

Memorandum

REPORT TO: City Commission

FROM: Nick Ross, Director of Transportation and Engineering

SUBJECT: Authorize the City Manager to Sign a Construction and Maintenance Agreement with the Montana Department of Transportation for the Surface Transportation Program - Urban (STPU) Kagy Boulevard - South 19th Avenue to Willson Avenue Project

MEETING DATE: March 3, 2026

AGENDA ITEM TYPE: Agreement - Agency/Non-profit

RECOMMENDATION: Authorize the City Manager to Sign a Construction and Maintenance Agreement with the Montana Department of Transportation for the STPU 1212-8 Kagy Boulevard - South 19th Avenue to Willson Avenue Project, UPN 8931000.

STRATEGIC PLAN: 1.3 Public Agencies Collaboration: Foster successful collaboration with other public agencies and build on these successes.

BACKGROUND: The intent of this agreement is to define construction and maintenance responsibilities between the Montana Department of Transportation (MDT) and City of Bozeman (city) for the STPU 1212(8) Kagy Boulevard - South 19th Avenue to Willson Avenue Project, UPN 8931000.

This project will reconstruct Kagy Boulevard between S 19th Avenue and S Willson Avenue to include two travel lanes in each direction, curb and gutter, boulevard, multi-use path on both sides of the roadway, lighting, landscaping, storm drain, pedestrian crossing facilities via grade separation and at-grade solutions, and raised median/turn lanes. Intersection improvements include two multi-lane roundabouts, signal improvements, and protected intersection components. Construction of the project is anticipated to take place in 2027 and 2028.

Staff has reviewed the agreement and recommends authorizing the City Manager to sign the agreement.

UNRESOLVED ISSUES: None.

ALTERNATIVES: None identified or recommended.

FISCAL EFFECTS: Capital funding for construction has been previously approved through a Funding Agreement dated October 25, 2024. Maintenance cost for Kagy

Boulevard is the responsibility of the city of Bozeman with funding allocated in annual Street Maintenance Fund budgets.

Attachments:

[8931000_C_&_M_Agreement_.docx](#)

Report compiled on: February 17, 2026