CITY OF TATUM
REGULAR MEETING MINUTES
June 8, 2026
6:00 PM

Mayor	City Council	City Secretary
Michael Henry	Jonathan Knapp	Jackie Muckleroy
	Robin Palmer	
	Tate Smith- Mayor Pro - Tem	
	Wendell Moore	
	JR Smith	

Meeting called to order by Mayor Michael Henry at 6:00PM.
Prayer was respectfully observed by all in attendance.
Pledge of Allegiance respectfully observed by all in attendance.

Citizen Comments

Citizen Misty Bush expressed concern over the following:
• Pothole Concerns (Lark Street & Falcon Street): Ms. Bush expressed concern about incomplete pothole repairs, noting only one hole filled on Mark Street (leaving 10 others) and one on Falcon Street (leaving many large holes). She questioned why all holes on a street are not filled at once, stating roads are in bad shape and affecting traffic. Mayor Henry stated that pothole filling is typically done with a front-end loader, which carries a limited amount of material.
Cody (Public Works) confirmed that they ran out of material and were called to an emergency before returning to finish. He stated "We were filling holes and got called to go do another job and didn't have time to go back."
Mr. Moore stated that the city has three employees in the water/public works department who handles water, wastewater, roads, and street lights.
Water emergencies take priority. The department is currently at full capacity. He further explained the pothole repair technique: If a pothole has water or mud, it needs to dry before material can be added.
The following action will be taken by the city: Cody to check the potholes near the stop sign on Lark Street.
Mayor Henry stated that road Improvements for streets in Eagle Ridge Subdivision will be addressed via a grant the city has applied for.

- This grant is in place to fix roads in the Eagle Ridge, which includes Lark Street.
- The project started February 1st of this year and is expected to take 8-9 months

before work begins.

- All roads in the Oregon subdivision will be completely redone with hot mix asphalt.
- Grant money is limited and focused on one area to maximize efficiency; this specific grant does not cover all other roads in the city.

Departmental Reports

• Police Department (Chief)

◦ June Incidents: 2 harassment cases, 2 TMS assists, 1 indecent exposure, 1 family disturbance, 1 mental subject, 1 suspicious activity, 2 animal complaints, 1 agency assist, 1 motor vehicle accident, 1 unauthorized use of a motor vehicle, 1 assault (family violence, impeding breath), and 2 deaths within city limits.

◦ Summer School Lunch Program: The police department picks up and delivers free lunches for kids in the city, primarily in the Fina road area. Over 100 meals were served in the last week and a half, with Friday meals including provisions for the entire week.

◦ Employee Performance Evaluations: Completed for all officers except one.

◦ Arrests: Two arrests reported.

• Ford Vehicle: The transmission has been installed; the motor and brakes still need to be checked. The Chief is willing to discuss code details in the near future vehicle maintenance Premier Shop Diagnosis - The main problem, a fuel rail seal growing cold, is to be covered under warranty. Another issue involved a wire strainer that built up algae, preventing full pressure from the wand. The cost to fix this part is $1,700.

• Action Item: Next month, vehicle inspection reports and equipment inspection are requested.

• Public Works Department (Mike Morton)

◦ June Activities: Checked water wells and sewer plants daily, picked up several potholes, cleaned two manholes, completed two new water taps and one new sewer tap, replaced a broken meter box and installed a new meter on Melinda Lane, and cleaned a stopped-up sewer service for Chad Smith.

◦ O'Reilly's New Parts Store Project:

◦ The Mayor and Mr. Morton met with contractors regarding the need to lower an existing water main by four feet for a new driveway. City's Plan is to cut the existing steel line, install a valve. Contractors will dispose of the cut line. Once the driveway is in, a new PVC line will be run across the property, and a new water tap will be provided.

Reasoning: This approach is simpler and less labor intensive than digging four feet deep along the entire length of the steel line. Other Utilities - a gas line and fiber optic cable also need to be lowered by their respective companies.

Service Impact: No residents will be out of service as the existing line does not feed anything else in that direction (it is capped near Tractor Supply).

Lift Station: No update received on the Vermeer.

