



Agenda Item Report

Legislative Board: City Council
Date: April 7, 2026
Contact: Wendy Smith
Agenda Item ID / Number: 2026-43- / H.4

ITEM TITLE: Adoption of three Resolutions authorizing the City Manager to execute Local On-System Improvement Project and Advanced Funding Agreements with the Texas Department of Transportation (TxDOT) for the following projects (Assistant City Manager Wendy L. Smith)

- a) RM 967 Turn Lane
- b) RM 967 Deceleration Lane
- c) FM 2770 (Jack C Hays Trail) at Main St.

1. EXECUTIVE SUMMARY

For the City of Buda to effectuate local on-system improvements within TxDOT right of way, Resolutions must be considered and approved by the City Council. The attached Resolutions authorize the City Manager to execute Local On-System Improvement Agreements (LOSA) and Advanced Funding Agreements (AFA) for the following 2021 Bond Projects: FM 967 Turn Lane, FM 967 Deceleration Lane, and FM 2770 (Jack C Hays Trail) at Main Street improvements. The projects are designed and funded in the 2021 Bond program.

2. BACKGROUND/HISTORY

These projects were designed (or are in design) pending the Turnback; however, TxDOT restructured that program, and it is no longer applicable here. LOSAs and AFAs are the traditional means by which Cities construct local improvements on TxDOT right of way. The Resolutions authorize the City Manager to enter into these agreements on behalf of the City. As with the OBC/1626 signal, TxDOT fees are required.

3. ANALYSIS

Staff anticipates that the LOSAs will be approved in June. If so, the following construction schedule is proposed for the **Right Turn and Deceleration Lanes:**

- July 2026 – Advertise
- August 2026 – Bid Opening
- September 2026 – Council Award
- September 2026 – Preconstruction Meeting
- October 2026 – Notice to Proceed
- February 2027 – Substantial Completion
- March 2027 – Final Completion
- April 2027 – Close Out

RM967 Right Turn Lane is estimated at \$1.1M, and the RM967 Decel Lanes are estimated at \$600k.

The **FM2770 and Main** project is currently at 60% design, and easement acquisition is in progress. An approximate schedule is as follows:

- End of 2026 Finalize Design and Obtain Easements
- Spring 2027 Bidding
- Summer 2027 Break Ground

- End of 2027 Complete Construction

The Opinion of Probable Cost is \$1.2M.

LOSA projects typically have a one year term for completion; however, extensions are generally granted if progress is demonstrated (ex. 1626 and OBC traffic signal).

4. FINANCIAL IMPACT

Engineering Cost Estimates/Opinion of Probable Construction Cost:

- RM967 Right Turn Lane - \$1.1M
- RM967 Decel Lanes - \$600k
- FM2770 and Main Street - \$1.2M

Additionally, TxDOT charges 15% of construction for projects under \$2M. Covered costs could include items such as TxDOT oversight, ROW acquisition oversight, engineering plans development review, or project construction oversight and inspections. For these projects, the total TxDOT fee is approximately \$435,000.

5. STRATEGIC PLAN/GOALS

IMPROVED MOBILITY

6. STRATEGIC PLAN OBJECTIVES

Reduce traffic congestion and improve traffic flow

7. PROS AND CONS

Pros: Much-needed projects identified in the bond program can be constructed.

Cons: Administrative requirements and additional fees.

8. ALTERNATIVES

None foreseen.

9. REQUESTED ACTION / SUGGESTED MOTION / RECOMMENDATION

Adopt Resolutions authorizing the City Manager to execute Local On-System Improvement Project and Advanced Funding Agreements with the Texas Department of Transportation (TxDOT) for RM 967 Turn Lane, RM 967 Deceleration Lane, and FM 2770 (Jack C Hays Trail) at Main St.

Attachments:

[LOSA Resolution Presentation.pdf](#)
[RESOLUTION 967 Decel.docx](#)
[RESOLUTION 2770 and Main.docx](#)
[RESOLUTION 967 RT.docx](#)