

City Manager Update (8-5-22)

The FY22/23 budget cycle is well underway. I have been meeting with department heads to identify projects, plans, and preliminary budgetary needs. During our last staff meeting, I provided budget guidance and thanked the staff for their hard work over the past year. Budget workshops will be held on August 31, 2022 and September 7, 2022 at City Hall from 5:00-7:00 pm. Public Hearings for the FY22/23 Tax Rate and Budget have also been scheduled. The public is welcome and encouraged to attend. Click on the following link to access the City Calendar → <https://www.ci.smithville.tx.us/>.

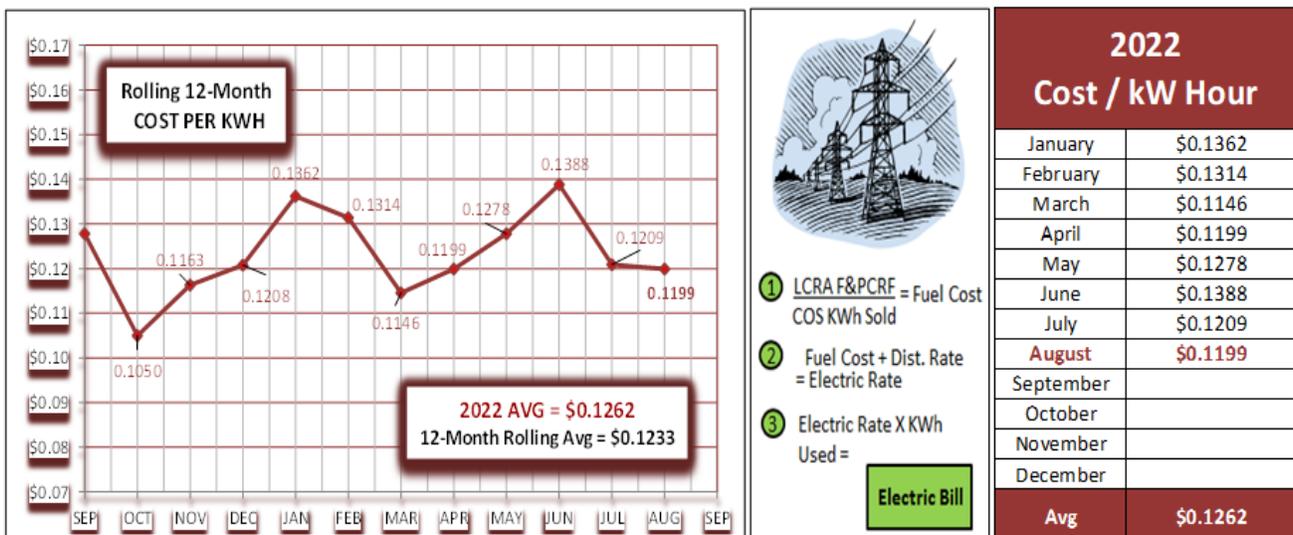
Home construction in the M5 Subdivision has begun. The project is located on 10-acres between Webb Street and NE 7th Street. Thirty-two (32) new single-family homes will be built. Construction is also underway for the “Grove” subdivision. The Grove is a 28-home single-family subdivision located adjacent to Quail Run and Oak Meadows just off of Loop 230 East. Construction plans for an 18-home subdivision named “Garwood Park” are currently being reviewed by 3rd party engineering firm to ensure compliance with local, state, and federal requirements / regulations. The property is located between 9th, Short, and Garwood Streets (formally the location of Towers Nursing Home and Smithville Clinic). Construction is pending for a 14-home subdivision called “Woodrose Place” located off of Loop 230 east between Texaco and Bluebonnet Circle. Finally, a preliminary plat for construction of a 112-home single-family subdivision named the “Enclave at Riverbend” will be considered for approval during the Monday, August 8, 2022 Council meeting. The 35-acre property was recently annexed into the City and is located between American Legion Road and SH71.

Besides new housing developments, some of the other projects around town that are “in-the-works” include: a 179 space RV Park; a 69-acre mixed use development, and the SH95 expansion from Loop 230 to the Smithville High School. Currently, the City is supporting twenty-six (26) development projects in various stages of completion. Click on the following link for a complete list and map of → [CURRENT DEVELOPMENT PROJECTS](#). Good things are happening within our community as we continue to grow.

Here is a list of significant accomplishments, events, and planned activities since my last update:

1) Residential Cost Per Kilowatt Hour (kWh) Calculated - The utility bills were higher in July due to an increase in both water and electric consumption. We have had 54 days when temperatures have been at (or exceeded) 100°F. An analysis of LCRA billing data was conducted to determine residential cost per kilowatt hour (kWh) in AUGUST. LCRA 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 August is \$ 0.0699. This represents a **1.42% DECREASE** compared to July's fuel cost of \$ 0.0709. Adding the City's distribution fee of \$0.0500 and LCRA's \$0.0699 fuel cost, the cost per kWh for residential service in Smithville during AUGUST will be \$0.1199. The Texas Public Utility Commission (PUC) provides energy conservation tips → <https://www.puc.texas.gov/consumer/facts/Save.aspx> to help reduce consumption which in turn will help citizens save money. Below you will find a "rolling" 12-month residential cost per kWh and a fuel cost comparison chart. On average, the cost per kWh for residential electric service in Smithville is between 12-13 cents.

