

City Manager Update – 7/9/21

I hope everyone had a Happy (and safe) 4th of July. I live on the Hill (just within the city limits) on Live Oak and the fireworks discharged in the county (about 300 yards away) wreaked havoc on my dogs. I'm sure other dog owners within the city limits experienced similar issues. More importantly, some Veterans with PTSD have a difficult time coping with the loud artillery-type fireworks --- not to mention the potential fire hazard. The Smithville PD published notice on social media in advance of the 4th of July that discharging fireworks inside the city limits was against city ordinance and punishable by fine. Fourteen (14) compliant calls were received throughout town and seventeen (17) incidents identified by the officers on patrol the evening of the 4th with the PD issuing 20 warnings.

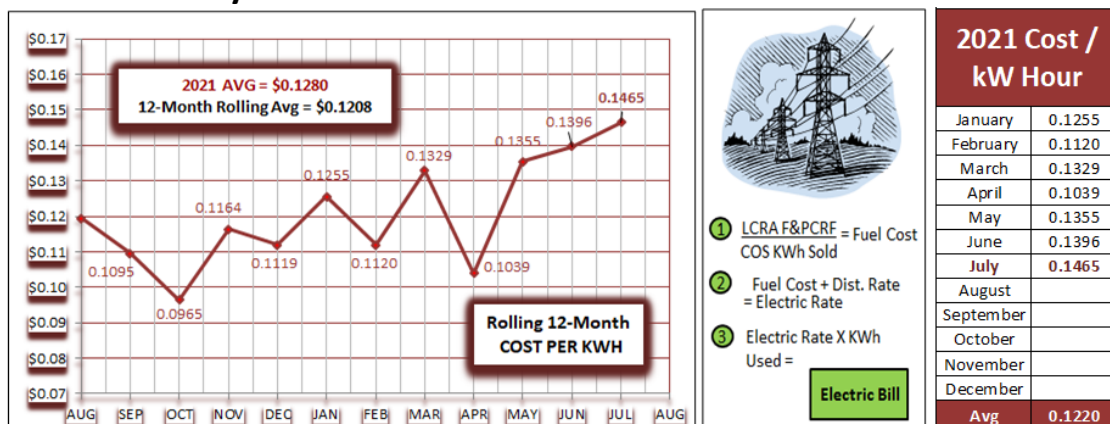
Below you will find a list of accomplishments, issues, and planned activities since my last update / report:

1) Engineering Services Request for Qualification (RFQ) for FEMA DR-4586 Hazard Mitigation Grant Program (HMGP)– The City of Smithville published a Request for Qualification (“RFQ”) in the Austin American Statesman on July 1, 2021 for engineering services required to develop a budget, scope of work, and draft specifications for the preparation of a FEMA Hazard Mitigation Grant Program (HMGP) application. The city will be applying for FEMA HMGP funding to construct one or more flood mitigation projects in response to the federally declared disaster DR-4582 associated with the statewide winter weather event occurring in February 2021. Experience, work performance, and capacity to perform are the criteria that will be used by the City staff to evaluate / differentiate each engineering consultant's qualifications. RFQ's must be received no later than **10:00 am on Friday, July 16, 2021.**

2) Management Services Request for Proposal (RFP) for FEMA DR-4586 Hazard Mitigation Grant Program (HMGP) – The City of Smithville published a Request for Proposals (“RFP”) in the Austin American Statesman on July 1, 2021 for professional administration services to assist in developing an application(s) for funding under the FEMA Hazard Mitigation Grant Program (HMGP). The city will be applying for FEMA HMGP funding to construct one or more flood mitigation projects in response to the federally declared disaster DR-4582 associated with the statewide winter weather event occurring in February 2021. Experience, work performance, capacity to perform, and cost are the criteria that will be used by the City staff to evaluate / differentiate each grant management consultant's qualifications. RFP's must be received no later than **10:00 am on Friday, July 16, 2021.**

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 \$0.0965. This represents a **7.73% INCREASE** compared to June's fuel cost of \$0.0896. Adding the City's distribution fee of \$0.0500 and LCRA's \$0.0965 fuel cost, the cost per kWh for residential service in Smithville **during JULY will be \$0.1465**. Fuel costs are typically higher during the summer months and the higher temperatures will increase both consumption and demand. As such, some citizens may become upset that their bill “skyrocketed”. Please remember that the City of Smithville only charges customers for what they use and when the electrical demand is high --- so is the cost per kilowatt. 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 2021 is between 12-13 cents.

