



**ECONOMIC
DEVELOPMENT
CORPORATION**

MEMORANDUM

To: Mayor Donna Dodgen
Seguin City Council

CC: Steve Parker, City Manager
Andy Quittner, City Attorney

From: Josh Schneuker, Director of Economic Development / SEDC Executive Director

Date: June 28, 2022

Subject: Lawson Street Reconstruction Project – Design and Engineering Services

Background Information

Tyson Foods Inc., a Fortune 100 company, is one of the world’s largest food companies and a recognized leader in protein. Tyson has been in Seguin since 1989 after the company purchased their current facility from Holly Farms. Tyson currently employs an estimated 546 Full Time Employees at their Seguin Facility. Tyson’s existing Seguin facility is approximately 108,836 square feet and sits on over 42 acres of land. Tyson has nearly \$9 Million of real and personal property value on the tax rolls, contributing nearly \$49,000 to the City of Seguin’s tax base in 2021.

Staff has been working with Tyson Foods on the current expansion of their existing Seguin Facility. The expansion project is in response to a major customer requesting a dedicated facility to accommodate the increased demand for chicken. The scope of Tyson’s expansion includes a new 40,000 square foot production facility, as well as the purchase and installation of new, state-of-the-art machinery and equipment. Tyson’s expansion project will represent a total capital investment of approximately \$58 Million and will help create at least 40 new jobs.

A component of Tyson’s expansion project will include the relocation of its truck access point from Kingsbury Street to Lawson Street. The relocation of Tyson’s truck access is needed to accommodate additional truck traffic associated with the expansion. The new access point will also improve pedestrian safety, as trucks currently access the facility through the same entrance that employees and visitors use. To accommodate the relocation of the truck access point, Lawson Street will need to be improved from Kingsbury Street (U.S. Hwy 90) to C.H. Matthies Drive.

Proposed Contract for Professional Services

Staff is proposing that the City of Seguin contract with Freese and Nichols, Inc. (FNI) to provide design and engineering services for the Lawson Street Reconstruction Project. FNI will develop plans, specification, and estimates for Lawson Street from W. Kingsbury Street to CH Matthies Jr. The goal of

this project is to reconstruct the existing two-lane asphalt roadway to a concrete roadway to support the increased industrial truck traffic along the road. Attached to this memo is a proposal from Freese & Nichols outlining the full scope of services to be provided. Design and Engineering Services provided by FNI for the Lawson Street Reconstruction Project will cost \$172,950. Tyson Foods has agreed to cover 100% of the costs associated with engineering services and design of Lawson Street.

Staff Recommendation

The Lawson Street Reconstruction Project is made possible because of the public-private partnership between the City of Seguin, the SEDC and Tyson. Components of this public-private partnership include an investment by Tyson, on behalf of the City of Seguin, in the amount of \$172,950 for design and engineering services to be provided by Freese and Nichols; a \$1 million grant from the Texas Department of Agriculture (TDA) awarded to the City of Seguin that will cover construction costs for the Lawson Street Reconstruction Project; and financial participation by the SEDC with construction costs for the Lawson Street Reconstruction Project might exceed what will be covered by the \$1 million TDA grant.

Staff is recommending approval of the Resolution authorizing the City Manager to execute a contract with Freese and Nichols, Inc. in the amount of \$172,950 for Design and Engineering Services associated with the Lawson Street Reconstruction Project.