14)</p> <p>5.1.1 FC briefed Members on the latest progress in relocating the bus terminal in Tung Chung to an area behind the Lantau taxi stand outside exit D of Tung Chung MTRC station. FC thanked Mr. Peter Crush, VOC member of Parkvale for his effort in urging TD to reconsider the alternative location, together with the help of Legislative Councillor, Mr. Ben Chan, to invite TD to visit the site location. It was demonstrated on site that a DB bus could turn into the area with ease. FC expressed his optimism for the foreseeable confirmation of this proposal.</p> <p>5.1.2 TC further advised that TD would probably insist that DB buses should stop at the temporary bus terminal near Ngong Ping 360, but allowed a new stop behind the Lantau taxi stand. He added that TD was against the suggestion to allow buses leaving the taxi stand to turn into Cheung Tung Road directly. TC envisaged that most passengers would board and disembark at the new stop which would be more convenient for most residents. TC expressed his gratitude to Mr. Peter Crush, Hon Ben Chan and Hon Frankie Yick for their efforts in helping DB residents.</p> <p>5.1.3 SM and some other members also expressed appreciation to both FC and Peter Crush for their efforts.</p> <p>5.1.4 Referring to item 6.3 in the minutes of last meeting, AY reiterated her proposals of converting the Public Recreational Centre in DB North</p>	9:13PM

	<p>Commercial Centre into a skate park for teenagers and opening the basketball court in Club Siena to residents since the court did not fall within Club not living in Siena Two. SM agreed to discuss the proposals at the next Sports and Leisure Sub-Committee meeting.</p> <p>5.2 Follow up on the declaration of interest by COC members</p> <p>5.2.1 With a power-point presentation, CYY showed the Members who had participated in the declaration exercise. RB queried why there were only 11 out of the total number of 22.</p> <p>5.2.2 CYY responded that 2 representatives from CM as well as other Members of HKR staff had been excluded by this list, as they have all had separate declarations of staff policy when they joined their companies. FKW also stated that it was not a statutory requirement that COC Members have to make a declaration of interests.</p> <p>5.3 Progress update for AGM of Hillgrove and reasons for the delay of the Owners' Meeting</p> <p>5.3.1 CYY advised that CM had put lots of manpower in place to deal with one village and especially thanked the Chairman of La Costa, all positive efforts were made, including home visits, to persuade owners to attend the meeting. Meanwhile, for the case of the unsuccessful AGM meeting of Hillgrove in January, there were two main reasons for the inability to convene the meeting sooner. Firstly, there was a severe shortage of staff after Chinese New Year as staff needed to clear their accumulated annual leave before the end of March. Secondly, only two thirds of the total units of Hillgrove were occupied by tenants.</p> <p>5.3.2 To encourage more participation, a 'neighbourhood gathering' was organised recently with children's games and some tips on management issues, resulting in a good response of 16 members joining the programme. CM would try to convene the owners' meeting in July.</p> <p>5.3.3 AY queried if it might not be less effective to have the Owners' meeting in July as most of the owners would be on holiday. She suggested moving the meeting forward to an earlier date. CYY responded that he would take into account the time frame because of the difference in ownership patterns.</p> <p>5.3.4 FC emphasized that more appreciation rather than blaming of estate staff would be highly recommended, especially for their enormous effort in handling various estate issues.</p>	<p>9:21PM</p> <p>9:23PM</p>
6.	<p>CM REPORT</p> <p>6.1 Upcoming Tenders</p> <p>6.1.1 With a power-point presentation, WSY stated that two tenders would be awarded, namely Road Resurfacing Work in Plaza Lane and Alteration and Improvement Works to The Permit Collection Office/ Permit Return Office, should consensus be sought from the discussion of Items 7.8 & 7.9 below.</p>	9:30PM

WSY also mentioned that three upcoming tenders would be prepared for Replacement of defective water leakage devices (2no.s), Consultancy services for reviewing and improving communal facilities of plumbing, drainage and sewage discharge systems, and Insurance policies in Discovery Bay respectively.

