

# Penlink Tolling Strategy Summary

## Consultation on the tolling strategy for Penlink

Rodney District Council has made the decision to proceed with a new 7km tolled road – called Penlink (Peninsula Link) – that extends from Whangaparaoa Road on the Whangaparaoa Peninsula to the Northern Motorway at Redvale. The \$160 million project to be built by Council includes:

- Widening Whangaparaoa Road to four lanes on its approaches to the intersection with the toll road (between Brightside Road and Arklow Lane)
- A 540m long bridge with a speed limit of 80kph over the Weiti River (approximately 1km west of Stillwater)
- A two-lane, 100kph, road between the Stillwater junction and East Coast Road
- A roundabout linking the new road with a realigned East Coast Road
- A new Redvale interchange on the Northern Motorway, just north of the Bawden Road underpass, with two south-facing ramps.



## The way forward

The Council's way forward for Penlink is to:

- Consult the community on tolling options
- Seek Land Transport New Zealand (LTNZ) funding (yet to be approved)
- Set the final funding package, including what's required from the private sector, development contributions and rates, if any
- Get an Order in Council to establish a road tolling system and approval from the Minister of Transport for a concession agreement between the Council and any private sector partner.

## What is your view?

The Council wants to consider people's views on the tolling strategy for Penlink. In making its decisions, the Council will consider people's views on:

- The options for the number and location of toll collection points (gantries)
- The proposal to set the toll rate for the whole route between \$1.50 and \$2.50 (CPI indexed) to repay the debt over a period of up to 35 years
- The approach to a concession agreement with a private sector partner.

The Council will consider all feedback before making its decision on the tolling strategy. Please consider the information inside and give us your feedback by 5pm on Thursday 16 November 2006.

## Why Penlink?

Whangaparaoa Road is the only way in and out of Whangaparaoa Peninsula. It's the peninsula's lifeline. But even with last year's improvements, the road's capacity is not enough to cope with the peninsula's rapid growth. The road will get more congested.

The peninsula is not the only issue. The entire Hibiscus Coast area (the peninsula, Orewa and Silverdale) is growing by approximately 1500 people a year and is also Rodney's largest and fastest growing employment hub.

The combination of residential and business growth will greatly increase traffic on the Hibiscus Coast Highway between Whangaparaoa Road and the Silverdale motorway interchange.

Penlink is a critical element in the plans to manage traffic on the Hibiscus Coast. It will divert approximately a third of peninsula traffic away from Whangaparaoa Road, freeing up capacity on both this road and the Hibiscus Coast Highway.

At opening, the new route would save at least 15 minutes travel time each way in peak traffic conditions and six minutes in free-flowing conditions. These savings will increase as the Hibiscus Coast population – and therefore traffic – grows.

## Why toll?

Tolling is both a revenue and a traffic management tool.

The toll revenue will provide the funds to service and pay off the debt that it will be necessary to raise to help build Penlink. Without the toll, Penlink cannot be built. As a traffic management tool, tolls help to regulate the flow of traffic. The Penlink toll will keep traffic using the road below congestion point. Therefore, the toll is a tool to balance the traffic flows and congestion.



## Is there a public transport solution?

Public transport to and from Whangaparaoa Peninsula needs Penlink.

The peninsula is currently poorly served by public transport and this situation is unlikely to improve while buses are held up in the same traffic as private vehicles.

Transit New Zealand is investigating extending the Northern Busway north and Rodney District Council is investigating park and ride sites. These, combined with Penlink, will provide the infrastructure needed for fast and frequent bus services.

## Who will use Penlink?

Potential users of Penlink are everyone living or working east of State Highway 1 and north of the Weiti River, as well as in the Stillwater and Weiti areas south of the river. This includes Hilltop South, Red Beach and Silverdale East.

## Collection options

Four options are being assessed for toll collection, including the actual location of the gantry.

**Weiti River bridge (Site C) only.** Motorists would pay only to use the section between Whangaparaoa Road and Duck Creek Road, in either direction.

- Only one toll collection point.
- Simple and efficient to operate.
- Trips between Stillwater and Whangaparaoa Road would be tolled.
- Trips between Stillwater and East Coast Road would be free, raising fairness issues.
- Unconstrained use of the new Redvale motorway ramps would create congestion.

**Weiti River bridge (Site C) and the Weiti toll road (Site B).** Motorists would pay to use all of Penlink, except the Redvale motorway ramps.

- Two toll collection points.
- Trips east and west of Stillwater would be tolled, thus reducing equity issues.
- The toll would be split between Sites C and B.
- The Site B toll could be less to discourage vehicles from turning onto Duck Creek/Spur Roads to avoid paying a second time.
- The Redvale ramps, which are a part of Penlink, could be used by drivers from East Coast Road who have not paid a toll, attracting more traffic than they are built for.

# The proposed tolling strategy

## The Council's tolling strategy will determine:

- The locations of the toll collection points (gantries)
- Toll rates (by time, vehicle and movement)
- The collection method
- Discounts and exemptions.

