

A regular meeting of the Groves City Council was held on August 25, 2025, at 5:00 p.m., in the Groves City Council Chamber. Mayor Chris Borne, Mayor Pro Tem Pete Konidis, Councilmember Mark McAdams, Councilmember Rae Shauna Gay, and Councilmember Brandon Holmes were in attendance. Mayor Borne called the meeting to order and welcomed the attendees. A representative from the local VFW Post 4820 then led a prayer and recited the Pledge of Allegiance.

Mayor Borne then asked for reports, and City Manager Kevin Carruth stated that he had a few reports for the Council. The first was that he wanted to thank Lowe's for loaning us a couple of their carpet shampooers and some shampoo solution. He also wanted to thank the Library workers for shampooing their carpet and the Public Works employees for cleaning the carpet at City Hall. Second the notebook computer that we have been using in the Council Chambers for Zoom streaming has been replaced with a new computer and monitor. The old notebook was a hand-me-down and is on the edge of failure. Unfortunately, it will not talk to the projector due to the projector being 15 years old, so we are working on that part. Lastly, concerns our friends in the Texas Senate, who are passing Senate Bill 10. If it passes through the Texas House, the bill will reduce the voter approval rate from 3.5% to 1%, effective next year. Rather than the thresholds given for populations above 75,000, that population barrier has been removed. This would affect Groves. In the current year's budget, a 1% increase would raise \$69,000. If we had to implement this increase this year due to the cancellation of the election, we would have to spend an additional \$10,000 to hold the election, so the net impact to the City would be \$49,000. The concern with the Legislature is what they consider to be the excesses of cities and counties. The City of Groves represents not quite 24% of the local tax bill. The real issue is with the funding of schools, which used to be two-thirds state and one-third local, but has now been reversed. Mr. Carruth then stated that our Senator, Nichols, did vote for this, but we will see how that plays out with the reconciliation bill in the House.

Mayor Borne then called for citizen comments, but there were none.

Mayor Borne then paused the Council Meeting and opened up the Public Hearing portion of the meeting for the purpose of reviewing the proposed Tax Increase in the FY 2025-2026 Budget at 5:09 p.m.

CONDUCT A PUBLIC HEARING AT GROVES CITY HALL FOR THE PURPOSE OF REVIEWING THE PROPOSED TAX INCREASE IN THE FY 2025-2026 BUDGET:
Mayor Borne then read the notice as follows: "Notice of a public hearing on tax

increase. A tax rate of \$0.614926 per \$100 valuation has been proposed by the governing body of the City of Groves.

PROPOSED TAX RATE	\$0.614926 per \$100
NO-NEW-REVENUE TAX RATE	\$0.576714 per \$100
VOTER-APPROVAL TAX RATE	\$0.596010 per \$100
DE MINIMIS RATE	\$0.614927 per \$100

"The no-new-revenue tax rate is the tax rate for the 2025 tax year that will raise the same amount of property tax revenue for the City of Groves from the same properties in both the 2024 tax year and the 2025 tax year.

"The voter-approval rate is the highest tax rate that City of Groves may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for City of Groves exceeds the voter-approval rate for City of Groves.

"The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for City of Groves, the rate that will raise \$500,000, and the current debt rate for City of Groves.

"The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Groves is proposing to increase property taxes for the 2025 tax year.

"A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON August 25, 2025 AT 5:00 PM AT the Groves City Hall, 3947 Lincoln Ave., Groves TX 77619.

"The proposed tax rate is greater than the voter-approval tax rate but not greater than the de minimis rate and does not exceed the rate that allows voters to petition for an election under Section 26.075, Tax Code. If City of Groves adopts the proposed tax rate, the City of Groves is not required to hold an election so that voters may accept or reject the proposed tax rate, and the qualified voters of the City of Groves may not petition the City of Groves to require an election to be held to determine whether to reduce the proposed tax rate.