6.2 COC Paper Endorsed
(COC Paper 445/14)

9:32pm

6.2.1 CYY stated that COC Paper 440/14 'ACCESSDB Funding Year 2014/15' issued on 19th March 2014 with no objections received. While with reference to COC Paper T979 'Insurance Broker Services Tender' issued on 25th March 2014, one Member supported while another Member raised queries after the deadline, which had been addressed and resolved. Funding from the above mentioned items would come from City Account.

6.2.2 Regarding COC Paper 441/14 'Short Term Tenancies CX 1376 & 1377 for Potable Water Pipe & Sewage Pipe' issued on 9th April 2014, five Members objected to the principle of payment, while one Member objected to the revised rent, whereas two Members requested CM to clarify the legal obligation for the rental payment. Funding would come from the City and Water Works Account respectively.

6.2.3 FC expressed his confusion on the principle of payment to this issue and requested to seek legal advice for elucidation. TC understood the concern of Members about whether it was proper for CM to pay the rental charge of STTs on behalf of all owners. TC stated that HKR was seeking legal advice and would provide all Members with the result.

6.2.4 AY stressed that the COC Paper endorsed but was not a resolution for the Owners' Committee, and CM should bear the full responsibility for its actions and should not cite as the support of Owners' Committee or the acceptance of the revised rent. AY highlighted that no legal advice should be sought, based on her knowledge of the background of the issue: in 1995, only the introduction of government water had been indicated in the COC meeting and afterwards no other payment was mentioned. AY continued that from 2002 onwards, CM had taken up the HKR fee notes paying out from the City Owners' Fund and without informing Members. AY emphasized that owners should not pay for the STT, surveyors' fees and other legal payments and urged for clarification about how much CM had paid of the HKR bill for City Owners' Fund, including the interest since 2000.

6.2.5 TC clarified that the legal advice was sought by HKR and the legal fee was borne by HKR.

9:36pm

6.3 Green Measures

6.3.1 A Top Energy Saving Housing Estate Award and High Participation Housing Estate Award from China Light & Power had been received recently. WSY stated that another Green Measure – Save Paper by Statement without Cover Note was implemented in May 2014, estimated to cut half of the printing amount.

6.3.2 In relation to the management fees statement, FC suggested to reduce the frequency of issue payment reminders. CYY stated that CM would take this into account.

9:41pm

6.4 Safety Management System and Fall Arrest System

6.4.1 WSY presented that following the successful demonstration of the fall arrest system at the dam to four COC/VOC members; the system would be cascaded down to the village level. WSY also stated that Phase 1, consisting of eight villages, would be launched in the near future, when design and estimated costs were available and consultations would be held with related VOCs.

6.4.2 CB wondered why CM did not budget such cost in the annual budget within this financial year. CB said that his village had just examined the 2014/15 budget critically and found that there was no spare money to spend on non-budgeted items. SM also queried whether it was an optional item of expenditure or not.

6.4.3 WSY responded that it was a statutory requirement under occupational safety requirement and estate managers would revise the budget if necessary. CB stated that since Members did not discuss such issues in the management fee adjustment, he could not see the point in including such costs in this financial year.

6.4.4 FKW added that such installations had been discussed last year, together with a demonstration advising Members on the reasons for installation, approval, hence, had been obtained. FKW further explained that for the purpose of enhancing work safety for the workers, such cost would be charged to the Village Reserve Fund when the number of anchors per slope was decided. CB pointed out that in his village they also had a budget for the Reserve Fund and the money was being saved for the next renovation. There were examples that the Village Reserve Fund was used for non-budgeted items. FKW appealed to Members to put the safety of workers into consideration when discussing this item at village level.

9:45pm

6.5 Security Safety Measures Update

6.5.1 DB North Sports Pitch
Additional HD CCTV cameras have been installed over the DB North Sports Pitch for the prevention of vandalism.

6.5.2 Golf Cart Arson
The fire case at Glamour Court of the Hillgrove Village on 15th April 2014, resulted in the destruction of five golf carts and the damage of other community facilities. CYY stated that immediate remedial actions and safety precaution, such as installing CCTV for the golf cart parking area, have been taken, whereas the police investigation was still in progress.

