THE HONG KONG HOUSING AUTHORITY

Memorandum for the Building Committee

Disciplinary Action against Woon Lee Construction Co. Ltd.,
Wing Hong Contractors Ltd. and
Cheung Kee Fung Cheung Construction Co. Ltd.

PURPOSE

To seek Members’ approval of the proposed disciplinary action against Woon Lee Construction Co. Ltd. (WOONLE), Wing Hong Contractors Ltd. (INHON) and Cheung Kee Fung Cheung Construction Co. Ltd. (CKFC).

BACKGROUND

2. The current listing status of the above mentioned construction companies on the Housing Authority List of Building Contractors is as follows -

   - WOONLE - New Works 2 (Confirmed)
   - INHON - New Works 2 (Probationary)
   - CKFC - New Works 2 (Probationary)

3. Details related to window defects on three contracts executed by the three contractors are as follows -
## Estates with Report Window Defects

<table>
<thead>
<tr>
<th>Estates with Report Window Defects</th>
<th>Main Contractor</th>
<th>Detached Casement Nos.</th>
<th>Period of Occurrence</th>
<th>Remedial Works by Flat to Flat Inspections &amp; Rectification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chung On Estate (MOS Area 90 Ph. 3)</td>
<td>Wing Hong Contractors Ltd.</td>
<td>2 (all fell off)</td>
<td>11/98 - 7/99</td>
<td>completed</td>
</tr>
<tr>
<td>Ming Tak Estate (TKO Area 34 Ph. 1)</td>
<td>Woon Lee Construction Co. Ltd.</td>
<td>10 (2 fell off)</td>
<td>7/98 - 8/99</td>
<td>completed</td>
</tr>
<tr>
<td>Kai Tin Estate (Lam Tin Ph. 3)</td>
<td>Cheung Kee Fung Cheung Construction Co. Ltd.</td>
<td>5 (all fell off)</td>
<td>9/97 - 8/98</td>
<td>completed</td>
</tr>
</tbody>
</table>

4. A report on these incidents had been submitted to the Building Committee vide Paper No. BC 213/99 on 23 December 1999 for Members’ information.

## CONSIDERATION

5. The Department considers this matter to be serious and the List Management Committee (LMC) interviewed all three contractors on 14 January 2000 and informed the companies of the proposed disciplinary action of suspending them from tendering for a period of three months.

6. Both WOONLE and CKFC did not raise any objection to the proposed disciplinary action at the interview and INHON signified that objection to the proposed disciplinary action, if any, would be submitted to the LMC on or before 21 January 2000.

7. INHON wrote to the HA on 20 January 2000, appealing to the HA to give further consideration on its case but failed to provide further information and did not object to the proposed disciplinary action. The LMC, in the light of the investigation findings contained in the BC paper mentioned in paragraph 4 above, had considered that the proposed disciplinary action is well justified.
RECOMMENDATION

8. Members are requested to **approve** LMC’s recommendation that Woon Lee Construction Co. Ltd., Wing Hong Contractors Ltd. and Cheung Kee Fung Cheung Construction Co. Ltd. be suspended from tendering for future HA building contracts for 3 months with immediate effect.

PRESUMPTION

9. It is not thought that Members will object to the recommendation at paragraph 8 above. If no objection or request for discussion is received by the Committees’ Secretary by **noon on 14 February 2000**, Members’ approval will be presumed and appropriate action taken in due course.

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