YOUR TAXES OWED UNDER ANY OF THE RATES MENTIONED ABOVE CAN BE
CALCULATED AS FOLLOWS:

Property tax amount = (tax rate) x (taxable value of your property)/100

FOR the proposal: C. Borne M. McAdams
B. Holmes P. Konidis
R.S. Gay

AGAINST the proposal: None

PRESENT and not voting: None

ABSENT: None".

Mayor Borne then asked for questions from the City Council, and there were none.

Mayor Borne then asked for citizens of Groves who wished to speak in support of the request, and there were none.

Mayor Borne then asked if any citizens of Groves wished to speak against the request, and there were none.

Mayor Borne then stated that the City Council of Groves will vote on the proposed tax rate today during the regular scheduled meeting immediately following the public hearing, as listed on the respective agenda. This public hearing is closed at 5:16 p.m.

Council then returned to the regularly scheduled City Council Meeting.

DELIBERATE AND ACT TO APPROVE THE MINUTES OF THE AUGUST 11, 2025, CITY COUNCIL MEETING AND PUBLIC HEARING: Mayor Pro Tem Konidis made a motion to deliberate and act to approve the minutes of the August 11, 2025, City Council Meeting and Public Hearing. Councilmember McAdams seconded. There were no questions, and the motion passed unanimously.

DELIBERATE AND ACT ON THE APPROVAL OF A REVISED DATE FOR AN EVENT BY PASSION CHURCH AT LION'S PARK, CHANGING THE EVENT DATE FROM SEPTEMBER 6, 2025 TO NOVEMBER 8, 2025: Councilmember Holmes made a motion to deliberate and act on the approval of a revised date for an event by Passion Church at Lion's Park, changing the event date from September 6, 2025 to November 8, 2025. Councilmember Gay seconded. Mayor Borne asked Pastor Kathy Richard why they changed the date, and Ms. Richard stated that they felt like

they didn't have enough time to put on a really good event, so that's why we are trying to push it back. Mayor Borne stated that this event required no street closures, no public officials, and simply utilized the park. City Manager Kevin Carruth stated it's just a portion of the park. Mayor Borne asked the Council if they think there is a need for items like this to be presented to the City Council. Mr. Carruth stated that as long as the Council outlines the policy, these requests can be approved administratively. If a request deviates from the policy, it can be brought to the Council. For routine requests like this one, it could be handled by staff. Mayor Borne asked Mr. Carruth to consult with City Attorney Brandon P. Monk to determine what the Council needs to do to streamline routine requests so they can be processed through staff. There were no further questions, and the motion passed unanimously.

DELIBERATE AND ACT TO ENTER INTO AN INVESTMENT GRADE AUDIT AGREEMENT WITH SCHNEIDER ELECTRIC BUILDINGS AMERICA, INC., TO IDENTIFY ENERGY CONSERVATION MEASURES AND RESULTING GUARANTEED SAVINGS THAT COULD FUND A SCOPE OF WORK THAT INCLUDES CHANGING THE CITY'S WATER METERS AND RELATED SYSTEMS TO AUTOMATIC METER INFRASTRUCTURE AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE ALL NECESSARY DOCUMENTS: Councilmember Gay made a motion to deliberate and act to enter into an investment grade audit agreement with Schneider Electric Buildings America, Inc., to identify energy conservation measures and resulting guaranteed savings that could fund a scope of work that includes changing the City's water meters and related systems to automatic meter infrastructure and authorizing the City Manager to negotiate and execute all necessary documents. Councilmember McAdams seconded. Mayor Pro Tem Konidis asked if this item was based on the presentation given in July, and Mayor Borne stated that it was, but this was strictly for water meter upgrades that would allow for real-time measurements. Mayor Borne also noted that this is the engineering portion of the project, which allows you to identify the actual scope of work, so that you can provide us with a cost estimate for this project. City Manager Kevin Carruth stated that he has provided the Council with a revised contract agreement, which includes two changes. The first is that the City retains all of the work product, and the second is that Schneider will conduct the lead and copper survey that we are required to complete by the TCEQ, which we are currently behind on. Craig Messenbrink of Schneider Electric stated that the primary product that will come out of this is the construction project scope and price. Mr. Messenbrink stated

