

City Manager Update – 7/8/22

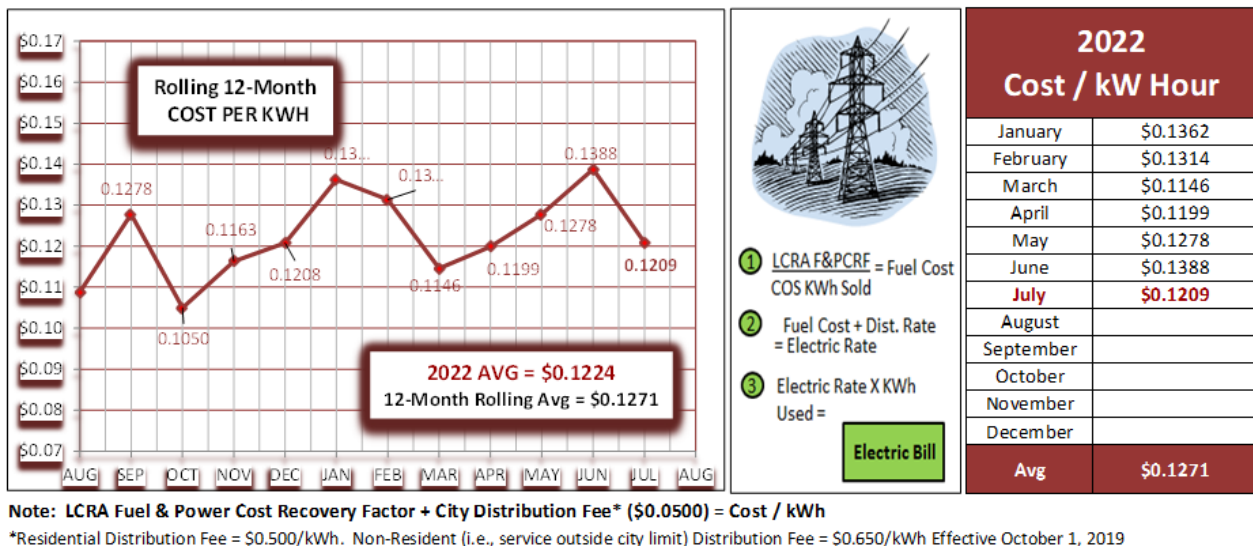
I hope everyone had a Happy (and safe) 4th of July. Although temperatures were hovering around the century mark, the first annual [4th of JULY CELEBRATION](#) was a huge success. In aggregate, approximately 3000 people attended the event(s) downtown, at the VFW, and at Riverbend Park. Music, family fun, 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.

Hollywood has once again found its way to our community. Beginning July 12, 2022, a production company will be filming [THE LONG GAME](#) in Smithville starring Dennis Quaid and Jay Hernandez. The Long Game is based on a true story set in mid-1950s Texas. The film spotlights five young Mexican-American caddies at a local, exclusive golf club where the discriminatory laws of the era forbade them from playing. Out of their love for the game, they created their own homemade course in the Texas desert and, with the help of a resilient Latino coach, went on to overcome the challenges of racism and discrimination to beat the wealthy, all-white teams to win the 1957 Texas State High School Golf Championship. Filming locations will include Main Street, Riverbend Park, Keilberg Park, and Gazebo Park with scenes being shot at various local residences throughout Smithville. Access to Main Street will be limited on Tuesday, July 19th from 6:30 am to 1:00 pm for a parade scene. This is the second feature film Dennis Quaid has made in Smithville. [“Beneath the Darkness”](#) was filmed in 2011.

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

- 1) 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 \$0.0709. This represents a **20.12% DECREASE** compared to June's fuel cost of \$0.0888. Adding the City's distribution fee of \$0.0500 and LCRA's \$0.0709 fuel cost, the cost per kWh for residential service in Smithville **during JULY will be \$0.1209**. Fuel costs are typically higher during the summer months and the higher temperatures will increase both consumption and demand. ERCOT provides energy conservation tips → <http://ercot.com/about/conservation/> to help reduce consumption which in turn will help citizens save money. 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 2022 is between 12-13 cents.