City of Smithville Residential Cost Per kWh - AUGUST



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

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- 2) **Engineering Services Request for Qualification (RFQ) for WWTF Expansion Study Received** – Proposals for engineering services (i.e., Request for Qualifications) for a Wastewater Treatment Facility (WWTF) expansion study were received on 7/25/22 and reviewed by the City of Smithville on 8/4/22. Experience, work performance, and capacity to perform were criteria used by the City staff to evaluate / differentiate each engineering consultant's qualifications. Four (4) Engineering services consultants submitted their qualifications. However, one (1) engineering consultant (Enprotec, Hibbs & Todd, Inc.) submitted their RFQ after the deadline. **BEFCO Engineering, Inc.** received the highest score with a total of 98 points. As such, it is the decision of the evaluation team to recommend BEFCO Engineering, Inc. to the City Council on Monday, August 8, 2022 for consideration / selection as the Engineering services firm to conduct a WWTF expansion study. The estimated cost for the study is approximately \$75k which will be paid using American Rescue Plan Act (ARPA) funding.
- 3) **2022 Ad Valorem Tax Rate PROPOSED** - Property values increased approximately 20.2% in Smithville this year with the average home value calculated at \$208,432. We will be recommending a **PROPOSED AD VALOREM TAX RATE of \$0.54893 cents** per \$100 valuation --- a slight reduction from our current tax rate of \$0.54901. This rate includes a \$1.25M tax note that will be used to purchase capital equipment (water truck, backhoe, bucket truck, animal control vehicle, cardboard baler, radio equipment for PD) and funded by the I&S portion of the total rate. During 2022, the average homeowner will pay \$1,144 in property taxes (\$121 more than the average paid in 2021). The strategy we have followed in the past was to identify the maximum tax rate allowable without triggering the possibility of a rollback election then decide the amount of increase (if any) that is required to support the proposed budget. The FY22-23 effective tax rate (now called the “No-New-Revenue Tax Rate”) is 0.48377. The rollback rate (now called the “Voter-Approval Tax Rate”) is \$0.54893. The maximum increase the City can raise taxes in a given year without triggering a rollback election is 3.5% of the effective M&O tax rate. The effective tax rate is basically the tax rate that would generate the same amount of revenue in the current tax year as was generated by a taxing unit's adopted tax rate in the preceding tax year from property that is taxable in both the current tax year and the preceding tax year. The City Council will have the opportunity to discuss and vote on the proposed tax rate in the coming weeks. In the interim, the City will publish the Notice of 2022 Proposed Property Tax Public Hearing in the Smithville Times. There will be discussion and action during Monday night’s Council meeting to adopt the Ad Valorem Tax Rate at the September 12, 2022 council meeting and public hearing on the budget. Note: This agenda item simply sets the date that the tax rate will be adopted - not the rate itself. See BCAD Property Valuation and City Tax Rate Comparison.

BCAD Property Valuation & City Tax Rate Comparison								
Year	Assessed Valuation	% Change in Value	Avg Home Value	Avg City Tax Paid	M&O Rate	I&S Rate	Total Tax Rate	% Change
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%

- 4) **Administrative Services Request for Proposal (RFP) for GLO-CDBG MIT Resilient Communities Funding** – The City of Smithville is requesting proposals from professional administrative management firms to help prepare and submit an application for GLO CDBG – MIT Resilient Community funding. The Texas General Land Office (GLO) allocated up to \$100 million in Community Development Block Grant – Mitigation (CDBG-MIT) funds from the U.S. Department of Housing and Urban Development (HUD) for the Resilient Communities Program (RCP). Cities, counties, councils of government, and federally recognized Indian Tribes in CDBG-MIT-eligible areas can apply for up to \$300,000 per applicant. This is a non-competitive, no match, grant that can be used to develop an updated Comprehensive Plan. The City’s last comprehensive plan was completed in 2007 with an update in 2011-12. Proposals must be received by the City of Smithville no later than **10:00 am on August 26, 2022** to be considered. Experience, work performance, capacity to perform, and cost will be the criteria used by the City staff to evaluate / differentiate each grant management consultant’s qualifications.