that there are approximately 7,200 meters of various sizes to verify, and they will pull a certain number of meters to bench test them for comparison, allowing them to obtain a guarantee. Schneider will then come back with a report and a construction-ready project. Mr. Carruth reiterated that the \$68,950 listed on the first page of the City Manager's memo would not be paid unless we decide at the end of this initial phase not to move forward with the project. Still, if we move forward and replace the meters with AMI, then the \$68,950 will be allocated towards the project's price. Councilmember Holmes asked how long this study would take, and Mr. Messenbrink stated it usually takes four months, but they are going to try to do it in two. Mayor Borne inquired whether training is available for citizens to learn how to use the app and monitor their real-time water usage. Mr. Messenbrink confirmed that training is indeed available to citizens. Councilmember Holmes inquired about potential service interruptions to customers during this audit period, and Mr. Messenbrink noted that there would be very few, possibly 15-to 30-minute windows. They would conduct a communications campaign to inform citizens when this is happening. Councilmember McAdams asked Finance Director Lamar Ozley if there would be a problem with billing to catch what the old meter caught, versus the new meters being installed at a zero amount. Mr. Ozley stated that as long as they know when the meter is being pulled, then we can get a final read before it is pulled. There were no further questions, and the motion passed unanimously.

DELIBERATE AND ACT TO SELECT GOVWELL TECHNOLOGIES, INC., TO PROVIDE SOFTWARE AND SERVICES FOR THE BUILDING PERMITS AND INSPECTIONS DEPARTMENT AND THE PUBLIC WORKS DEPARTMENT AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE ALL NECESSARY DOCUMENTS: Councilmember McAdams made a motion to deliberate and act to select GovWell Technologies, Inc., to provide software and services for the Building Permits and Inspections Department and the Public Works Department and authorizing the City Manager to negotiate and execute all necessary documents. Mayor Pro Tem Konidis seconded. City Manager Kevin Carruth informed the Council that, over the last year and a half, staff have been evaluating various software packages to support the Building and Permit Department and Public Works in their work order processes. At the moment, all of those are basically manual, and whenever we need to look up information, it's mostly a matter of digging through piles of paper. We have narrowed it down to three basic software platforms: ClearGov, GOGov, and GovWell. All three are in different co-op purchasing programs to which we belong, so the RFP purchasing process has already been completed. We have had at least two demonstrations with each, and the staff

recommendation is to go with GovWell. GovWell offers the overall modules that are the best fit for our City's needs. Also, the City of Nederland already uses this software service and will be adding additional modules soon. Port Neches will also begin using this software next budget year. Whenever we have an inspector out, inspectors from other cities may also assist in filling in, making it easier for everyone if we are all using the same inspection software. Additionally, since we all share the same IT Department, it makes it easier for them to support one platform instead of two or three. The total cost for GovWell is slightly more than that of the other two software, but the value proposition is greater. Mayor Borne asked if it's a one-time setup fee of \$11,5000 with the annual cost of \$25,000 for a three-year term, and Mr. Carruth stated that it is correct. Mayor Pro Tem Konidis asked which modules we are receiving, and Mr. Carruth noted that they include billing, permits, inspections, contractor licenses, code enforcement, and work orders. This will consist of a mobile app that allows citizens to report potholes or other issues. Mayor Borne inquired whether this would enable us to offer online permit applications, and Mr. Carruth confirmed that it would. Mr. Carruth stated that it will also include online payments for permits, along with the capabilities to track the permits throughout the process. Councilmember Holmes asked if this recommended service would work well with our future website, and Mr. Carruth stated it would. Councilmember Holmes asked if there is a limited number of users, and Mr. Carruth stated there is no limit. Mayor Borne stated that, as a contractor, he deals with other cities through email, and it absolutely helps not having to do everything over the phone or in person. Just the online capabilities for someone like him save hours. Mr. Carruth also noted that this would improve the efficiency of the staff, and the reporting capabilities would be a lot better. Councilmember Holmes asked if, after three years, we decide not to continue with this system, would there be a fee to retrieve our data from the system? Mr. Carruth stated that there would not be, as we own the data. There were no further questions, and the motion passed with Mayor Pro Tem Konidis, Councilmember Holmes, Councilmember Gay, and Councilmember McAdams voting in favor of the motion. Mayor Borne abstained from voting.

