

Montgomery City Council
AGENDA REPORT

Meeting Date: September 12, 2023	Available Funds: N/A
Department: Admin	Prepared By: Dave McCorquodale

Subject

Consideration and possible action regarding a proposal from WGA for the Buffalo Springs Drive Roadway Reconstruction and Traffic Signal at SH 105 W & Buffalo Springs Drive projects.

Recommendation

Staff recommends approval of the WGA proposal for the Buffalo Springs Drive Roadway Reconstruction and Traffic Signal at SH 105 W & Buffalo Springs Drive contingent on receiving the deposit funds from Home Depot.

Discussion

Issue:

The City and Home Depot have been discussing a proposed store at 20240 Eva Street for several months. These discussions include off-site infrastructure improvements of a traffic signal and roadway reconstruction to be completed before the store opens in October 2024.

Regulations:

The City has a Professional Services Agreement with WGA to provide consulting city engineer services. These services include infrastructure analysis, design, and construction management services.

Analysis:

As part of their project planning, Home Depot desires a traffic signal at Buffalo Springs Drive and Eva Street to facilitate customer access. The City recognizes the need for the traffic signal to increase mobility in the City and conducted a Traffic Signal Warrant Analysis at the intersection in the fall of 2021. The City also desires improvements to be made to the Buffalo Springs Drive roadway which is nearing the end of its lifecycle. Discussions with Home Depot about Buffalo Springs Drive are limited to the portion of the roadway from Eva Street to their northern property line (approx. 1,050 feet). The total design and construction cost for the two projects is estimated to be \$1,424,800. Home Depot has agreed to contribute \$750,000 toward the traffic signal and roadway improvements. They have also agreed to pay the remaining estimated costs of \$674,000 plus 15% for contingencies subject to being reimbursed through a Chapter 380 Agreement for project costs exceeding \$750,000. The Chapter 380 Agreement will be based on reimbursing 50% of the total sales tax collected by the City at the Home Depot store.

Fiscal Review:

The City will reimburse Home Depot approximately \$674,000 over a period of 5 or more years instead of paying those costs up front. The net result of the agreement with Home Depot is the City receiving infrastructure improvements totaling \$1.4 million for an estimated cost of \$674,000.

Conclusion:

In order to meet the necessary timeline, design and preconstruction activities need to begin as soon as possible. As our consulting city engineer, WGA is in the best position to complete the work effectively and efficiently. Staff recommends approval of the proposal from WGA contingent on receiving the deposit from Home Depot.

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Approved By		
Assistant City Administrator & Planning & Development Director	Dave McCorquodale	Date: 09/08/2023
City Administrator	Gary Palmer	Date: 09/08/2023