6.5.3 Suspected Private Car in DB
CYY clarified that the recent increase in seemingly private cars in DB was due to Hong Kong police cars operating, due to recent burglary cases and subsequent discussions with the COC Security Liaison

<p>Sub-Committee.</p> <p>KR wondered if some exceptional cases had not been illustrated. CYY replied that any private cars would be under straight checking procedure and their purpose of entering DB would be recorded, including government vehicles.</p>	<p>9:51pm</p>
<p>6.6 Sports Pitch Update</p>	
<p>6.6.1 Figures shown on a power-point showed a good progress so far, with the review of rental charges next year. CYY also mentioned that 60 removable seats, sponsored by HKR, were installed into the pitch grounds.</p>	
<p>6.6.2 AY asked whether the Football Pitch was fully booked or not. CYY responded that 40% to 50% had been booked during the high demand sessions, leaving lots of sessions available to the public. CYY stated that for the next stage, CM would appeal to schools to utilize the Sports Pitch for functional events, such as Sports Day or Speech Day, resulting in a higher percentage of booking.</p>	
<p>6.6.3 CYY further explained that the high demand sessions were weekends and weekday afternoons.</p>	
<p>6.6.4 ICK queried where the income from the Sports Pitch went and what the occupancy of the Pitch during school time was. CYY replied that the money would go to the Owners' Account, and spare bookings were available during school time. ICK further asked whether the bookings made were from DB residents or others. CYY added that the majority of the bookings were made by DB residents.</p>	<p>9:55pm</p>
<p>6.7 Community Events</p>	
<p>6.7.1 Two events were held successfully under the <u>Love.Together@DB</u> programme sponsored by HKR - Carnival of Drums organized by NAAC on 2nd March 2014 and Eco-Tour to Peng Chau organized by OIWA on 6th April.</p>	
<p>6.7.2 The Home Safety and Crime Prevention Road Show was organized by CM and Hong Kong Police Force on 26th April 2014 and Action Sprint – Adventure Running in Mountain was organized by Action Asia Foundation on 27th April 2014.</p>	
<p>6.7.3 The second Hong Kong International Airport Visit would be held on 17th May 2014 for future development of the 3rd runway and the environmental initiatives taken by HKIA. .</p>	
<p>6.7.4 The Annual Dragon Boat Races and Carnival 2014 would be held on 1st June 2014 (Sunday), Members would receive invitation letters via email shortly. In order to increase the income, a food booth would be rented by the beach, where it would be much more accessible for people to purchase food.</p>	
<p>6.7.5 The Flea Market on 27th July 2014 in Piazza, with new rules and regulations to tighten up monitoring measures. The enrolment fee would be increased to HK\$180.</p>	

	<p>6.7.6 TC informed Members that in the past two years, HKR allocated \$1.5 million annually to sponsor the <u>Love.Together@DB</u> community programme. In view of the most positive feedback from residents, HKR would allocate \$2 million to fund the programme in the coming year. He thanked SM, FC and MC for serving in the Steering Committee of the programme to offer advice on the types of events to be held in the past two years. In the coming year, they will continue to offer advice together with two new members, namely Mr. Victor Riley and Mr. Joe Law.</p> <p>6.7.7 Based on the advice of the Steering Committee, \$10,000 for each village was budgeted for sponsoring village event such as BBQ in the coming year. Instead of allocating \$10,000 to each village, SM suggested halving the amount and to use the unspent amount for buying recreational items such as bouncy castles which could be enjoyed by residents of all villages. City Management would explore the most appropriate items to buy taking account the manpower required for managing such items.</p>	
<p>7. ITEMS FOR DISCUSSION</p>	<p>7.1 Tenancy Renewal of DBIS Kindergarten (COC Paper 442/14)</p> <p>7.1.1 IH briefed Members that DBIS was an independent and non-profit making school. It was not a subsidiary of HKR, but managed by parents and School Council. DBIS, under UK national curriculum, provided kindergarten and primary education and was developing its secondary education. With the good faith of HK\$7 million, an extra 370 places would be available this year and an additional 480 places in the coming two years. Whole site renovation would be a new proposed investment for DBIS.</p> <p>7.1.2 AY tabled an extract of the DBIS financial statement issued on 31st August 2011. AY pointed out that the year 2012 had a surplus of HK\$12million, while during 2011, HK\$9million. AY also indicated HK\$70.9million as an accumulated surplus of DBIS. AY expressed her appreciation to stakeholders in operating DBIS and she had no problem with the renewal of the lease. However, she considered that DBIS, as a non-profit making organization, should reduce its tuition fee. Also, HKR should lease its commercial premises to other education providers at nominal rent.</p> <p>7.1.3 IH responded that as for the rental fee, DBIS had paid the same rental fee as when it was the police station site in 1989. IH added that since two new blocks for the expansion of DBIS had been paid through funding, more capital for expansion was needed. IH further explained that the new secondary school with a swimming pool on top also required significant capital outlay. IH doubted the accumulated surplus of HK\$70.9 million and he would clarify with the accountant.</p> <p>7.1.4 IH also stated that 18% of school fees was distributed for the wages of top-class staff and illustrated the recent figures of various well-known international schools, concluding that DBIS was extremely good value among the international market place.</p>	<p>10:02PM</p>