City of Smithville Residential Cost Per kWh - JULY



- 2) Architectural Services Request for Qualification (RFQ) for City Hall Expansion** – Proposals for architectural services (i.e., Request for Qualifications) to assist the City with remodeling public restrooms for ADA compliance, adding two new offices, a workroom, and a west exterior wall to the Smithville City Hall building using American Rescue Plan Act (ARPA) funding were received on 6/17/22 and reviewed by the City of Smithville on 7/6/22. Experience, work performance, and capacity to perform were criteria used by the City staff to evaluate / differentiate each engineering consultant's qualifications. Two (2) architectural services consultants submitted their qualifications. Cutright & Prihoda, Inc. (based in LaGrange, TX) received the highest score with a total of 93 points. As such, it is the decision of the evaluation team to recommend Cutright & Prihoda, Inc. to the City Council on Monday, July 11, 2022 for consideration / selection as the architectural services firm to design and manage the City Hall expansion project.

City Manager Update – 7/8/22 (continued)

- 3) **2021 TCEQ Annual Drinking Water Quality Report Published** - The Texas Commission on Environmental Quality (TCEQ) issued the 2021 Annual Drinking Water Quality Report for the City of Smithville for the period of January 1 to December 31, 2021. There were no radioactive, microbial, inorganic, or organic chemical contaminants in excess of those found in naturally-occurring sources of water. 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](#). However, in the report, you will see reference made to a violation of the TCEQ Lead and Copper Rule as the City failed to take random samples of residential drinking water from inside citizen's homes back in 2020. Typically, twenty (20) tap water samples are taken from randomly-selected homeowners every 3-years in the June / July timeframe. This requires obtaining permission and coordinating sampling times and dates with the homeowner. The City's failure to take residential drinking water samples in 2020 was the direct result of a communication breakdown between the city and the TCEQ regarding sample collection during a global pandemic. Due to health concerns, we did not send City employees into residential homes to take drinking water samples. The City completed the required sampling and the information was made readily available to the public. NOV's are typically published for two consecutive years. Thus, the reason for appearing in the latest report. A copy of the 2021 Annual Drinking Water Quality report is available on the City's website → <https://www.ci.smithville.tx.us/our-community/news/2021-annual-water-quality-report/340/>. In addition, copies of the 2021 Annual Drinking Water Quality report were included in the monthly utility bill. For additional information, contact Jack Page or Robert Tamble on 512-237-3282.
- 4) **City of Smithville Sales Tax Update** - Below are the sales tax allocations for July 2022 vs. July 2021 (retail sales made primarily in May). This data reflects RETAIL sales of goods and services subject to LOCAL sales tax. Our sales tax payment (receipt) for July was \$72,234. This represents a **34.45% INCREASE** (\$18,511) in our net payment compared to the same time last year!!! Total year-to-date payments are \$511,466 or 19.85% higher than 2021. The state collects 8.25% on every taxable dollar spent of which the city gets 1.5%. A very rough calculation would show that for every \$1M spent, the State gets \$67.5k and the city receives \$15k. So, for the city to receive \$72k in sales tax revenue, approximately \$4,800,000 of local goods and services would need to be sold. This sounds like a lot but one needs to consider all the goods and services the businesses operating in this town provide to consumers in any given month (e.g., restaurants, grocers, C-stores, furniture stores, auto parts, retail shops, professional services, and Amazon Prime deliveries, etc.). As a reminder, sales tax dollars are used to make street / road repairs and help pay for community services like FIRE and POLICE. Remember...SHOP LOCAL - it makes a difference!!!

Bastrop County Sales Tax Allocation - JULY 2022

County/City	Current Rate	Net Payment This Period	Comparable Payment Prior Year	% Change	2022 Payments To Date	2021 Payments	% Change
Bastrop	1.50%	\$961,322	\$826,835	16.26%	\$6,477,386	\$5,555,825	16.58%
Elgin	1.50%	\$292,447	\$257,798	13.44%	\$2,031,448	\$1,675,545	21.24%
Smithville	1.50%	\$72,234	\$53,723	34.45%	\$511,466	\$426,727	19.85%
Bastrop County	0.50%	\$641,716	\$537,665	19.35%	\$4,319,669	\$3,543,328	21.90%

- 5) **Wastewater Treatment Plant (WWTP) Expansion Study Request for Qualification (RFQ) to be Published** - The City of Smithville will publish a Request for Qualifications (RFQ) in the Austin American Statesman next week for Engineering services to conduct / prepare a wastewater study to evaluate the existing Wastewater Treatment Plant (WWTP) capacity and major collection infrastructure. The study will also identify future wastewater infrastructure improvements required to meet anticipated growth. The deadline for submission of the RFQ is **July 25, 2022 at 10:00 am**. The City of Smithville reserves the right to negotiate with any and all persons or firms submitting proposals and or statement of qualifications per the Texas Professional Services Procurement Act and the Uniform Grant and Contract Management Standards. Experience, work performance, and capacity to perform are criteria that will be used by the City staff to evaluate / differentiate each engineering consultant's qualifications. The engineering firm with the highest score will be recommended to the City Council for consideration during the August 8, 2022 council meeting. The estimated cost of the WWTP expansion study is \$75-100k.

