

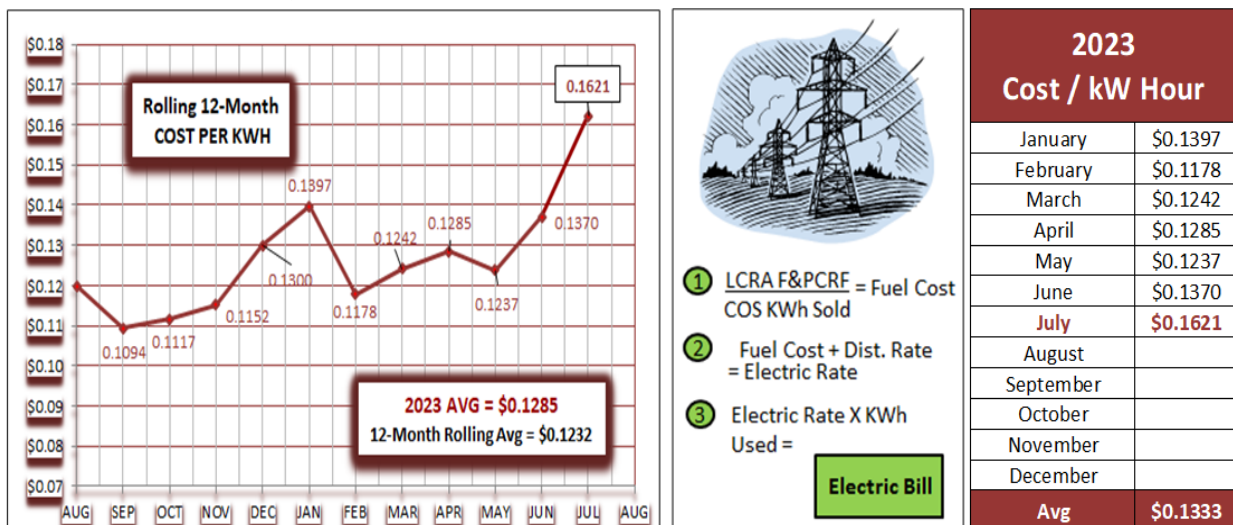
City Manager Update – 7/7/23

I hope everyone had a Happy (and safe) 4th of July. Although temperatures were hovering around the century mark, the second annual 4th of JULY CELEBRATION was a huge success. In aggregate, approximately 2,500 people attended the event(s) downtown, at the VFW, and at Riverbend Park. Music, family fun, food, and fireworks were enjoyed by all. Special thanks to the Chamber of Commerce and all the volunteers who helped sponsor and/or support this event. Here is a very cool drone video link to the [FIREWORKS DISPLAY](#) shot by [Soaring Vision Images](#).

Below you will find a list of accomplishments, issues, and planned activities since my last update / report:

- 1) 2022 TCEQ Annual Drinking Water Quality Report Published** - The Texas Commission on Environmental Quality (TCEQ) issued the 2022 Annual Drinking Water Quality Report for the City of Smithville for the period of January 1 to December 31, 2022. The City of Smithville's drinking water received a "Superior Rating" from the TCEQ based upon the criteria listed in [Title 30, Texas Administrative Code, Subsection 290.47\(a\), Appendix A](#). There were no radioactive, microbial, inorganic, or organic chemical contaminants in excess of those found in naturally-occurring sources of water. A copy of the [2022 Annual Drinking Water Quality Report](#) is available on the City's website. In addition, a water quality flyer has been included in the monthly utility bill. For additional information, contact Edward Balusek or Robert Tamble on 512-237-3282.
- 2) 17th Annual Smithville-Crawford Municipal Airport Fly-In Held** - The 17th Annual Smithville-Crawford Municipal Airport Fly-In was held Saturday, June 10, 2023. This event was rescheduled due to inclement weather in May and was dedicated to Mr. Bennie Lueders. Approximately 500+ people attended the event. The day was filled with airplanes, pilots, games, and prizes. The airplane rides, helicopter rides, and the [CANDY DROP](#) were a big hit. Several City Councilmembers and City staff attended throughout the day. The airport looked great and the weather was exceptional! Thanks to all the volunteers who mowed, trimmed, set-up, cooked, and cleaned. Special thanks to the Smithville Area Chamber of Commerce, City of Smithville, Sandy and Chrissy Meyerson, and all the ground support personnel from the Friends of 84R for making the event possible and memorable experience. Click on the following link for → [2023 Fly-In Photos](#) taken by Joe Fernandez (Fernandez Imaging) and Brian Papke.
- 3) Residential Cost Per Kilowatt Hour (kWh) Calculated** - An analysis of LCRA billing data was conducted to determine residential cost per kilowatt hour (kWh) in JULY. Fuel costs vary month to month and are based upon electric utility generation, transmission, line loss, and service fees. The LCRA fuel cost per kWh for July is \$0.1121. This represents a **28.80% INCREASE** compared to June's fuel cost of \$0.0870. Adding the City's distribution fee of \$0.0500 and LCRA's \$0.1127 fuel cost, the cost per kWh for residential service in Smithville during JULY will be **\$0.1621**. Fuel costs are typically higher during the summer months and the higher temperatures will increase both consumption and demand. The Public Utilities Commission (PUC) of Texas has published very helpful energy-savings tips on their website → <https://www.puc.texas.gov/consumer/facts/Save.aspx>. Below you will find a "rolling" 12-month residential cost per kWh comparison chart. On average, the cost per kWh for residential electric service in Smithville during 2023 is between 13-14 cents.