- 7.1.5 JH asked whether DBIS charged a capital levy to students when they entered school. IH answered that a standard levy of HK\$ 40,000 was taken for two years. JH requested to remove any debit cost uncovered by employers and suggested to structure in different ways for the first two years, in case DBIS needed money. JH further suggested obtaining a current statement for reserve before extending the terms of the contract.
- 7.1.6 SC asked how much DBIS charged for a child at kindergarten. IH responded, HK\$84,000 a year for kindergarten, excluding out fund levy or other debits. IH also explained that the standard levy of HK\$40,000 for the two years, HK\$20,000 for the first year and the remaining for kindergarten up to secondary school without further additional charges.
- 7.1.7 TC stressed that DBIS was a non-profit making school and it was totally separate from HKR. Any profit made by DBIS would be ploughed back to the school for education and development and nobody could take any profit made by the school. TC supplemented out that DBIS had spent millions in converting the police station building into a kindergarten. Most importantly, 97% of the kindergarten students were DB residents, reflecting its importance in meeting the education needs of DB children.
- 7.1.8 TC pointed out that DBIS was the first school set up in DB to cater for the education needs of DB residents. HKR had made huge investment in setting up and developing DBIS which was currently providing a through-train education to DB children. Hence, it would be most illogical and unreasonable to require HKR to lease its commercial premises to other education providers at nominal rent. IH added that some 10,000 students had studied in DBIS.
- 7.1.9 RB questioned why DBIS claimed as a non-profit making organization, but still made a huge profit. IH explained that DBIS had to find investment for additional places for students without subsidizing from other people, meanwhile the additional secondary school would be founded, hence, IH stressed that all the money invested was used for DBIS development and the whole cash reserve would be allocated for the benefits of students in DBIS, not for profit in terms of fees.
- 7.1.10 JH expressed his view that everybody supported DBIS, but he wondered about the reconstruction cost of DBIS. IH could not make a promise because it was Council's decision and he could only reflect this COC issue to the Council.
- 7.1.11 JL requested a visit to DBIS with LS. IH welcomed COC Members to visit their schools.
- 7.1.12 RB asked for the fee comparison of international kindergartens in DB. IH referred to the figures, fees for DBIS, HK\$84,000 for full day, Discovery Mind, HK\$57,750 for half day and HK\$72,450 for full day, while no figures could be found on the web for Sunshine House and Montessori.