• <u>Fire Department</u> (May 11 - June 8)
◦ Total Calls: 28, including 25 medical calls, 2 structure fires, 2 motor vehicle accidents (MVAs), and 1 missing person (child found quickly).
◦ Medical Calls: Approximately 99% resulted in EMS arrival on scene (about 24 out of 25 calls).
◦ Building and Fire Codes:
◦ The city will adopt new codes.
◦ There is a need to identify all businesses and ensure compliance, including requirements like sprinklers for small stores.
◦ Fire suppression options discussed included a lift system with its own fire pump (e.g., Tractor Supply) or a drive system with an FDC connector outside (e.g., the school).
◦

Economic Development Corporation (EDC) - Mr. Smith
• Upcoming Travel: Mr. Smith will be attending Public Alphonse Act training in Arlington (June 10-11) and the TVC conference in Plano (June 17-19). He will be out of the office for three days. Chick-fil-A Lunch Run: The next run is scheduled for June 17, 11 AM - 1 PM, and will proceed as planned despite Mr. Smith's absence. New offerings include cold nugget trays (30, 60, 200 count) with warming instructions, available for pre-order via job form. Chick-fil-A is listed on Facebook with the Tatum EDC address and pays sales tax to the town.

• Tatum Small Business Network: Started May 19, this Facebook group ("Tatum Small Business Network") has 92 small business members. It allows businesses to post, and these posts are shared to the EDC Facebook page for increased traction. T's Cafe was highlighted as the "Business of the Week."

• New Lease Agreements Signed:
◦ Tatum Grindhead Coffee: Moving into the "takeover building, "converting an office into a coffee shop that will offer seating and pastries. Previously operated as "Grindhead of Mongi."

◦ Hitchett Ride Service: A ride-share service similar to Uber, providing non-emergency transportation and courier services. It will utilize four vehicles housed in town and is partnering with Identigo to offer local fingerprinting services in Tatum. Services are expected to start in July.

• Christmas in July: Canceled for this year due to Mr. Smith's current workload (four to five meetings daily) and focus on the Small Business Network.

• Small Business Bureau (SBBC): Six people have been sent to SBBC for assistance, which provides free resources for starting a business (plan, budget, financials).
• New Property Negotiation: A deal was negotiated for new EDC property (approximately 5-8 acres) located "right back up 149 again," close to but not exactly where Tractor Supply is. Discussions about expanding a restaurant franchise in Tatum will begin with a realtor after the land closing. Mr. Smith stated that the franchise is not Whataburger or Jucy's, due to Tatum's population size. Traffic count near Tractor Supply is 10,570 vehicles daily (estimated ~20,000 through Tatum daily including Hwy 43). It was emphasized that restaurants prefer main road locations.

City Administration - Ms. Jackie Muckleroy -City Secretary
Budget Process
• Fiscal Year: The new fiscal year begins July 1, 2026. Budget reports listing year-to-date spend were sent to department heads. Action Item: Department heads are to return projected spend for next year by Friday. Ms. Jackie will compile the full budget and present it to the Mayor around June 20 for review. The numbers will then be sent to the council for review. An official budget meeting is scheduled around June 23rd or 24th, which will be open to the public. A special meeting will be held to adopt the budget.

• **EDC Budget:** The EDC budget is completed and will be presented to the EDC board of directors next Monday for review and approval, then to the council for approval.
Healthcare Plans. New healthcare cost projections show an approximate 13%-20% increase, driven by a general rise in medical costs. The city's current provider is Texas Health Benefits. The new plan effective date is October 1. The deadline for information to Texas Health Benefits is July 13th. Action Item: Council guidance is needed on whether to seek additional insurance options outside of Texas Health Benefits.
Opioid Settlement
• The council approved a resolution for the opioid settlement in late fall/early January, opting into the class action lawsuit.
• The city received $76.08 from the settlement, with the amount largely based on population.
Mayor Pro-Tem
Mayor Henry announced he will be on vacation starting Friday and will be out of pocket from Friday noon until the following Saturday for a cruise and will not be reachable via cell phone or email. The Mayor Pro Tem Tim will be taking calls during this time.

Selection of Mayor Pro Tem: The Mayor Pro Tem is a yearly position by state law. After three names were proposed and one declined, a motion was made, seconded, and passed by vote to select a new Mayor Pro Tem. The selected individual was Tate Smith. The City Secretary swore Tate Smith in via the oath of office.