RECEIVE THE CERTIFICATION OF UNOPPOSED CANDIDATES FOR THE CITY OF GROVES GENERAL ELECTION PREVIOUSLY ORDERED FOR NOVEMBER 4, 2025: Mayor Borne accepted the Certification of Unopposed Candidates.

DELIBERATE AND ACT ON THE ORDER OF CANCELLATION OF ELECTION FOR THE CITY OF GROVES GENERAL ELECTION PREVIOUSLY ORDERED FOR NOVEMBER 4, 2025: Mayor Pro Tem Konidis made a motion to deliberate and act on the Order of Cancellation of Election for the City of Groves General Election previously ordered for November 4, 2025, and Councilmember Gay seconded. There were no questions, and the motion passed unanimously.

DELIBERATE AND ACT ON ORDINANCE 2025-17, CANCELING THE CITY OF GROVES GENERAL ELECTION PREVIOUSLY ORDERED FOR NOVEMBER 4, 2025: Councilmember Gay made a motion to deliberate and act on ordinance 2025-17, canceling the City of Groves General Election previously ordered for November 4, 2025, and Mayor Pro Tem Konidis seconded. There were no questions, and the motion passed unanimously.

DELIBERATE AND ACT ON ADOPTION OF FY 2025-2026 MAINTENANCE AND OPERATIONS TAX RATE OF \$0.572834 / \$100 BY RECORD VOTE: Councilmember Holmes made a motion to deliberate and act on adoption of FY 2025-2026 maintenance and operations tax rate of \$0.572834 / \$100 by record vote, and Mayor Pro Tem Konidis seconded. Finance Director Lamar Ozley stated that State Law requires this, and it represents the maintenance and operations portion of the property tax rate. There were no questions. The motion passed with Mayor Chris Borne, Mayor Pro Tem Pete Konidis, Councilmember Mark McAdams, Councilmember Brandon Holmes, and Councilmember Rae Shauna Gay all in favor of the motion.

DELIBERATE AND ACT ON ADOPTION OF FY 2025-2026 INTEREST AND SINKING TAX RATE OF \$0.042092 / \$100 BY RECORD VOTE: Councilmember Gay made a motion to deliberate and act on adoption of FY 2025-2026 interest and sinking tax rate of \$0.042092 / \$100 by record vote, and Councilmember McAdams seconded. There were no questions. The motion passed with Mayor Chris Borne, Mayor Pro Tem Pete Konidis, Councilmember Mark McAdams, Councilmember Brandon Holmes, and Councilmember Rae Shauna Gay all in favor of the motion.