<p>7.1.13 IH proposed for the support of the lease renewal for DBIS, which would expire on 4th May 2015, IH was seconded by SC.</p> <p>7.1.14 The vote was recorded by show of hands. CYY declared an unanimous win for the approval of the COC supporting the DBIS lease renewal. IH added that they would request a maximum 4 year plus 4 year term.</p>	
<p>7.2 Proposed development of the sports area adjacent to Discovery College (COC Paper 443/14)</p>	10:28PM
<p>7.2.1 Referring to the COC paper 443/14, SM would like to seek the approval and advice from COC before organizing the Sports and Leisure Sub-Committee meeting.</p>	
<p>7.2.2 If approval was given by the COC the next step would be the design and tender phase.</p>	
<p>7.2.3 SC stated that his VOC was against the proposal because of the enclosure of public accessible layout, SC suggested that more sports facilities should be built in DB, and that the terms in the proposal were too vague without precise definition.</p>	
<p>7.2.4 SM advised that the design had not been finalised. In respond to SC's concerns, SM ensured that the sports areas would not be fenced off. SC continued to query if any bookable time was available for DB residents as presumably most of the time the use of the pitch was during school hours, while extra-curricular groups in DC or other schools would also occupy the pitch. SM responded that the agreement was that DC did not have any priority in booking the pitch and it was available to all non-DC groups even during school time.</p>	
<p>7.2.5 KR wondered if any other monitoring groups, other than DC, would preserve their interests for the DB community. SM responded that the Sports and Leisure Sub-Committee would monitor the project, and report back to the COC. Experts from different sports groups in DB could be involved in the project.</p>	
<p>7.2.6 RB questioned who would pay for the exercise payment. SM replied that DC had taken up the obligation for the cost of work and maintenance.</p>	
<p>7.2.7 ICK expressed that the Siena One VOC opposed the proposal due to the uncontrollable noise level, especially affecting residents in Siena One, Headland and Amalfi, and if the lawn were turned into plastic, it would lose the nature of DB.</p>	
<p>7.2.8 KR stated that based on his site visit, he observed that it was unclean and dangerous for children to play on the lawn because of the many rocks. KR agreed that turning it into professional sports area was a feasible option. ICK responded that if the quality of the lawn was poor, it should be improved, but not turned into plastic.</p>	
<p>7.2.9 SC asked whether trees were available in the sports areas near DC. SM responded that a small area in the corner would be planted with trees.</p>	

<p>7.2.10 ES asked whether other schools would have the same opportunity as DC to book the pitch and he expressed his discomfort that HKR did nothing for the development of sports facilities for DB residents, but allowed DC to take the open space, which belonged to DB residents, and turn it into a sports pitch.</p>	
<p>7.2.11 TC clarified that after development, the sports areas would still be open to the public as a public recreation facility.</p>	
<p>7.2.12 JH sought confirmation as to whether DC would take up the entire green area. SM replied that it would be developed into two pitches. JH asked whether there was any fixed term for DC's free use. TC responded that DC's students had been using the area and they would continue to do so. After the development, DC would act as a coordinator for utilization of the area by different users.</p>	
<p>7.2.13 JH questioned whether it was possible to change the nature of activity for the area in the future. TC replied that it could be possible if all residents agreed to it there was strong support from the COC.</p>	
<p>7.2.14 JH was concerned whether security would be 24 hours on site for keeping dogs from the turf. SM confirmed that DC would maintain it.</p>	
<p>7.2.15 SC was also concerned that if the pitches were not being well-maintained in the future, if either COC, DC or both could make a decision for the future use of the land. SM replied that DC would be required to maintain the area in future.</p>	
<p>7.2.16 ICK reiterated their concern of noise levels to Siena One and Headland. He wondered who could ensure that DC would keep its maintenance responsibility and keep it open to the public. TC responded that the area was defined as a public recreation facility by the government and HKR was obliged to maintain it and open it to the public.</p>	
<p>7.2.17 SM proposed the motion of obtaining the support from COC to conduct a meeting of the Sports and Leisure Sub-Committee with DC in the discussion of the project, throughout the completion.</p>	
<p>7.2.18 The vote was recorded as below by show of hands:</p> <p style="padding-left: 40px;">In favour : SM, MC, KR, AM, JH, AY, RB, IH, EL, DC and 2 representatives from CM and HKR</p> <p style="padding-left: 40px;">Against : ICK, JL, LS and ES</p> <p style="padding-left: 40px;">Abstain : SC, CB</p> <p style="padding-left: 40px;">CYY declared the motion would be carried out.</p>	<p>10:55PM</p>
<p>7.3 Appointment of Honeywell under Pay-back option for the upgrade of BMS system (City portion) at operating expense and to engage consultant Arup to Stage C project management of the upgrading at the expense of City Reserve Fund (COC Paper T984/14)</p>	<p>11:00PM</p>
<p>7.3.1 With reference to the COC Paper T984/14, WSY mentioned that 15</p>	

villages chose to opt-in while 2 opted out and 1 had not decided. Following the pay-back approach selected by the majority, WSY prepared more detailed and capped figures for seeking the resolution of appointing Honeywell to upgrade the BMS system. Resolution was also sought to appoint consultant Arup to carry out Stage C, project management, at the cost of HK\$480,000.

