

*****September 8, 2008*****

The Signal Mountain Town Council held a public hearing on Monday, September 8, 2008, at 6:00 p.m. in the Town Hall regarding the proposed annexation of the Fox Run and Windtree subdivisions (the "subdivisions") in Hamilton County. Those present were:

Mayor Paul Hendricks
 Vice-Mayor Hershel Dick
 Councilmember Bill Lusk
 Councilmember Susan Robertson
 Councilmember Annette Allen

Also present were: Town Manager Honna Rogers
 Town Attorney Phillip Noblett
 Town Recorder Mark Johnson
 See attached list for others present

Mayor Hendricks called the meeting to order.

Councilmember Lusk gave a presentation on annexation, addressing such issues as the need for growth, the cost to residents of the subdivisions, related benefits, and the timeline for the process.

Mayor Hendricks noted the Council had discussed this issue with residents of the subdivisions at previous meetings, and this meeting was primarily for the purpose of hearing from Town residents. However, everyone present was invited to speak.

Individuals' Comments

Brent Morris, Windtree Drive, indicated the majority of residents in the subdivisions opposed the annexation. He spoke of the democratic principles on which America was founded, saying that the annexation represented "taxation without representation". He noted the residents of the affected areas are satisfied with the County and volunteer services they currently receive. He believes that extending town services to them would likely dilute overall service for everyone. He also felt residents of the subdivisions make appropriate contributions to the Town for any services received. They contribute sales tax dollars to the Town. He said the annexation demonstrated that the Town values "power" instead of the "golden rule".

Delton Griffith, Bristle Cone Lane, said annexation was a "railroad job", and something that was all about money. He said he doesn't use Town services and doesn't want them. He noted that, while some of the subdivisions' children use the new school, the subdivisions did not agree to be taxed for the construction of the high school like the town did. He also said he is satisfied with the services he now receives, and streets in the Town limits need restriping before those in the subdivisions. Finally, he said he didn't need any more government in his affairs.

Sandy McMillan, Fox Run Drive, thanked Councilmember Lusk for his presentation. Mr. McMillan said the subdivisions already have the services the Town would provide, but the Town's services would be more expensive, for example, refuse collection. He asked the Mayor if a study would in fact be performed to determine if a new fire station is needed for the subdivisions. The Mayor said a study will be performed by MTAS and should be completed sooner than expected. Mr. McMillan then asked that assuming the study indicated a need for a new station, what would be a reasonable timeframe for its construction. The Mayor said he expects it will happen fairly soon, depending on the results of the study. Mr. McMillan asked what repercussions there will be for the Council should the study indicate a station is needed, but one isn't built. Councilmember Lusk responded that a mutual aide agreement exists with Walden's Ridge Utility District for fire prevention that would serve as a backup. Mr. McMillan reiterated his question, asking specifically if there were any fines, penalties, etc. from the state for not providing a service suggested by the study. Mr. Noblett said the subdivisions could legally request a de-annexation if promised services are not provided. The Mayor said the time for building the new station, if needed, is uncertain.

Lee Norris, Hollywood Lane, said there is a disparity between benefits to the Town versus benefits to the subdivisions. He said the residents do shop in the Town. He feels his current services are sufficient, and noted that, if a mutual aide agreement is relied upon before a fire station is built, he shouldn't have to pay taxes for it. He also said annexation would cause confusion over who would provide fire prevention services, and the response time would probably not be as good as that of current services. He asked to verify that there was a fire study performed before. Mayor Hendricks replied there was a 2005 study, but it needed to be updated. He also noted it suggested a new fire station. Mr. Norris asked why, if it was suggested then, it has not been constructed by now.

Mr. McMillan also questioned the policies and procedures of annexation. He mentioned the new school, remarking on how close the vote was to approve its construction. He pointed out that although the residents of the subdivisions could not vote, they were expected to be annexed to help pay off the debt for the school before the school construction was approved. He noted there was no need for reflecting lines on residential streets. Mayor Hendricks clarified that, if annexation occurs, first responders to fires would be the Town's firefighters, and due to the availability of new technology and data collection, a new study of necessary street repairs is necessary. Mr. Norris asked Mr. Noblett under what circumstances de-annexation could be requested. Mr. Noblett said this was possible should any of the services proposed in the plan of services not be provided. Mr. Norris then asked the Mayor if he could promise a new fire station would be built in a reasonable amount of time. Mayor Hendricks said he would need to see the results of the study first.

