

To: Operations & Scheduling Committee

Date: September 24, 2026

From: Andrew M. Smith, Director of Planning & Marketing

Reviewed by: *Ref*

SUBJECT: Contract Amendment for Fare-Free Paratransit Service on Routes 4 and 5

Background:

County Connection currently operates seven fare-free routes on weekdays and four fare-free routes on weekends. Revenue to offset the loss of fares on these routes comes from a variety of sources, with the revenues for Routes 4 and 5 paid for by the City of Walnut Creek.

County Connection's Link paratransit is a shared-ride service for people who are unable to use regular public transit due to a disability. Federal regulations require the provision of paratransit service within three-quarter miles of all fixed route bus service and permits transit agencies to charge paratransit fares of up to twice the regular adult cash fixed route fares. County Connection generally follows this regulation by charging a \$5.00 fare for Link paratransit service, which is exactly two times the regular adult cash fare for fixed-route rides.

As a recipient of federal funding, every three years County Connection is reviewed by the Federal Transit Administration (FTA). As part of County Connection's Fiscal Year (FY) 2023-2025 Triennial Review, the FTA issued a finding requiring County Connection to establish "a fare comparability zone for paratransit, where trips that are comparable to those taken on the fixed route system in the Monument Corridor are not charged a fare". While the Triennial Review specifically called out the LCTOP-funded routes on Monument Boulevard, the FTA's interpretation of the applicable federal regulations applies to all of County Connection's "fare-free" sponsored or grant-funded routes.

Contract Amendment:

The City of Walnut Creek and County Connection first entered into a fare reimbursement agreement for Route 4 in 1985, and for Route 5 in 2014, and both agreements have been amended many times since, typically in response to raising fares or changes in ridership. The agreements must now both be further amended to include fare-free paratransit service within three-quarter miles of either route.

County Connection and City staff are currently negotiating new agreements for both routes that will move from the current annual fixed-fee reimbursement structure to one where the City reimburses County Connection on a per-passenger basis, while also increasing the contracted amounts to reflect the post-COVID ridership recovery. However, as these new agreements will take several more months to finalize, staff is proposing to amend the existing agreements by adding fare-free paratransit, without increasing the contracted reimbursement amounts, as an interim step to accommodate timely compliance with the FTA finding. Under this amendment, fares will not be charged for paratransit trips

which start within three-quarter miles of Routes 4 or 5, and which end within three-quarter miles of any fare-free County Connection route. Reimbursement by the City will be covered by the annual fixed-fee rates specified by the existing agreements for these two routes (\$182,070 per year for Route 4 and \$66,000 per year for Route 5).

Financial Implications:

The anticipated increase in lost fare revenue resulting from the fare-free paratransit service is less than \$3,000 per year across both routes, and, at current ridership levels, the annual fixed-fee reimbursements specified by the existing agreements will be sufficient to cover these costs until the City and County Connection enter into new agreements with a per-passenger fare reimbursement structure.

Recommendation:

Staff recommends amending the fare reimbursement agreements with the City of Walnut Creek to include fare-free paratransit service within three-quarter miles of Routes 4 and 5.

Action Requested:

Staff requests that the O&S Committee forward this item to the Board for approval to authorize the General Manager to enter into amended agreements with the City of Walnut Creek to include fare-free paratransit service within three-quarter miles of Routes 4 and 5.

Attachments:

None.