7.3.2 RB questioned if Honeywell was familiarized with the present system, and he could not see any reasons to appoint Arup in Stage C for the present system. WSY responded that Arup, as an independent party, was needed to supervise the contractor to ensure Honeywell to meet the tender requirements.

7.3.3 IN response to SC's query whether Parkridge had been included in the opt-in, WSY confirmed that it was.

7.3.4 ICK clarified that Siena One would only opt in under the condition that more detailed information of the maintenance services could be made available to the VOC by Honeywell. WSY promised to arrange a meeting for Siena One with Honeywell. SM further queried whether it would be for all villages or just only Siena One. WSY replied that he would be glad to arrange similar meeting with any VOCs who had opted in and wanted to know the subsequent maintenance services. RB stated that the new controllers were different from those of the old ones. They had different numbers of inputs. Further, the new system which could send signals to the computer required no maintenance engineer. It would save cost.

7.3.5 AY expressed her disappointment that the whole exercise had only started two to three weeks ago and her VOC had a good intention to reduce the price with new technology, and unfortunately the initial Committee was dissolved for nine months and the tender had sent out without consultation, and finally everything came back without prior approval. She explained that it seemed everyone was forced to go for it without any explanations at all. AY stressed that on 30th April 2014, the Beach VOC chose to opt out even though CM had provided an alternative way out. She emphasized that this upgrading was not value for money not worth considering and the whole process was all in a mess. AY registered her regret that the Works Department's performance, not following the original objective of upgrade and not giving timely information and explanation to the villagers for them to make their decision. There should be new technologies since 30 years ago with less costs.

7.3.6 WSY regretted to hear the dissatisfaction of AY and he pointed out that all related parties had made an extreme effort in the last three years for the upgrading exercise and indeed CM had already endeavoured to organize lots of meetings to inform and clarify with the villagers a few months ago and even invited the consultant to attend some meetings. WSY highlighted that more than 20% of saving could be made by the upgrade plus maintenance, compared with the current maintenance cost. AY argued that it was a problem to equate saving a little money to making improvements.

<p>7.3.7 RB also argued that Greenvale could not make a decision based on the meeting with CM and Honeywell since they did not provide proper answers. AY claimed that she had requested to meet Honeywell, but no response had been received except the attendance of Mr. Kenneth Kwong of the Works Department with a few slides that Beach VOC, therefore, rejected the proposal. WSY responded that he did not receive any requests from Beach for inviting Honeywell, the contractor, to attend the meeting, but the consultant only.</p>	
<p>7.3.8 CKC expressed his appreciation for his work team, and on behalf of CM, he trusted his team had done the best to assist all VOCs to make the right decision. CKC also wondered why RB, vice-chairman of Greenvale, could not make the decision based on the available information provided by CM, where other villages had.</p>	
<p>7.3.9 CM proposed the motion of appointing Honeywell under the pay-back approach for upgrading the BM system at operating expense and to engage consultant Arup to Stage C, the project management of the upgrading work, under the expense of City Reserve Fund. ES seconded.</p>	11:11PM
<p>7.3.10 The vote was recorded as below by show of hands:</p> <p style="padding-left: 40px;">In favour : MC, KR, JH, IH, EL, SC, CB, , DC, SM, JL, LS, ES, and 2 representatives of CM and 2 representatives of HKR</p> <p style="padding-left: 40px;">Against : RB</p> <p style="padding-left: 40px;">Abstain : AY, AM, ICK</p> <p style="padding-left: 40px;">CYY declared the motion carried forward.</p>	11:12PM
<p><i>(SC, ES, JL and LS were excused from the meeting)</i></p>	
<p>7.4 Proposed guideline of circulation practice of COC minutes, tenders and other documents to VOC members <i>(COC Paper 446/14)</i></p>	11:13PM
<p>7.4.1 Due to running out of time, CYY suggested deferring this item and Members could give their comments via email. SM agreed to the arrangement.</p>	
<p>7.5 Appointment of a Cleaning Contractor for Discovery Bay <i>(COC Paper T987/14)</i></p>	
<p>7.5.1 FKW presented that, according to the reply of Winson on the refuse collection charge for daytime, FKW had the liberty to prepare the cost comparison based on the existing arrangement. FKW pointed out the new contract cost was quite close to the budget and he would like to appeal to the Members to stick to the existing arrangement, i.e. for low-rise and houses, two times per day for refuse collection, while for high-rise, one time daily. After the endorsement of appointment from Winson, FKW requested each VOC to advise the frequency and timing of refuse collection by one week, i.e. 14th May 2014, to conclude the cleaning contract.</p>	