Austin Seay, Blue Teal Lane, noted this was the sixth time he had addressed the Council. He made reference to an editorial in the newspaper written by the Mayor and the presentation by Councilmember Lusk, saying there were certain financial details that were omitted. First, he noted the study for the annexation indicated a deficit would occur

from the cost of services from January 2009 to June 2010, with some carryover into 2011. Also, the cost of litigation was not considered as annexation would be contested in court. He also warned the Council that bringing in residents against their will might bring about recalls and other political fallout. He then went on to say police services would essentially be -duplication. He also asked where the money collected and set aside for a fire station was if it is now uncertain that a fire station will be built. Mayor Hendricks said the funds are in a certificate of deposit in a bank in Town. Lastly, he addressed the point of enhanced property values. He said he hopes whoever developed the assessment that property values are going to increase significantly from annexation is correct.

Margaret Trimpey, Edwards Point Road, addressed the intangible values of annexation, asking whether there would be schools, restaurants, pharmacies, churches, or grocery stores without a Town. She also asked what would happen to property values without a Town. She said she would like to see taxes shared.

John Roden, Reynard Trail, said the proposition of living within Town limits is distressing, and the residents of the subdivisions were given no real options. He cited the increase in taxes and how this would create a financial hardship. He also noted the Town provides no services that he wants. He also resents what he considers haughty, incompetent Town's leaders micromanaging him. He said Councilmember Lusk's presentation is on the verge of being totally deceptive.

Brendan Olin, Cherokee Lane, mentioned he served on the Council previously, and disagreed with the idea that a Town has to "expand or die". He noted Councilmembers Lusk and Robertson were appointed because former Council members were recalled after not listening to the will of the people. He suggested more recalls may occur as a result of this annexation. He urged the Council to listen to the people.

Mark Curran, Blue Teal Lane, said he appreciates the opportunity for residents to voice their opinions. He noted he moved back to Tennessee from California because Tennessee was a more attractive place to live, but this attractiveness was disappearing with the notion that his property would be annexed unexpectedly. He also feels that conversation on this particular issue has been cut-off.

Alan Jones, Pintail Lane, said he appreciated Councilmember Lusk's presentation; however, he asked if storm water charges were included in the numbers presented. Councilmember Lusk said they were billed with property taxes and were based on impervious square footage. Mayor Hendricks noted there is a small difference between Town fees and County fees. Mr. Jones also suggested considering property value reassessments.

Pauline Ragan, Woodcliff Circle, said members of the previous Council were recalled for good reasons--citizens were not given the opportunity to have all the facts. She also indicated she agreed with the annexation, saying there is a good school here--one she voted for--and, were it not for the shopping center, people wouldn't want to live in the

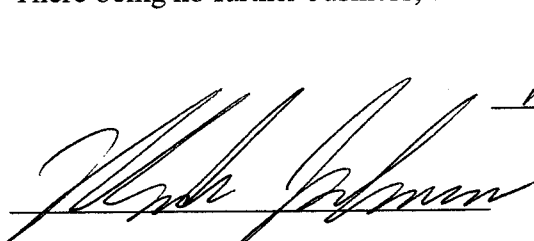
area. She felt the Town needs more people in its limits to thrive. She asked if the residents of the subdivisions pay an extra charge for times when Town police are sent to those areas. The Council indicated they do not.

Al Upton, Valleydale Lane, said he felt the article from the Mayor inappropriately implied that County and volunteer services for fire and police were non-professional, compared to the "professional" services of the Town. He also said that, despite debate over call and response times, there is no difference in Town services and what the subdivisions have now. Lastly, he said the Town may need more tax revenue, but that comes with expenditures, and perhaps instead of growing to maintain itself, the Town should cut back on those expenditures. Mayor Hendricks said he never meant to imply anything negative about County or volunteer services in the article.

Councilmembers Allen and Robertson thanked everyone for their attendance and civility.

The Mayor noted annexation would not be voted on at this meeting.

There being no further business, the meeting was adjourned.



Recorder



Dr. Paul Hendricks, Mayor

SIGN IN SHEET
CITIZENS TO ADDRESS COUNCIL
AT PUBLIC HEARING
DATE: September 8, 2008.

NAME	ADDRESS
✓1. Dr. Brent Morris MD	3927 Windtree Dr. 37397
✓2. Delton Griffith	2590 Bristlecone Lane
✓3. Sandy McMullen	2221 Fox Run Dr.
✓4. Bob Morris	2226 Hollywood Ln
✓5. Austin M. Seay	Fox Run 2829 Blue Teal Lane
✓6. Margaret Trumpey	820 Timberlinks
✓7. John W. Roden, Jr	2908 Reynard Trl
✓8. BRENDAN OLIN	821 CHEROKEE LANE
✓9. Mark Carran	2916 Blue Teal Court
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