City of Smithville Residential Cost Per kWh - JULY



City Manager Update – 7/7/23 (continued)

- 4) **FY23-24 Annual Operating Plan / Budget Process Initiated** - I am currently working with my staff to identify FY23-24 goals and objectives as part of the initial annual operating planning and budgeting process. I will have a better feel for where we are and where we need to go in the coming weeks. We still have not received certification of our 2023 Appraisal Roll (taxable base) from the Bastrop County Appraisal District. The City of Smithville received official notice from BCAD communicating the preliminary estimate of property value(s) within the city limits. The total assessed property value (net taxable minus exemptions) for Smithville in 2023 is \$465,014,635. This represents an 17.87% increase (\$70,503,191) over last year's net taxable value of \$394,511,444. Based on the city's current tax rate of \$0.54893 per \$100 valuation, this could bring in an additional \$387,013 of revenue to the FY23-24 General Fund - barring any adjustments given to citizens who protest and win their appeals, added exemptions, etc., which typically equates to a 2-3% reduction of the total assessed value. The average home value increased 11.3% from \$208,432 to \$232,117. Final property values (i.e., the certified tax roll) won't be out until the July/August timeframe. These values are what drive the effective tax rate (no new tax rate) which is used to calculate the total tax rate. Jennifer Lynch will be setting up budget workshops and public hearing dates as we navigate the FY23-24 budget process. During the next 3-4 weeks, the staff and I will be focusing the majority of our time developing a balanced budget. In the meantime, I would ask that the City Council and/or citizens email any projects or areas of focus they would like to see included as part of our annual operating plan / budget. See below for the City of Smithville's historical property values / tax rates.

BCAD Property Valuation & City Tax Rate Comparison - PRELIMINARY

Year	Assessed Valuation	% Change in Value	Avg Home Value	Avg City Tax Paid	M&O Rate	I&S Rate	Total Tax Rate	% Change
2023	\$465,014,635	17.87%	\$232,117	TBD				
2022	\$394,511,444	20.20%	\$208,432	\$1,144	\$0.3831	\$0.1659	\$0.5489	-0.01%
2021	\$328,207,972	12.44%	\$186,277	\$1,023	\$0.4194	\$0.1296	\$0.5490	0.00%
2020	\$291,892,810	6.06%	\$170,086	\$933	\$0.4466	\$0.1024	\$0.5490	-3.52%
2019	\$275,208,274	10.97%	\$162,541	\$925	\$0.4525	\$0.1165	\$0.5690	0.00%
2018	\$247,999,239	4.63%	\$151,444	\$862	\$0.4455	\$0.1235	\$0.5690	5.57%
2017	\$237,025,717	13.85%	\$142,363	\$767	\$0.4166	\$0.1224	\$0.5390	-4.77%

