



ECONOMIC DEVELOPMENT CORPORATION

MEMORANDUM

Table with 2 columns: Field (To, CC, From, Meeting Date, Subject) and Content (Seguin City Council, Steve Parker, Josh Schneuker, August 20, 2024, Lawson Street Construction Contract Award)

Project Overview

In late 2021, Tyson Foods Inc. announced the expansion of their Seguin Facility in response to a major customer’s request for increased chicken production. The expansion included the construction of a new 40,000-square-foot production facility and the acquisition of state-of-the-art machinery, with a total capital investment exceeding \$58 million. The project has been completed and has resulted in the creation of at least 40 new jobs.

A key aspect of the expansion was the relocation of Tyson’s truck access point from Kingsbury Street to Lawson Street to manage the increased truck traffic and enhance pedestrian safety. Previously, trucks used the same entrance as employees and visitors, which posed safety concerns. To support this change, the City of Seguin planned the Lawson Street Reconstruction Project, which involved reconstructing and expanding Lawson Street from Kingsbury Street (U.S. Hwy 90) to C.H. Matthies Drive.

Lawson Street Reconstruction Improvements

The Lawson Street Reconstruction Project will involve substantial improvements, including:

- Roadway Reconstruction: Approximately 1,091 linear feet of new concrete pavement along Lawson Street, from U.S. Hwy 90 to and including a portion of C.H. Matthies Jr. Drive.
Curb and Sidewalks: Installation of curbs, sidewalks, and ramps to enhance pedestrian accessibility and safety.
Cross-Drainage Culverts: Installation of cross-drainage culverts to manage surface water runoff.
Underground Storm Drain: Development of an underground storm drain system to improve drainage and reduce flooding.
Roadside Ditches: Construction of roadside ditches to further assist in water management.
Utility Relocations: Relocation of water and sanitary sewer utilities to accommodate the new road design.

In June 2022, the City of Seguin secured a \$1 million grant from the Texas Department of Agriculture’s Rural Business Fund to help cover the costs of this project. Additionally, the City and the Seguin Economic Development Corporation (SEDC) allocated further funds to cover any costs exceeding the grant amount.

In July 2022, the City of Seguin contracted Freese and Nichols, Inc. (FNI) for design and engineering services for the Lawson Street Reconstruction Project. These services were completed in the spring of 2024. Tyson Foods contributed \$172,950 towards the engineering and design costs.

Construction Contract Award Recommendation

A Request for Qualifications (RFQ) for the construction project was issued on July 3, 2024, with bids closing on July 30, 2024. Four bid packages were received and opened on the closing date. The bid summary is as follows:

- Total project bids ranged from \$1,916,973.74 to \$2,300,300.
- The final Invitation for Bid Opinion of Probable Construction Cost (OPCC) was \$2,200,000.
- E-Z Bel Construction, LLC submitted the lowest bid at \$1,916,973.74, approximately 13% below the OPCC.

Both Freese & Nichols and City Staff have reviewed and verified all submitted bids for accuracy. No errors were found. Therefore, E-Z Bel Construction, LLC is recommended for the contract award based on their lowest bid and compliance with all bid requirements.

Staff Recommendation

Staff recommends approval of the Resolution awarding a bid in an amount not to exceed \$1,916,973.74 to E-Z Bel Construction, LLC for the Lawson Street Reconstruction Project through the Texas Department of Agriculture's Texas Rural Business Fund Grant; Authorizing the City Manager to enter into a Construction Contract with E-Z Bel Construction, LLC.

Attachments

1. Freese & Nichols Award Letter – Lawson Street Reconstruction
2. Bid Submission – E-Z Bel Construction, LLC