DELIBERATE AND ACT ON ADOPTION OF FY 2025-2026 BUDGET BY RECORD VOTE: Councilmember McAdams made a motion to deliberate and act on adoption of FY 2025-2026 budget by record vote, and Mayor Pro Tem Konidis seconded. Mayor Borne asked if there had been any changes to the proposed budget since the last presentation, and Finance Director Lamar Ozley stated that the fire equipment

had been adjusted and that the health insurance had been trued up. Mr. Ozley noted that the total expenditures match the total revenues, indicating a balanced budget. Councilmember Holmes inquired whether this budget reflects the current water and wastewater rates. City Manager Kevin Carruth responded that there is an increase in both water and wastewater of 12.8%, as well as an increase in solid waste. Mr. Carruth stated that this will be the second year of a five-year plan. Mayor Borne asked when the new rates would take effect, and Mr. Ozley indicated that it would be October 1st. Councilmember Holmes asked if we should have approved the rate structure before approving the budget, and City Attorney Brandon P. Monk stated that, legally, the order does not matter. There were no further questions. The motion passed with Mayor Chris Borne, Mayor Pro Tem Pete Konidis, Councilmember Mark McAdams, Councilmember Brandon Holmes, and Councilmember Rae Shauna Gay all in favor of the motion.

DELIBERATE AND ACT ON RATIFICATION OF PROPERTY TAX INCREASE REFLECTED IN THE FY 2025-2026 BUDGET: Councilmember Gay made a motion to deliberate and act on ratification of property tax increase reflected in the FY 2025-2026 budget. Councilmember Holmes seconded. Finance Director Lamar Ozley stated that this confirms the Council's recognition that the proposed maintenance and operations tax rate and interest and sinking tax rate have already been voted on. There were no questions, and the motion passed unanimously.

DELIBERATE AND ACT ON ADOPTION OF RESOLUTION 2025-08, APPROVING THE INVESTMENT POLICY FOR THE CITY OF GROVES, TEXAS: Mayor Pro Tem Konidis made a motion to deliberate and act on adoption of resolution 2025-08, approving the Investment Policy for the City of Groves, Texas, and Councilmember McAdams seconded. Finance Director Lamar Ozley stated that this policy is reviewed annually, but is revised only when necessary. Mr. Ozley noted that there are no changes to the current policy. There were no questions, and the motion passed unanimously.

DELIBERATE AND ACT ON AN ORDINANCE 2025-14, AMENDING THE WATER, SEWER, AND SOLID WASTE RATE STRUCTURES: Councilmember McAdams made a motion to deliberate and act on an ordinance 2025-14, amending the water, sewer, and solid waste rate structures. Councilmember Gay seconded. Finance Director Lamar Ozley stated that this is for year two of the recommended NewGen rates, as well as an increase in the solid waste rate by \$2. The solid waste rate has remained unchanged since 2022. City Manager Kevin Carruth stated that the 12.8%

increase in water and sewer rates is from year two of the five-year plan outlined in last year's study. Mr. Carruth then explained that years one and two of the plan would feature the larger increases, while years three, four, and five would have single-digit increases. Mr. Ozley stated that NewGen will review the plan again and see if updates are needed for years three, four, and five. Councilmember Holmes suggested that these increases should be advertised to customers. Mr. Holmes suggested putting a message on the water bills. Mayor Borne stated that there have been some questions as to why the sewer portion is now outweighing the water portion of the bill. Mayor Borne then stated that he would like to obtain clarification on this matter, as the study had indicated that treating sewage water requires significantly more money than producing drinking water. Mr. Ozley noted that it is a fair statement. There were no further questions, and the motion passed unanimously.

DELIBERATE AND ACT TO APPROVE AN ANNUAL APPROPRIATION ORDINANCE 2025-15, OF THE CITY OF GROVES, TEXAS FOR THE 2025-2026 FISCAL YEAR, APPROPRIATING FUNDS FOR DISBURSEMENT FOR THE VARIOUS PURPOSES AND USES OF THE CITY, PROVIDING A SAVINGS CLAUSE, AND PROVIDING AN EFFECTIVE DATE: Mayor Pro Tem Konidis made a motion to deliberate and act to approve an annual appropriation ordinance 2025-15, and Councilmember McAdams seconded. Finance Director Lamar Ozley stated that the Charter requires this. Councilmember Holmes asked if any of these line items exceeded the budget; would that require approval by the Council? Mr. Ozley generally stated that it would, which could come to the Council as a budget amendment or approval of projects. There were no further questions, and the motion passed unanimously.