City of Smithville Residential Cost Per kWh - JULY



Note: LCRA Fuel & Power Cost Recovery Factor + City Distribution Fee* (\$0.0500) = Cost / kWh
 *Residential Distribution Fee = \$0.500/kWh. Non-Resident (i.e., service outside city limit) Distribution Fee = \$0.650/kWh Effective October 1, 2019

City Manager Update – 7/9/21 (continued)

- 4) **2020 TCEQ Annual Drinking Water Quality Report** - The Texas Commission on Environmental Quality (TCEQ) issued the 2020 Annual Drinking Water Quality Report for the City of Smithville for the period of January 1 to December 31, 2020. 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. 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 this past year 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 has since completed the required sampling and we are waiting to receive the analytical results from a certified lab. Once received, the information will be made readily available to the public. A copy of the 2020 Annual Drinking Water Quality report and the mandatory Public Notice of Violation (NOV) are available on the City's website → <https://www.ci.smithville.tx.us/our-community/news/2020-annual-water-quality-report/306/>. In addition, copies of the 2020 Annual Drinking Water Quality report, and the mandatory Public Notice of Violation (NOV), were included in the monthly utility bill. For additional information, contact Jack Page or Robert Tamble on 512-237-3282.
- 5) **FY 2021-2022 Annual Operating Plan / Budget Process Initiated** - I am currently working with my staff to identify fiscal year 2021-22 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 2021 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 2021 is \$318,982,470. This represents an 14.64% increase (\$40,724,614) over last year's net taxable value of \$278,257,856. Based on the city's current tax rate of \$0.5491 per \$100 valuation, this could bring in an additional \$223,603 of revenue to the FY21/22 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. Final property values (i.e., the certified tax roll) won't be out until the late July or early August timeframe. These values are what drives the effective tax rate. However, it is too early to tell what amount of tax increase, if any, we should consider for 2021-22. Jennifer Lynch will be setting up budget workshops and public hearing dates as we navigate the FY21-22 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	Preliminary Assessed Valuation	% Change in Value	M&O Rate	I&S Rate	% Change	Total Tax Rate
2021	\$318,982,470	14.64%	TBD			
2020	\$278,257,856	1.17%	\$0.4466	\$0.1024	-3.50%	\$0.5491
2019	\$275,033,703	10.90%	\$0.4525	\$0.1165	0.00%	\$0.5690
2018	\$247,999,239	3.83%	\$0.4455	\$0.1235	5.57%	\$0.5690
2017	\$238,861,226	14.15%	\$0.4166	\$0.1224	-4.77%	\$0.5390
2016	\$209,255,193	5.48%	\$0.4276	\$0.1384	2.28%	\$0.5660
2015	\$198,375,435	9.25%	\$0.4075	\$0.1459	0.00%	\$0.5534
2014	\$181,581,421	1.34%	\$0.3990	\$0.1544	9.37%	\$0.5534

City Manager Update – 7/9/21 (continued)

- 6) **City of Smithville Sales Tax Update** - Below are the sales tax allocations for July 2020 vs. July 2019 (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 \$53,723. This represents a **5.59% INCREASE** (\$2,845) in our net payment compared to the same time last year. The increase in sales tax was attributed to greater local spending at grocery, furniture, and convenience stores. There was also a significant increase in on-line ordering where sales tax is credited to the delivery address/location. 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 2021

County/City	Current Rate	Net Payment This Period	Comparable Payment Prior Year	% Change	2021 Payments To Date	2020 Payments	% Change
Bastrop	1.50%	\$826,835	\$698,844	18.31%	\$5,555,825	\$4,529,973	22.64%
Elgin	1.50%	\$257,798	\$257,190	0.23%	\$1,675,545	\$1,605,725	4.34%
Smithville	1.50%	\$53,723	\$50,878	5.59%	\$426,727	\$367,308	16.17%
Bastrop County	0.50%	\$537,665	\$455,025	18.16%	\$3,543,328	\$3,019,326	17.35%

- 7) **15th Annual Smithville-Crawford Municipal Airport Fly-In** - The 15th Annual Smithville-Crawford Municipal Airport Fly-In was held Saturday, June 26, 2021. Approximately 250 people attended the event. The day was filled with airplanes, pilots, games, and prizes. Several Councilmembers and City personnel visited throughout the day. District 17 Representative John Cyrier flew his airplane down from Lockhart. The airport looked great thanks to all the volunteers who mowed, trimmed, and cleaned.

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 12, 2021** (6:00 pm) via Zoom. Citizens can access the meeting via YouTube → (www.youtube.com/channel/UCN7rJz0wVks4zWV9EvKcH5w). Click → [HERE](#) for agenda.

City Council Workshop on **Wednesday, July 14, 2021** from 4:30-6:30 pm at City Hall (317 Main).

Chamber of Commerce Ribbon Cutting - Helping Hands of Hope, a ministry of the First United Methodist Church, on **Tuesday, July 13, 2021** at 3pm at 206 NE 6th Street in Smithville. Helping Hands of Hope ministers to the needs of new mothers and their newborns with diapers, formula and more. Check them out online at: First UMC Smithville (smithville-umc.com)

The July Chamber of Commerce Mixer will be held on **Thursday, July 15, 2021** from 5pm-7pm at Carne Lenta (located 114 NE 2nd Street) – Live music, appetizers and beverages will be served plus Carne Lenta will have their food line and full bar open.

24th Annual Casino Night will be held on **Saturday, July 24, 2021** from 6pm-10pm at the Smithville REC Center.

The next Quarterly Chamber Luncheon will be held on **Wednesday, August 11, 2021** from 11am-1pm, First United Methodist Church, 400 Olive St. in Smithville. SPEAKER: Rep. John Cyrier will give a Legislative Update.

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

-- Robert --