



**STAFF REPORT**  
**City of Dripping Springs**  
**PO Box 384**  
**511 Mercer Street**  
**Dripping Springs, TX 78620**

---

**Submitted By:** Tory Carpenter, Planning Director

---

**Council Meeting Date:** May 19, 2026

**Agenda Item Wording:** **Approval of a Transportation Improvement Construction and Contribution Agreement between the City of Dripping Springs, Hays County, and ME Headwaters REG, LP for the construction of a 250-foot southbound right-turn lane with a 50-foot taper and a right-turn signal head at the intersection of US 290 and Canyonwood Drive at an estimated cost of \$160,000.00 funded by Hays County in an amount not to exceed \$32,160.00 and the remainder funded by ME Headwaters REG, LP reflecting its proportionate share of the recommended transportation improvements attributable to the Headwaters project.**

**Summary/Background:** This item is for consideration of a Three-Party Transportation Improvement Construction and Contribution Agreement between the City of Dripping Springs, Hays County, and ME Headwaters REG, LP related to transportation improvements for the Headwaters development northwest of US 290 and Canyonwood Drive.

The traffic impact analysis for the Headwaters project identified the need for improvements at US 290 and Canyonwood Drive, including signal timing adjustments, construction of a 250-foot southbound right-turn lane with a 50-foot taper, and installation of a right-turn signal head.

**The City is not responsible for constructing the Canyonwood Improvement or paying any portion of the improvement costs.**

**Recommended Council Actions:** Approval of this agreement.

**Attachments:** Agreement

**Next Steps/Schedule:** Approval of this agreement by the Hays County Commissioners Court.