7.5.2 SM announced the proposal for the acceptance of the paper and the recommendation was to award the cleaning service contract to Winson Cleaning Service Co., Ltd for two years (the 2nd year is optional subject to performance) upon the renewal of the current contract and revising the related City Rules accordingly.

7.5.3 AY questioned whether the replies from the tenderers during the interview had been attached in the paper and distributed to Members. AY regarded it as a procedural matter that the outstanding questions were essential for the Members in order to come up with a conclusion. FKW replied that the tenders had submitted the written record of discussion and some clarifications during interview. FKW believed that no significant impact had been incurred for the overall evaluation of the tender performance. FKW stated CM could be willing to send out their replies to all Members after the COC meeting.

7.5.4 AY asked whether it was possible to acquire the replies first before presenting the results, since she was one of the members during interview, she had an obligation to study all those replies and make a decision before presenting for voting a vote. AY argued that it was against the public procedure of not allowing members to access the replies to questions they requested for. FKW noted.

7.5.5 SM, on behalf of Midvale, was against low-rise having night-time refuse collection. FKW responded that it was just CM's appeal and the final decisions were up to all VOCs.

7.5.6 JH queried whether it was possible for VOCs to join the contract in the later days, as the contract of Chianti had not been expired. FKW responded that Chianti could consider joining this tender exercise but the VOC should notice that the service standard of Chianti was different from other villages, in which Chianti had a higher standard.

11:19PM

7.5.7 SM announced that CM moved a motion of accepting a two-year contract from Winson Cleaning Service Co., Ltd and the second year was optional subject to performance. FC seconded.

7.5.8 The record was recorded as below by show of hands:

11:22PM

In favour : FC, MC, KR, AM, ICK, IH, EL, CB, DC SM and
2 representatives from CM and HKR respectively

Against : RB

Abstain : AY, JH

CYY declared that the motion carried forward.

7.6 Budget for Financial Year 2014/15 (COC Paper T985/14)

7.6.1 AY questioned why her request for the salary and functional organization chart were just received today, when she had sent the request one month ago. AY also expressed her dissatisfaction with the ledger being received as PDF, not Excel format, with the majority of the expense being salary, therefor having many analysis involved. Based on there being no analysis carried out for the budget, together with many objections received for the rental charge of STTs, and

possibly involving quite a significant amount of back-dated payments, AY suggested Members should not approve the budget.

7.6.2 FKW responded that CM did not ask Members to approve the budget, but to seek consultation from the COC, and that the budget was also posted on all notice boards. FKW recalled that he was not aware that the COC approved the budget in past years. However, FKW stressed that CM was glad to further discuss the budget with Members.

7.6.3 AY fully assumed that the budget had to be approved by COC Members and she viewed that the presented budget could not be accepted. According to the provisions of the BMO and DMC, she had the right to request the ledge (in without any excel format) for analysis for the full year 2013, which AY had requested for, according to the provision of BMO and DMC.

7.6.4 CM had no further comments.

(KR and IH were excused from the meeting)

7.8 Appointment of contractor for road resurfacing of Plaza Lane and localized repair of City roads
(COC Paper T985/14)

7.8.1 WSY reported that four contractors returned tenders. The lowest bid for road resurfacing work in Plaza Lane was HK\$845080 and localized repair on City roads was HK\$162,630. WSY stated that CM sought for a resolution from Members to carry out renovation work.