Penlink must attract sufficient toll-paying traffic to provide the funding required. Therefore, the toll strategy needs to be acceptable to people who might use the road. The toll strategy also needs to be fair, cost effective and practical.

Traffic on Whangaparaoa Road has increased by 65 per cent over the past 10 years – 30,000 vehicles use the road each day, nearly 12,000 more than in 1995.



the way tolls would be collected, gantries.

**Weiti River bridge (Site C), the Weiti toll road (Site B), and the Redvale motorway ramps (Site A).** Motorists would pay to use all of Penlink, including the Redvale motorway ramps.

- Three toll collection points.
- The toll would be split between three sites.
- Every driver who uses any part of Penlink will pay a toll.
- Would better manage traffic demand – and thus congestion – at the Redvale ramps.
- Would encourage Silverdale traffic to use the Silverdale motorway – not the Redvale ramps and East Coast Bays Road.
- More collection points increase the operating costs of the toll system.
- The aggregation of three separate tolls could make the overall route less attractive.

**All three collection points (as above), but with the toll capped for people using the full route.** The total toll for using the full route would be less than the sum of the tolls at the three collection points.

- Three collection points.
- People travelling the full route would pay once and would get a discount.
- Tolls at each collection point could be managed to optimise revenue.
- Would allow tolls to be varied from collection point to collection point according to the time of day to help to manage congestion, without reducing the attractiveness of the whole route.
- This is the strategy preferred by the Council's toll advisors.

## National toll project

Transit NZ is developing a national toll management system, which will determine how road tolls are collected on Penlink and other toll roads.

The system is likely to be electronic, which means drivers would not need to carry cash or slow down or stop.

The toll would be charged as the vehicle passes under a gantry where their registration number would be recorded and bill sent out. An anonymous method of paying the toll will also be available. For more information, see the website [www.transit.govt.nz](http://www.transit.govt.nz).

## Alternative free routes

The Land Transport Management Act 2003 specifies that an alternative, free, route must be available to everyone in the area served by a toll road.

This means every toll collection point must have an alternative, non-tolled route available to the people in that area.

People who do not have a free alternative route will not pay a toll. For all others, the free alternative routes are:

- **Hibiscus Coast Highway**
- **Whangaparaoa Road**
- **Northern Motorway** (via Silverdale)
- **Duck Creek Road**
- **East Coast Road.**



## Toll rates

The Council intends to set the toll for the full route between \$1.50 and \$2.50 (CPI indexed) in order to repay the debt over a period of up to 35 years.

In deciding the best tolling strategy, the Council will consider:

- How to make Penlink attractive to use – but not so that it attracts more traffic than it is built for
- How to earn sufficient revenue to service and pay off the Penlink debt over a period of up to 35 years
- Whether there is support for paying the Penlink debt off sooner
- Whether there should be different toll rates for peak and off-peak travel times
- Whether there should be partial tolls to use part of the route
- Whether heavy commercial vehicles should pay a higher rate
- People's views, provided through this consultation.

Emergency and defence vehicles will be exempt from paying tolls. Also, pedestrians and cyclists will not pay to use the Weiti River crossing between Stillwater and Whangaparaoa Peninsula.

## How much will you pay?

The toll you pay will depend on where and when you join the route and the class of vehicle you drive. For example, indicative toll rates during peak periods in 2006 could be:

From \ To	Northern Motorway (\$)	East Coast Road (\$)	Weiti Station (\$)	Weiti Plantation/forest (\$)	Stillwater (\$)	Duck Creek Road (\$)	Whangaparaoa Road (\$)
Northern Motorway	-	0.50	0.50	0.50	1.30	1.30	2.50
East Coast Road	0.50	-	-	-	0.80	0.80	2.50
Weiti Station	0.50	-	-	-	0.80	0.80	2.50
Weiti Plantation/forest	0.50	-	-	-	0.80	0.80	2.50
Stillwater	1.30	0.80	0.80	0.80	-	-	2.00
Duck Creek Road	1.30	0.80	0.80	0.80	-	-	2.00
Whangaparaoa Road	2.50	2.50	2.50	2.50	2.00	2.00	-

Note: The toll rates for heavy commercial vehicles could be higher.

## The concession approach

The consultation also seeks feedback on the Council's proposed approach to a concession agreement with a private sector partner to provide funds to plan, design, supervise, construct, maintain or operate Penlink. Such an arrangement requires approval in principle from the Minister of Transport. The Minister must consider:

- **Setting conditions that protect public access to the road;**
- **The apportionment of risk between the Council and the concession holder;**
- **The responsibilities and rights of the Council and the concession holder;**
- **Specific penalty provisions and processes for resolving disputes about the application of any penalties;**

- **The term of the concession agreement (up to 35 years);**
- **That there are no provisions that provide disincentives for other sustainable transport options (i.e public transport or demand management strategies)**
- **Any other factors the Minister thinks fit.**

The Council's proposed approach is to use a benchmarking process to compare the efficiency of public sector and private sector asset and service delivery, and select the model which delivers best value for money.

