

From the Mayor's Desk - 12/6/24:

Happy Friday! Hope everyone had a great Thanksgiving and thanks again to the volunteer army who worked so hard to make the Tree Lighting so special. I really appreciate what you all did! Santa's surfin' shack will be open from now up to Christmas Day if any young ones would like to write a letter to Santa and drop it in the mailbox. Please take advantage of his vacation spot here in Surfside Beach before Santa goes back to work up at the North Pole in a few weeks!!

First off, some **HUGE NEWS** coming from a meeting last week with HGAC, that the GLO has concluded reviews on the Surfside Beach contract of TxCDBG. The TxCDBG is the grant to fund the sewer project that has been in the works for 2+ years, and most recently held up at GLO. The grant is for an investment of \$7.593 million to replace one of the three vacuum sewer lines with a gravity system. This would be the sewer line closest to the gulf. The GLO expects to have the contract with HGAC completed by end of year. The next steps would be for HGAC to enter into a contract with Surfside Beach. After this, we would be free to procure and oversee construction on this project. I want to extend a **GIGANTIC THANKYOU** to everyone involved in keeping this moving for 2+ years, especially Gregg and Amanda. The Village owes you a debt of gratitude!!

What about the Groins you say?!? I will provide a detailed update next week on that subject to catch everyone up on the latest details. Stay tuned!

Next up, thanks to another part time resident, David W, we are in process of securing our own unique zip code for Surfside Beach (77543). This is important for automatic remittance of local Hotel taxes from web lodging companies like Airbnb & VRBO. Automatic remittance will simplify the process for rental companies to auto-pay the local hotel taxes and remove the burden from our collections at City Hall. Once the process is completed with the USPS, they will send a postcard to every mailing address moving to 77543 zip code. The USPS then requires a 51% response rate to enact the change. When these postcards are delivered to Surfside addresses, it will be well publicized with instructions to all. I expect this to take a few months to complete.

In related news, we will be actively collecting outstanding hotel taxes from those rental companies, or individuals who are not paying. This will be administered by the PD & Courts. I would highly suggest that if you are one of the companies or individuals that are not paying hotel taxes to Surfside Beach, please remedy that situation at City Hall ASAP. Anyone failing to comply with hotel tax remittance to Village of Surfside Beach will be receiving a court date, and nobody wants that trouble. Please spread the word to save people the headaches.

True Operating Cost of Water, Sewer & Garbage:

As promised, we have pulled the historical operating costs for water, sewer, and garbage from the System Fund for a 15 month period of July 2023 – Sept 2024. There is lots of detail to report here so

please understand that this will only be a summary. If you wish to view the detailed data, please contact myself or Toni Truly in Finance. Below are the summary details:

Water	Sewer	Garbage	
\$ 1,077,247.88	\$ 384,485.49	\$ 281,934.94	Total Income
\$ 1,727,738.42	\$ 626,576.40	\$ 274,891.12	Total Expenses
\$ (650,490.54)	\$ (242,090.91)	\$ 7,043.82	Net Income
60%	63%	NONE	% Shortfall

This period did contain some hurricane Beryl one-time expenses that we would expect NOT to repeat, like overtime for example. Removing these expenses and forecasting lower Freeport water usage as a result of more controlled flushing and lower mix % ratio, the projected income and expenses based on the same period (7/23 – 9/24) are below:

Water	Sewer	Garbage	
\$ 1,077,247.88	\$ 384,485.49	\$ 281,934.94	Total Income
\$ 1,366,502.88	\$ 600,937.52	\$ 274,891.12	Total Expenses
\$ (289,255.00)	\$ (216,452.03)	\$ 7,043.82	Net Income
27%	56%	NONE	% Shortfall

Based on this data and forecasted operating costs moving forward, the true cost of water should increase by 27% and sewer by 56% just to break even. We will be discussing the proposed increases at City Council meeting on Tuesday. Any increases will require a passing vote from City Council. I will be providing more information at that meeting to detail the operating costs of providing water & sewer during two distinct periods of time. The six months of April – September and the months of October – March. Each period has a drastically different operating cost which I believe should be reflected in our billing structure. More to come on this important topic.

Human Resources:

We have an [Organization Chart](#) posted on the City Website and will also be discussing at City Council meeting on Tuesday. A few comments on the org chart.

First, I have set it up to function as a city with a City Administrator or City Manager, of which I will be acting until May. At that time, we as a governing body will need to take action to adopt this organization and staffing properly. Meaning, we will need to fund and fill the position of City Administrator or City Manager instead of having the Mayor act in this capacity.

Secondly, the City Secretary is taking on a much more prominent and important role in this organization. The responsibility of daily operations of the city will fall on the acting City Administrator/Manager. This will allow the City Secretary to focus on forward looking and future

plans for Surfside. This would include tourism, economic development, grants for improvement, etc. We need a strong presence in this space and this organizational structure will provide that. Amanda has done an excellent job working on the TxCDGB grant for our sewer project, and given the freedom to work with state & federal agencies and neighboring municipalities, I believe she can make significant improvements to Surfside Beach.

Hopefully this org chart will help citizens understand who is accountable for what, and how to reach the department heads who can assist with any questions and concerns you may have.

Safety/Risk & Finance Departments:

We have finished submissions with FEMA and they have accepted our information in total. First and foremost, a big thank you to Janet for all the hard work and countless hours she has put into the FEMA submissions. She did an excellent job representing Surfside and deserves all of our gratitude. Please tell her thanks when you see her!!

Some highlights based on questions I've received: We have over \$2 million in road repairs submitted. Assuming that comes back to us, we will be able to significantly improve our roadways and invest in some mitigation plans to avoid mass destruction in the future. Category A total was \$663,771. Again, this is important as we can immediately receive that money from TDEM through the Governor's emergency grant which is in the works. We can then use the \$663,771 to pay down any of our outstanding debts, such as the Freeport water bill for example. We are also in discussions with CDL about loans that can be procured against our FEMA totals which would also be used to pay off any/all outstanding debt from Beryl. Thanks to Toni our Finance Director who has been working all these angles to pay our debts, and also is on the receiving end of the calls into City Hall asking about past due bills. Beryl is the gift that keeps on giving and I appreciate everyone at City Hall who is still digging through the rubble to repair our Village.

Other items of Interest:

This week we celebrated Amanda's 10 year anniversary as City Secretary of Surfside Beach. Congratulations Amanda on this milestone with the Village!!

Beach Passes – this is a reminder that the Early Bird beach pass will be available on January 2nd – 31st at City Hall for the discounted rate of \$15. This is limited to one per person, with a valid drivers license. After January, they go up to the full price of \$30. Act fast!

As always, take care of yourself and each other.

Hope to see you around the island this weekend!

Zach