- 5) **Request for Proposal (RFP) for Miscellaneous Concrete Work** – The City of Smithville published a Request for Proposal (RFP) in the Austin American Statesman on June 7, 2023 and June 14, 2023 for a general contractor qualified to build transformer pads, sidewalks, curbs, clear drainage conveyances, and complete small drainage improvement projects (e.g., valley gutters, box culverts, concrete conveyances, etc.) within the incorporated city limits of Smithville, TX. The City received three (3) sealed proposals that were reviewed by City staff on Wednesday, June 21, 2023. The qualified contractor must furnish their own equipment, utilize best-known practices for concrete forming / finishing, and carry \$1M in general liability insurance naming the City of Smithville as a certificate holder. Experience, work performance, capacity to perform, and cost were criteria used by the City staff to evaluate / differentiate each contractor's qualifications. RES Construction66, LLC was the lowest bidder that received the highest score with 94.33 points. As such, **RES Construction66, LLC** (Red Rock, TX) will be the contractor that the evaluation team recommends to the City Council for awarding the 2-year contract (which includes an option for a discretionary 1-year extension). Contractor fees will be charged on a time and material basis. This will be an item for discussion and action during the Monday, July 10, 2023 City Council meeting.
- 6) **Request for Proposal (RFP) for Mowing City-owned Property** - The City of Smithville published a Request for Proposal (RFP) in the Austin American Statesman on June 7, 2023 and June 14, 2023 for mowing various city-owned properties. The qualified contractor will be required to mow and maintain property to the satisfaction of the City. Grass shall not be allowed to exceed a height of 8 inches. Contractor shall also be responsible for trimming walks, flowerbeds, around trees and shrubs, and keeping the inside and outside of any fence lines clear of weeds and grass. Contractor will be responsible for providing all materials, supplies, and equipment necessary to complete the task(s) above and carry a \$1M general liability insurance policy. Experience, work performance, capacity to perform, and cost were the criteria to be used to evaluate / differentiate each contractor's qualifications. However, only one contractor, Mr. John Thompson (who resides at 409 McSweeney in Smithville) submitted a bid. As the sole bidder, **Mr. John Thompson** will be the contractor recommended to the City Council for awarding the 2-year mowing contract. This will be an item for discussion and action during the Monday, July 10, 2023 City Council meeting.

City Manager Update – 7/7/23 (continued)

- 7) **City-wide Street Repairs and Paving Project Update** - City-wide road paving and repair will continue throughout the community during the summer months. The roads listed below will be prepped, resurfaced, and repaved. The Bastrop County Maintenance Department (who owns the paving equipment) will be doing the work with support from the City of Smithville. This project will require partial and temporary street closures with notification of area residents and business owners 24-48 hours in advance. Pot-hole repairs will continue throughout town as pot-holes are identified. Citizens can report a pot-hole using the Smithville SEE/CLICK/FIX link on the City Website or by downloading the SCF app to their smart phones.

City-wide Street Repairs and Paving Schedule - 2023

Street	From / To	Paving Material	Prep Completed	Road Closure Required	Est. Paving Date
City Warehouse	Back Parking / Staging Area	Hot Mix	YES	YES	COMPLETE
Main Street	1st to 7th Street	SEALCOAT	YES	YES	COMPLETE
NW/NE 2nd	Olive to Ramona	SEALCOAT	YES	YES	COMPLETE
NW 1st Street	Main Street to Hwy 95	SEALCOAT	YES	YES	COMPLETE
84R (Airport)	Runway / Ramp	SEALCOAT	YES	YES	COMPLETE
Bishop	1st and 2nd Street	Chip Seal	YES	YES	COMPLETE
Garwood	NE 5th to Loop 230	Chip Seal	YES	YES	COMPLETE
Harper	Webster to Hwy 95	Chip Seal	YES	YES	COMPLETE
Hudgins	NE 1st to Loop 230	Chip Seal	YES	YES	COMPLETE
5th Avenue	Live Oak to Hickory	Chip Seal	IN-WORK	YES	JULY
Ash	4th Avenue to 6th Avenue	Chip Seal	IN-WORK	YES	
Walker	700 Block	Chip Seal	IN-WORK	YES	
Burleson	NE 5th to Colorado	Chip Seal	IN-WORK	YES	
King's Way (RVICS)	Last Road on the Backside of RVICS	Chip Seal	IN-WORK	YES	
Mt. Pleasant Cemetery	Entry Road & Circle around Gazebo	Chip Seal	NO	YES	AUGUST
Oak Hill Cemetery	Entire Cemetery	Chip Seal	NO	YES	
Uptown Drive	Old Upton Road to Pecan Shores	Chip Seal	NO	YES	