Game Room Ordinance (2005-06) Review
Current Situation: The existing ordinance from 2005-06 has minimal fees ($100

per machine). The current application does not meet state standards for collecting numbers and business details. Two businesses currently have permits, paying $100 per machine. Proposed Changes/Discussion:

◦ Chief Smith obtained a thorough application from Gladewater, which charges $1,000 per machine. Game room permits expire December 31st every year, aligning with state tax stamps. Current permit holders would be "grandfathered in" at the $100 rate until their next renewal which is January 1, 2027. The new businesses would pay the new rate of $1000.00 per game machine. Definition: A game room is defined as anything with more than five gaming machines, distinguishing it from a gas station with five video machines. Restrictions: No one under 18 years old allowed to play; specific operating hours. Application Details: The proposed application is detailed, requiring information on where money is going, especially for anyone profiting more than 20%. Coordination: Rusk County has no conflicting policies. The Texas Comptroller's office handles checks if something is suspected. Each machine requires a state sticker/tax stamp. Ordinance Approach: Consensus was to create a new ordinance due to age requirements, operating hours, and specific details for game rooms. Action Item: Council needs to vote to create a new ordinance. Action Item: Send the Gladewater application and requirements to American Legal Publishing or TML to draft the new ordinance verbiage, which will be brought back to council for final approval. City Permit Stickers: A physical sticker will need to be created for machines with the new ordinance, as the city currently uses a letterhead-like permit.

• Fee Decision: Discussion included whether to raise fees to generate revenue or to discourage game rooms, noting that other cities in the area charge $1,000 per machine and machines reportedly make $1,000 in one day. Decision: A motion was made by Tate Smith and seconded by Jonathan Knapp and passed (4 in favor, 1 opposed) to set the fee at $1,200 per machine. A new ordinance will be put together specifically for gaming machines with this fee.

Timekeeping Procedures

• Current System Issues: Handwritten time cards are often illegible ("scribble at the top for a name that you can't read"). Manual processing incurs costs and may require additional staff. ADP is used as the backend for payroll, W2s, and other services, but it does not integrate with QuickBooks for timekeeping or check cutting. Proposed New System (Phone-based, Geofenced): Features: Employees can clock in from their phones, with geofenced location tracking (e.g., zip code, water maps, specific pin locations). It can pull various reports (time, employee) and send email notifications for tasks and due dates (e.g., vacation requests to the treasurer). Pros: "gives access to the time clock at any place that you need to be," and "give you accurate reports as far as where you can say I work this, this. It's going to tell you exactly what you work when you clock in, when you clock out. It's to going to calculate all that for you. “Cons: It would be "another step or two" in implementation/use and "probably going to be more fees. “Previous Decision: The council previously voted unanimously to get a new time clock system. Action Item: A motion was made and seconded to table the decision for budget review.

Employee Leave Clarification

• Issue: The legality of including individual employee names with their sick leave and vacation leave balances in council packets.

• Attorney Consultation: An attorney consulted today advised "there is a good chance that this is not something that you can legally do by putting individual names with their leave, their sick leave and vacation leave in the packet."

• Recommendation: Information can be sent cumulatively (e.g., "the city of Hayden water department has X amount of vacation hours left"), but not individually.

• Council's Concern: To avoid situations where employees accumulate "400 hours of personal comp time left if the city's got to buy back."

• Action Item: A motion was made and seconded to table the final determination until next month's meeting, pending further clarification from the attorney.

WISG Funding & Water System Improvements

• Purpose: Approval of a resolution for a WISG funding application from the Texas Water Development Board for water system improvements.

• Resolution Details: Authorizes filing an application for financial assistance not to exceed $10 million to cover the cost of financial engineering and construction for water system improvements. It designates an authorized representative for furnishing information and executing documents and lists the engineer, financial advisor, and bond council. Current Problem (RO System): Pre-filters for the Reverse Osmosis (RO) system need changing every 2-4 days, costing $128 per change. The water is "straight well water" and "isn't going to be clear" without going through the filtering system.

• Proposed Solutions (Mr. Morton's Presentation):

◦ 1. Multimedia Filter System ("Milker System"): Cost: $78,500 (includes equipment, installation, and 2-day training by an RO system expert). Expected Benefit: Extend pre-filter lifespan from "every two days to four, four days" to "one to two months, "leading to anticipated savings on pre-filters. This was compared to a previous $45,000 sewer jetter purchase that saved $10,000 annually. Refurbished RO System: An RO system expert (the same individual who works on the current RO system) offers a "repurposed RO system... on a trade in type thing with another company." Output: "262 gallons a minute," equivalent to the current system. Cost with new membranes: $130,000. Cost with refurbished membranes: $120,000. Features: A "complete system. It's got the motor, it's all electrical." New RO systems cost "anywhere from a half a million to a million dollars." Benefit: Could be used to alternate with the current RO system (e.g., run one for a few months, then swap to the other) to extend lifespan and provide redundancy. This addresses the critical need for a second RO station, as there is "no backup" if the current RO station goes down (e.g., a past "electrical problem" caused a box to be out for "two months"). Risk of Failure: If the RO system goes down, "you're going to be drinking water like you put on that table and they ain't going to like it." Grant Application Context: The "milker system" is one of the projects being considered for this grant,

with an award expected in October for one year. The council will sit down with Mr. Morton to determine which projects to pursue if the grant is approved.
• Grant Application Resolutions:
◦ Resolution 1 (Certificate Secretary): Motion to pass the resolution was seconded and passed unanimously.
◦ Resolution 2 (Authorized Representative): Tate Smith made a motion to designate Michael Henry as the authorized representative for the city was seconded and passed unanimously.