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- 5) **City-wide Water Meter Replacement** – The City of Smithville will be upgrading our Advanced Metering Infrastructure (AMI) water meters to improve system communication and accuracy. During a random sampling of sixty-five (65) 5/8-3/4-inch meters, it was determined that the average water meter accuracy was 75%. As it turns out, the accuracy discrepancy was to the benefit of the customer in that more water was being used than registered. There are no accuracy issues with 1-inch water meters and above. The water meter upgrade will begin next week on the Hill (Zone 1) and continue chronologically by zone for the next 90-days (see map below). The City of Smithville will have a 3rd-party company, Precision Meters Inc. (PMI) replace approximately 1800 water meters starting **Wednesday, August 10, 2022** until complete. They will be in marked trucks and have marked company shirts on. They will work during regular business hours Monday-Friday and no later than 6:00 PM. The installation crew will attempt to make contact with the residents (i.e., knock on door) prior to shutting the water off and beginning work. It is estimated that the task to replace the water meter will take 15-20 minutes. Once the meter is replaced and the water turned back on, residents may experience air, sediment, and/or discoloration in their water. Simply run a faucet for 5-10 minutes and the water should clear. This is a NO-COST retrofit to the City as our contract with Ameresco states they will be financially responsible for any system performance and/or accuracy issues. If you have any questions or need additional information, contact City Hall at 512-237-3282.

City-Wide Water Meter Replacement Zones



- 6) **Smithville Workforce Training Center (SWTC) Receives EDA Grant** - The U.S. Department of Commerce's Economic Development Administration announced that Workforce Solutions Rural Capital Area (WSRCA) was awarded a \$12,087,373 grant for its new skills development initiative, Rural Employers Infuse Vital Economic Success in Texas (REINVEST), to bolster workforce opportunities in high-demand occupations in communities within its workforce development area. WSRCA is one of only 32 industry-led workforce training partnerships across the country to be awarded the prestigious grant, as part of the \$500 million Good Jobs Challenge. The Smithville Workforce Training Center will serve as a backbone organization in partnership with WSRCA, serving Bastrop, Fayette & Lee Counties to create industry sector partnerships to address the lack of skilled talent for these growing industries and an insufficiently built out workforce training and support system. The Smithville Workforce Training Center is an initiative of the Smithville Area Chamber of Commerce, the City of Smithville, and the Smithville Community Clinic. Click on the following announcement from → [WSRCA](#) for more details. CONGRATULATIONS!!!
- 7) **TXDOT Mowing Completed** - TXDOT contractors finished mowing Hwy 71, Loop 230, and most of the arterial roadways last month to include FM 2571 and FM 2104. TXDOT only mows the Right-of-Way (ROW) twice a year (typically July and November) unless a line-of-sight hazard exists. Unfortunately, line-of-sight hazards must be called into the district office to resolve and it is often easier to have City crews just take care of the issue. Since TXDOT only mows twice a year, the city hired a local contractor to help keep the Loop 230 and Hwy 71 triangle (by the airport) mowed on a regular basis. This has helped the eastbound entrance to our community look more attractive and well-maintained. The same contractor also mows around the crepe myrtles at the airport and on Charleston Blvd.

City Manager Update (8-5-22) - continued

There are several events in Smithville scheduled the next few weeks:

The next SMITHVILLE CITY COUNCIL meeting will be held on **Monday, August 8, 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.

The AUGUST CHAMBER OF COMMERCE MIXER will be hosted by Prosperity Bank (406 Main Street) on **August 18, 2022** from 5pm-7pm.

There will be a RIBBON CUTTING at ATX Infusion Therapy (306 Main) on **August 22, 2022** at 5:00 pm. ATX Infusion Therapy specializes in IV Hydration, Mobile IV, Heatstroke, Migraine, Morning Sickness, and Dehydration.

SISD CLASSES begin **Tuesday, August 23, 2022**. Drive careful!

The next monthly BEST BREAKFAST will be held on **Friday, August 26, 2022** at the Comfort Cafe in Smithville (111 NW 1st Street) from 8:00-9:30 am.

1ST BUDGET WORKSHOP – **Wednesday, August 31, 2022** at City Hall from 5:00-7:00 pm. Citizens can access the meeting via YouTube → (www.youtube.com/channel/UCN7rJz0wVks4zWV9EvKcH5w).

CITY OFFICES will be CLOSED on **Monday, September 5, 2022** in observance of Labor Day.

P&Z MEETING will be held on **Tuesday, September 6, 2022** at City Hall (6:00 pm).

PUBLIC HEARING on 2022-23 TAX RATE and BUDGET and 2ND BUDGET WORKSHOP will be held on **Wednesday, September 7, 2022** at City Hall (317 Main Street) from 5:00 pm - 7:00 pm. Citizens can access the meeting via YouTube → (www.youtube.com/channel/UCN7rJz0wVks4zWV9EvKcH5w).

PHOTOS – 8/5/22

Mayor Foerster Greets New SISD Teachers @ City Hall

New Teacher Orientation @ Rec Center



M5 Subdivision Home Construction Underway



Construction Started @ The Grove Subdivision



Blood Drive @ the Smithville Rec Center



Drainage Project on 5th and Bishop

