



Agenda Item Report

Legislative Board: City Council
Date: May 19, 2026
Contact: Angela Kennedy, Director
Agenda Item ID / Number: 2026-388- / J.4

ITEM TITLE: Deliberation and possible action to adopt a Resolution approving an Interlocal Agreement between Hays County and the City of Buda related to Old San Antonio Road and authorizing the City Manager to execute said agreement (Development Services Director/City Engineer Angela Kennedy, P.E., CFM) [PUBLIC TESTIMONY]

1. EXECUTIVE SUMMARY

The purpose of this Interlocal Agreement (ILA) is to provide for the application of the City's roadway standards and regulations to Old San Antonio Road (OSR) from Main Street to Manchaca Springs Road and to partner with Hays County on a study for the roadway. The ILA will ensure that development projects currently planned along the roadway are only subject to City of Buda regulations and that future planned transportation infrastructure includes the facilities adopted as part of the 2026 Transportation Mobility Masterplan. The County agrees to deliver a draft and final roadway feasibility study and associated engineering services for OSR from Main Street to the Travis County line.

2. BACKGROUND/HISTORY

Old San Antonio Road (OSR) is a north-south regional roadway extending from Main Street to Manchaca Springs Road adjacent to the City Limits and continuing in the ETJ in Hays County jurisdiction to the Travis County line. The attached resolution and draft interlocal agreement describe the corridor as a regional transportation project. Much of the OSR project area is already located just outside the City Limits, in the ETJ, and under County jurisdiction. As a result, roadway planning for this corridor involves overlapping interests between the City and County, particularly where the future alignment must connect City and County segments into a continuous roadway facility. The City has identified improvements to OSR in its adopted 2026 Transportation Mobility Master Plan.

The need for coordinated action has increased as development activity continues in this area and traffic demands on the surrounding transportation network grow. The H-E-B planned along this roadway has heightened the importance of advancing corridor planning and identifying a clear framework for roadway improvements.

3. ANALYSIS

The purpose of this Interlocal Agreement (ILA) is to provide for the application of the City's roadway standards and regulations to Old San Antonio Road (OSR) from Main Street to Manchaca Springs Road and to partner with Hays County on a study for the roadway. The ILA will ensure that development projects currently planned along the roadway are only subject to City of Buda regulations and that future planned transportation infrastructure includes the facilities adopted as part of the 2026 Transportation Mobility Masterplan. This approach supports the City's interest in providing a single regulatory process for roadway improvements and related permitting, particularly as development activity is anticipated along the corridor, including a planned H-E-B.

The County agrees to deliver a draft and final roadway feasibility study and associated engineering services for OSR from Main Street to the Travis County line. In addition, the agreement establishes a long-term framework for project delivery and cost participation. The term would continue for 35 years with automatic 10-year renewals, unless the full project is annexed into the City and accepted as public infrastructure sooner, and the parties anticipate memorializing project cost participation in a future cost-share agreement beginning with an initial split of 55 percent City and 45 percent County.

4. FINANCIAL IMPACT

The cost of maintenance for the portion of Old San Antonio Road south of Manchaca Springs Road to Main Street will be the responsibility of the City. However, Hays County is responsible for the cost of the feasibility study for a future infrastructure expansion project, and the cost of any planned improvements will be split 45% County / 55% City.

5. STRATEGIC PLAN/GOALS

IMPROVED MOBILITY

6. STRATEGIC PLAN OBJECTIVES

Reduce traffic congestion and improve traffic flow.

7. PROS AND CONS

Pros: Delegation of review and approval authority to the City for permit applications on portions of the roadway that are currently in Hays County jurisdiction will streamline the development process. The ILA also provides for a cost sharing agreement for future roadway improvements.

Cons: Maintenance obligation for the current roadway.

8. ALTERNATIVES

The Council may choose not to participate in the Interlocal Agreement. Improvements to the roadway would then be reviewed by or completed by Hays County to County standards.

9. REQUESTED ACTION / SUGGESTED MOTION / RECOMMENDATION

Staff recommends approval of the resolution as presented.

Attachments:

[Presentation - OSR ILA.pdf](#)

[Resolution: Approving OSR ILA Between County and City \(05.12.26\).pdf](#)

[DRAFT ILA Buda OSR_clean 051926.pdf](#)

[OSR Exhibit A.pdf](#)

[OSR Exhibit B.pdf](#)

[OSR Exhibit C.pdf](#)

[OSR Exhibit D.pdf](#)

[OSR Exhibit E.pdf](#)