- 8) **City Council to Consider Compliance Monitoring Agreement for Sales Tax and Short-Term Rental Administration** – Avenu Insights & Analytics, LLC provides administrative services and compliance monitoring for general Sales and Use Tax collection and Hotel Occupancy Tax collection associated with Short-Term Rentals. The Sales and Use Tax compliance review is designed to assist the City of Smithville in enhancing its sales and use tax revenues by detecting, documenting, and correcting sales tax errors thereby producing previously unrealized revenue. The cost for this service is based on a thirty percent (30%) contingency fee. The fee applies to the sales/use tax revenue received by the city from correction of taxpayer reporting errors detected and documented by the Sales Tax Compliance Review. The Short-Term Rental Monitoring, Identification, and Compliance Services are designed to help the city enhance its short-term rental/lodging tax revenues by providing targeted web monitoring, web portal and identification services thereby producing previously unrealized revenue and improved compliance opportunities. The cost of the Short-Term Rental Monitoring, Identification, and Compliance Services includes a one-time setup fee of two thousand dollars (\$2,000) and an annual fixed fee of two hundred fifty-five dollars (\$255) per property / per year (up to 60 properties) or an annual Administration fee of fifteen thousand dollars (\$15,000), whichever is greater. Fees will be calculated based on the total number of known, registered and active listing properties at the beginning of each contract year and 1/12th of the total Fees calculated are invoiced and due at the beginning of each month. The initial term of this Agreement shall be for a period of three (3) years following the Effective Date, and automatically renew for two (2) successive one (1) year terms. Preliminary analysis indicates that there are 43 properties registered on various short-term rental websites in Smithville with the average nightly rental rate of \$204.71. The estimated unrealized annual STR tax revenue (at 50-75% occupancy range) is between \$104-154k. Click on the following link to a presentation provided by Avenu Insights & Analytics from the June 14, 2023 City Council Workshop → [Short-Term Rental Compliance / Administration](#). This will be a topic for discussion and action during the July 10, 2023 City Council meeting.

City Manager Update – 7/7/23 (continued)

- 9) **FAA Approves Instrument Approach Procedure (IAP) for Smithville-Crawford Municipal Airport (84R)** – After nearly four (4) years, the City of Smithville received notification from the FAA that the Smithville-Crawford Municipal Airport Instrument Approach Procedure (IAP) for Runway 17/35 at 84R has been approved and published. Back in 2019, the City Council approved a resolution to seek \$80k TXDOT funding to conduct an aeronautical obstruction survey for the development of an IAP (also known as an Instrument Flight Procedure). In aviation, an instrument approach is a series of predetermined maneuvers that help a pilot land safely under instrument flight conditions (e.g., limited or no visibility) from the beginning of the initial approach to a landing or to a point from which a landing may be made visually. Having an instrument approach will improve the overall safety of airport operations and allow pilots the ability to navigate successful landings that otherwise would not be possible. In addition, the IAP will bring more advanced pilots and aircraft to visit, stay, or work in Smithville. The FAA conducted a series of [FLIGHT TESTS](#) in April 2023 to validate the GPS coordinates for the IAP which will allow pilots the capability to navigate takeoffs and landings using Instrument Flight Rules (IFR). Click on the following link to access the [84R IAP](#) from the FAA database. Congratulations and THANK YOU to Sandy Meyerson and all involved (e.g., TXDOT Aviation, local aviators, city staff, and Friends of 84R) for making the IAP a reality.

Below you will find a list of events / meetings planned over the next few weeks in Smithville:

The next **Smithville City Council** meeting will be held on **Monday, July 10, 2023** (6:00 pm) at City Hall (317 Main). Citizens can access the meeting via YouTube → www.youtube.com/channel/UCN7rJz0wVks4zWV9EvKcH5w. Click → [HERE](#) for agenda and council information packet.

The [July Chamber of Commerce Mixer](#) will be held on **Thursday, July 20, 2023** at the VFW Post 1309 (located at 557 NW Loop 230) from 5pm-7pm. Appetizers and beverages will be served. Door prizes will be given out at 6pm - Let the Chamber know if you'd like to donate a prize!

The next [Quarterly Chamber Luncheon](#) will be held on **Wednesday, July 26, 2023** from 11am-1pm, First United Methodist Church, 400 Olive St. in Smithville. The speaker will be Smithville Fire Department Fire Marshall Phillip Slaughter who will give a State of the Fire Department update. A catered lunch is included with your \$20 ticket. Register online at www.smithvilletx.org or call 512-237-2313.

The next **Bastrop County BEST Breakfast** will be held on Friday, July 28, 2023 in Smithville at Your Mom's (109 NW 2nd Street) from 8:00 am to 9:30 am.

FYI....I will be on vacation **July 14-21st** to recharge and refocus in advance of preparing / finalizing the FY23-24 budget.

Please let me know if you have any questions or need additional information. Have a great weekend.

-- Robert --

PHOTOS – 7/8/22

17th Annual Fly-In @ Smithville-Crawford Municipal Airport



4th of July Festivities @ Riverbend Park / Downtown / VFW



Street Paving Around Town