DELIBERATE AND ACT ON AN ORDINANCE 2025-16, APPROVING THE TAX ASSESSMENT ROLLS FOR THE YEAR 2025, LEVYING AND ASSESSING TAXES FOR THE SUPPORT OF THE CITY OF GROVES AND THE MUNICIPAL GOVERNMENT THEREOF; APPORTIONING EACH LEVY FOR SPECIFIC PURPOSES; LEVYING AND ASSESING OCCUPATION TAXES AND A HOTEL OCCUPANCY TAX; PROVIDING THE DATE FOR THE COLLECTION OF TAXES; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE: Mayor Pro Tem Konidis state "I move that the property tax rate be increased by the adoption of a tax rate of \$0.614926 / \$100 which is effectively a 7.01 percent increase in the tax rate". Councilmember Gay seconded. There were no questions, and the motion passed.

DELIBERATE AND ACT ON THE AUGUST 25, 2025, INVOICE LIST:
Councilmember Gay made a motion to deliberate and act on the August 25, 2025,
invoice list, and Councilmember Holmes seconded.

INVOICES: City Manager Kevin Carruth presented invoices for payment totaling
\$124,277.27 as follows:

1. City of Port Arthur	Landfill & sludge disposal for July 2025.	\$5,525.00
2. Enterprise FM Trust	Lease & maintenance management payment.	\$12,112.32
3. Frakes Construction	Activity building parking lot repairs & curb work.	\$15,650.00
4. GFL Environmental	Sludge disposal July 2025.	\$9,824.31
5. Kinloch Equipment & Supply Inc.	RC slope mower.	\$31,200.00
6. PVS DX, INC	Chlorine for water plant.	\$6,861.60
7. PVS DX, INC	CL2 & SO2 for wastewater plant.	\$11,346.20
8. Texas Regional Title	Round two of title searches for demolition, C.O.D.E.S.	\$6,300.00
9. Vulcan Construction Materials, LP	A-1 limestone base material for street & utility repairs.	\$9,365.89
10. Wex Bank	Fuel purchases for July 2025.	\$16,091.95

Mayor Borne asked for Councilmember questions. Mayor Pro Tem Konidis asked
about the difference between the two sludge items, and Mr. Ozley stated that he
assumed they alternated the companies they use from time to time. Councilmember
Holmes asked if the limestone base was for inventory or a specific project, and Mr.

Carruth stated it was for inventory purposes. There was no further discussion, and the motion passed unanimously.

CITY COUNCIL WILL HOLD AN EXECUTIVE SESSION PURSUANT TO THE PROVISIONS OF CHAPTER 551 OF THE TEXAS GOVERNMENT CODE, IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN:

- A. SECTION 551.071 (A) – CONSULTATION WITH ATTORNEY WHEN THE GOVERNMENTAL BODY SEEKS THE ADVICE OF ITS ATTORNEY ABOUT PENDING OR CONTEMPLATED LITIGATION.
- B. SECTION 551.072 – DELIBERATION REGARDING REAL PROPERTY.
- C. RECONVENE INTO OPEN SESSION.

The Council went into Executive Session at 6:12 p.m.

The Council reconvened in an Open Session at 6:36 p.m.

Mayor Borne asked for Councilmember comments. Mayor Borne stated that he is glad to hear that the City employees helped with cleaning up the Council area, along with other places. Mayor Borne also thanked the City employees for their hard work on the budget. He expressed gratitude to Mr. Carruth for the updates on Senate Bill 10, which would be detrimental to the repair of our City's infrastructure. There were no further Councilmember comments.

There was no further business, and Mayor Borne adjourned the meeting at 6:37 p.m.



Mayor

ATTEST:



City Clerk