7.8.2 AY objected the project since it was not the responsibility of City Fund because it was an HKR commercial area, not a City Common Area; hence HKR should bear the responsibility to cover such costs. SM noted. WSY responded that the roads served all vehicles in DB and he could not see any reason why this work was not under the Road Fund.

7.8.3 JH asked for clarification of the responsibility of paying the road resurfacing cost. FKW explained that the background of setting up the Road Fund was to charge every vehicle operating in DB the license fee to cover the maintenance fee of City roads. Due to the fact that Plaza Lane, one of the City roads, which consist of the roads, golf cart parking area and the octopus card machine for collecting the fee, was under CM's management. FKW referred to AY's claim that under the development plan, DB Plaza and the roads were commercial areas; however, it was not equal in the DMC, which referred to CM's right to manage the roads. According to BMO, the responsibility of the maintenance was subject to whether the property was an exclusive possession by a party. FKW questioned if Plaza Lane had been using by various vehicles, in which their owners/drivers had to pay the Road Usage Licence Fee accordingly, why the resurfacing cost was required to be paid by HKR.

7.8.4 FC asked for confirmation that the Road Fund was contributed by all vehicle and golf cart users in DB, not from the management fee. FKW

11:25PM

confirmed.

7.8.5 SM announced that with reference to COC Paper T985/14 'Memorandum for City Owners' Committee Road Resurfacing Work in Plaza Lane and Localized Repair on City Roads, Discovery Bay, Lantau Island (the Work)', the resolution of awarding a roadwork contract and arrangement of the CAR Insurance as per CM's recommendation would be sought at the COC meeting on 7th May 2014. FC seconded.

11:31PM

7.8.6 The vote was recorded by show of hands:

In favour : FC, MC, AM, JH, EL, CB, DC and 2 representatives from
CM and HKR

Against : AY, RB

Abstain : ICK and SM

CYY declared that the motion carried forward.

7.9 Appointment of the contractor for alternations and improvement work at PCO/PRO
(COC Paper T986/14)

7.9.1 WSY reported that five contractors bid for the job to build a new Permit Collection Office / Permit Return Office with an octopus system for controlling vehicles entering DB. With the redundancy of 1.5 security guards, the saved cost could offset the outlaying installation work in nine months. WSY stated that the lowest contractor was recommended for the installation works at a lump sum of HK\$262,800. In order to secure a reasonable cost for maintenance, contractors were requested to quote for five years of maintenance and the lowest quote was HK\$48,000 per annum, i.e. HK\$4,000 per month. CM would review the performance of the contractor during execution of the work and defect liability period before awarding the comprehensive maintenance contract to the contractor.

7.9.2 CYY supplemented that the system itself was designed as a removable device in case the site was returned back to other purposes; it could still be in operation in other areas.

11:34PM

7.9.3 With reference to COC Paper T986/14, the resolution in request was to appoint Sparkle Sky for alteration and improvement works to the Permit Collection Office / Permit Return Office at a lump sum of HK\$262,800 and award a five year comprehensive maintenance contract at an amount of HK\$48,000 annually. MC seconded.

7.9.4 The vote was recorded as below by show of hands:

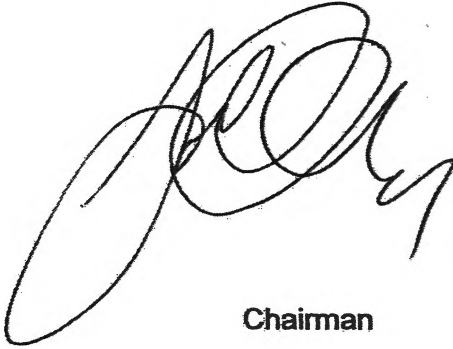
In favour : FC, MC, AM, JH, ICK, EL, CB and 2 representatives from
CM and HKR

Against : RB

Abstain : AY, SM

	CYY announced that the motion carried forward.	
8.	Items for Discussion at the Next Meeting No discussion was taken place.	11:35PM

The meeting was adjourned at 11:35 pm



Chairman