Should the benchmarking process indicate that the community would get best value from using private funds to complete and operate the Penlink project, the Council proposes a concession agreement structure.

## Hearings

Please tick the appropriate box on the feedback form if you wish to speak to a panel of independent commissioners in support of your written feedback. Hearings will begin on Tuesday 21 November 2006, with speaking times allocated in the order in which feedback forms are received. If you wish to be heard, you will be advised by letter of the time and place to attend. Following the hearings, a consultation report will be prepared for the Council's consideration before it decides its preferred tolling strategy. The Council will advise participants of its decision by letter.

## Have your say

There is a feedback form enclosed with this brochure. Additional forms are available from the Whangaparaoa Library and the Council's offices in Centreway Road, Orewa. **There is also a feedback form on the website [www.rodney.govt.nz](http://www.rodney.govt.nz) or request one by emailing [penlink@rodney.govt.nz](mailto:penlink@rodney.govt.nz).**

Answer the questions on the form and return it using the Freepost address on the back.

## Please ensure you have:

- Included your name, address and daytime contact phone number.
- Told us – by ticking the appropriate box – if you want to speak at the hearings.

**The Council must receive feedback forms by 5pm on Thursday 16 November 06. No late feedback forms will be accepted.**

# Penlink Tolling Strategy - feedback form



This information will only be used by Rodney District Council for the summarising the feedback and organising hearings, and not for any other purpose.

**What are your views on the tolling options?** Rodney District Council must decide on a tolling strategy for Penlink by mid-December 2006.

## Question 1

What are your views on toll collection points?

My preferred option is (tick one):

- 1. Weiti River bridge (Site C) only.
- 2. Weiti River bridge (Site C) and the Weiti toll road (Site B).
- 3. Weiti River bridge (Site C), the Weiti toll road (Site B), and the Redvale motorway ramps (Site A).
- 4. All three collection points (as in 3 above), but with the toll capped for people using the full route.

The reason for my choice is: .....

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## Question 2

Given the need for a minimum \$1.50 (CPI indexed) toll each way to pay for the road over 35 years, would you be prepared to pay a higher toll (but never more than \$2.50 CPI indexed) to reduce the tolling period?

- Yes       No       Not sure

## Question 3

Given the \$1.50 (CPI indexed) minimum toll for travelling the whole route, would you support:

- A lower toll in off-peak traffic periods?  
 Yes       No       Not sure

- A higher toll (but never more than \$2.50 CPI indexed) in peak traffic periods?

- Yes       No       Not sure

## Question 4

Do you support paying a partial toll to use part of the route?

- Yes       No       Not sure

## Question 5

Do you support a higher toll for heavy commercial vehicles?

- Yes       No       Not sure

## Question 6

Do you have any comments on the Council's proposed approach to a concession arrangement?

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## Question 7

Do you understand that the Council cannot built Penlink without funding approval from Land Transport New Zealand (yet to be received) for its standard Financial Assistance Rate funding share (estimated at 50% to 58% of the total cost) by Council?

- Yes       No       Not sure

## Question 8

Do you understand that Council cannot build Penlink without borrowing funds from an external source, such as a public private partner, and repaying the debt from tolling revenues?

- Yes       No       Not sure

## Question 9

Is there anything else relating to the Penlink tolling strategy that you want the Council to consider?

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# Penlink Tolling Strategy - feedback form

## What are your views on the tolling options?

Rodney District Council must decide on a tolling strategy for Penlink by mid-December 2006. In making its decision, the Council will consider people's views on the options for:

- The number and location of tolling gantries
- The proposal to set tolls for the full route between \$1.50 and \$2.50 (CPI indexed)\* to repay the debt over a period of up to 35 years.

In addition, the Council would like to receive feedback on its proposed approach to a concession agreement with a private sector partner.

\*The toll rates for heavy commercial vehicles could be higher.

The views gathered through the completed Penlink Feedback Forms will be summarised and considered by the Council when it makes its decisions on the tolling strategy. Please consider the information provided and give your views using this form. Attach additional comments to the form if you wish.

You may post or fax the form back to us. Alternatively, respond to the questions by email.

**We need to receive your feedback by:  
5 p.m. Thursday, 16 November, 2006.**

Freepost 174305



To: Freepost 174305  
Rodney District Council  
Private Bag 500, Orewa  
(No stamp required)

Alternatively, Deliver to: The Whangaparaoa Library or the Council's offices in Centreway Road, Orewa, or Fax to: 09 426 7280, or Email to: Penlink@rodney.govt.nz.

\* Your name .....

\* Address .....

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\* Daytime contacts:

Phone .....

Fax .....

Email .....

I wish to speak in support of my feedback at a hearing (to be held 21 – 24 November 2006).

\*This information will only be used by Rodney District Council for the summarising the feedback and organising hearings, and not for any other purpose.