City Manager Update – 7/8/22 (continued)

- 6) **Application for USDA Rural Energy Pilot Program Grant to be Submitted** – The City will be applying for a 3-year Rural Energy Pilot Program Grant (\$790,500 grant + \$203,000 match, can be in-kind) to be used for a community energy/capacity building plan and informational program; a community solar program (for example, EV Charging Stations); solar and weatherization programs for “resiliency” (100% grant for homeowners who struggle to pay their utility bills), solar and weatherization rebate programs for residential and commercial properties (30% rebate for applicants); a feasibility study for a battery storage system; and funds for a Power Purchase Agreement Buy-Down Program. The residential/commercial solar/weatherization program intends to serve five buildings in each category per year, for a total of 45 structures at the end of the three-year period. The City is partnering with South-Central Texas Partnership for Energy Efficiency as a Resource (SPEER), which will provide a portion of the match and will be spearheading the initial Planning stage. The grant application is due July 15, 2022 with notification of award sometime in the September / October timeframe.
- 7) **FY22-23 Annual Operating Plan / Budget Process Initiated** - I am currently working with my staff to identify FY22-23 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 2022 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 2022 is \$407,517,500. This represents an 24.38% increase (\$79,879,404) over last year’s net taxable value of \$327,638,096. Based on the city’s current tax rate of \$0.54901 per \$100 valuation, this could bring in an additional \$438,538 of revenue to the FY22-23 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 11.6% from \$185,281 to \$206,835. 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 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 FY22-23 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 table 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
2022	\$407,517,500	24.38%	\$206,835	TBD				
2021	\$327,638,096	12.25%	\$185,281	\$1,017	\$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%
2016	\$208,184,234	6.03%	\$128,688	\$728	\$0.4276	\$0.1384	\$0.5660	2.28%

- 8) **City to Apply for \$1M Texas Department of Agriculture (TDA) Implementation Grant** - The City will be applying for a 2-Year TDA Implementation Grant (\$1M + \$100K match, can be in-kind) to construct an “Innovation Center” for additional classroom, office and business “incubator” space at 404 Fawcett Street, to upgrade the Show Barn (Pavilion) at Riverbend Park, and to provide additional Façade Grants to downtown business owners, as well as administrative and engineering/architectural costs. This project supports the Smithville Workforce Training Center’s efforts to provide quality educational experiences and certificate programs for the regional workforce as well as local business owners who may need specialized training. Building upgrades are intended to primarily serve skilled trades and medical training. The Workforce program and the Façade Grants are products of the TDA-funded “Smithville TX Economic Development Community Resiliency Strategic Plan” that was approved by City Council and the Chamber Board in fall of 2020. The grant application is due July 18, 2022 with notification of award sometime in the September / October timeframe.

City Manager Update – 7/8/22 (continued)

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 11, 2022** (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.

Chamber of Commerce Ribbon Cutting – The grand re-opening [Ribbon Cutting of Van Zandt](#) Properties is scheduled for **Thursday, July 14, 2022** at 5pm at 304 Main Street.

The [July Chamber of Commerce Mixer](#) will be held on **Thursday, July 21, 2022** 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 27, 2022** from 11am-1pm, First United Methodist Church, 400 Olive St. in Smithville. **SPEAKER: TBD.**

The 25th Annual [Casino Night](#) will be held on **Saturday, July 30, 2022** from 6pm-10pm at the Smithville REC Center (106 Royston).

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

-- Robert --

PHOTOS – 7/8/22

Juneteenth Celebration @ MLK Park



Bicycle Yarn Bomb About Town



PHOTOS (continued) – 7/8/22

Mt. Pilgrim Baptist Church Sidewalk Repair (Happy 122nd Anniversary!!!)



4th of July Celebration



Byrne and 5th Street Drainage Improvement Project