P&Z Recommendation reported on by Mr. Rocky Ybarra regarding rezoning request for Chad Smith at 940 E Johnson St. near CenterPoint Rd. was denied because it would not meet the cities current zoning requirements and referred it to city council for review and possible appeal. Mr. Wendell Moore did not have an issue with putting the mobile home there, especially since other mobile homes were across the street. Tate Smith asked if neighbors were ok with it, stating neighbors need to be ok with it.

Rezoning Request for Chad Smith

• Request: Chad Smith requested consideration of reasonable relief, such as a variance, for his property's rezoning. Chad Smith's Statement: The property has been in his family for generations, and his mother-in-law grew up in the house, making it "not just land to us. This is generational family home with the deep history. "Before purchasing, efforts were made to work with city personnel to ensure compliance with zoning, permitting, and utilities, and "At no point where we told zoning would prevent us from placing a home on the property. "They moved forward with "significant financial misses" based on this understanding. Their intentions are to "restore and improve the property as a long term family residence. "They have already begun preparing the land, clearing, and getting everything ready for "curb approval. "He stated he is not asking the city to ignore its ordinances but is requesting "consideration of reasonable relief such as a variance based on the unique circumstances of this property and the good space reliance of the information provided during the planning process. "He is willing to comply with any conditions or requirements the city may set and wants to continue working cooperatively to bring the property into full compliance while preserving the family's ability to `remain there.

Mayor Henry stated that it would have to go through the proper states of moving from R1 to R3, with a public hearing. He suggested postponing until application is received and full process can be completed and a public hearing can be completed. Mr. Smith was advised to come in the next day and submit application for a zoning change request so the notice could be placed in the newspaper. If no objections were made after public notice, then the council would be able to make a decision at the July meeting. JR Smith made a motion to postpone until application submitted and process completed so that a public hearing can be held. Seconded by Tate Smith. All in favor. None opposed.

Empower Planning & Zoning decision making authority –
Motion made by JR Smith to empower the Planning and Zoning to have decision making authority and to provide within 30 days their process for making decisions. Motion was seconded by Jonathan Knapp. All in favor with one opposed – Wendell Moore

Review and Possible Amendment of City of Tatum's City Council Rules
JR Smith made a motion to discuss and the motion was seconded by Robin Palmer. Mayor Henry wanted established protocol and clarification on what requires council notification. What reaches threshold of council notification? Some feel there is not enough communication. Anything from the attorney concerning disciplinary actions, or items that should be brought before the council should be brought. Tate Smith suggested a review board to handle all HR requests that come through so this would free Ms. Jackie up and give council something to do". Ms. Jackie stated this was another opportunity that Mr. Tate is bringing up to change her job duties. She pointed out that council members are not city employees and therefore cannot serve as HR. She reminded them that they have the authority to hire and fire and can review HR issues via Executive Session. You can also inquire about any disciplinary action with the city secretary. She also stated that the "we all know why this is being brought up". Mr. Robin Palmer asked why? Ms. Muckleroy stated that things were being investigated and brought to the attention of the council and folks weren't happy". Mr. Moore agreed. At that point, Mayor Henry interrupted and stated that we are going off topic. Mr. Moore stated that there is no need for a council member to have to get a second member to get an item approved on the agenda. Mr. Palmer then interjected that he should not liable for signing for an item to assist a council member with getting an item on the agenda.
Mr. Wendell Moore made a motion to not require two signatures for an item to be placed on the agenda. JR Smith seconded the motion. Jonathan Knapp, Tate Smith and Robin Palmer did not agree. The motion did not pass. No changes to the Council and Procedures.

JR Smith made note that we did not approve minutes or checks. Ms. Muckleroy stated she will add minutes to the next meeting.

Meeting adjourned at 7:58PM.

Michael Henry 7/13/26
Date

ATTEST: Jacqueline Muckleroy 7/13/2026
City Secretary Date