

# AGENDA SESSION MINUTES

## CHATTANOOGA CITY COUNCIL

July 27, 2021

---

### **In Attendance**

---

Council Chairman Chip Henderson called the meeting to order at 3:30 p.m. in the Assembly Room of the John P. Franklin, Sr. City Council Building. A quorum was present that included Vice-Chairman Ken Smith and Councilpersons Carol Berz, Anthony Byrd, Demetrus Coonrod, Raquetta Dotley, Isiah Hester, and Darrin Ledford. Councilwoman Jenny Hill was not present at this meeting. Others present were Emily O'Donnell, City Attorney, and Nicole Gwyn, Council Clerk.

---

### **Others in Attendance**

---

Mayor's Office: Brent Goldberg, Chief of Staff; Fire: Phil Hyman, Chief; Economic Development: Jermaine Freeman, Interim Deputy Administrator

---

### **Approval of Minutes**

---

**On motion of Vice-Chairman Smith** and seconded by Councilman Hester, the minutes of the last meeting (July 13, 2021) were approved as published.

---

### **Ordinances (Final Readings) - Agenda Item 5B, 5C, 5D, 5E, 5F, 5G & 5H**

---

These items had been discussed at previous open meetings. Upon no questions, the items were closed.

---

### **Ordinances (First Readings) - Agenda Item 6D**

---

Councilwoman Berz informed the Council that this item would be going forward after her meeting with the constituent. Upon no questions, the item was closed.

---

### **Ordinances (First Readings) – Agenda Item 6E**

---

Councilwoman Berz informed the Council that she will seek to table this item. Upon no questions, the item was closed.

---

### **Ordinances (First Readings) – Agenda Item 6F**

---

Councilman Ledford noted that this item would be discussed in Legislative Committee today. Therefore, this item was closed.

---

### **Resolutions – Agenda Item 7D**

---

Councilman Ledford asked Mr. Sammons to explain why rescinding the past resolution was needed for this current resolution. Upon no further questions, the issue was closed.

---

## **Purchasing Questions**

---

Councilman Ledford had questions about the Volkswagen fleet leasing, to which Mr. Goldberg responded.

Councilman Coonrod had questions about the priority of purchasing the cars. Mr. Goldberg responded on this as well.

---

## **Future Considerations**

---

There were no questions on these items under future consideration.

---

## **August 3<sup>rd</sup> Agenda**

---

There were no question; therefore, the issue was closed.

---

## **Other Business**

---

Councilwoman Berz informed the Council of her District 6 nomination to the Industrial Development Board. She asked Mr. Freeman to circulate the nominee's resume to the Council. With no objection from the Council, Chairman Henderson added the nomination to next week's agenda under the "Other Business" section.

---

## **Department Report: "Under the Hood" – Pt. 2**

---

Brent Goldberg made the "Under the Hood" presentation [*see attached*] that included information on the following:

- Pay Disparities and Service Impacts
- Fire Department & Service Impacts
- Police Department & Service Impacts
- Public Works – Service Impacts and Costs
- Next Steps

Chief Hyman responded on the salaries of fire fighters. Councilman Ledford made comments on the findings in the presentation. Discussion ensued with Mr. Goldberg on the following:

- Wage gap (Councilwoman Coonrod)
- People of Color (Councilwoman Coonrod)
- Pipeline for Families (Councilman Byrd)
- Services at Community Centers (Councilman Byrd)
- Gallagher pay study (Vice-Chairman Smith)

---

## **Adjournment**

---

There being no further business, Chairman Smith adjourned the meeting at 4:16 p.m.

*Attachment:  
Presentation – Under The Hood, Pt. 2*



# Under the Hood

---

Presentation to City Council  
July 27, 2021

Brent Goldberg  
Chief of Staff

# Pay disparities and service impacts

- The city's pay for frontline employees **significantly lags** pay for both the private sector and public sector employers in our region.
- Impacts
  - **Inability to hire** and retain employees
  - **Staff shortages** across the city
  - **Public Safety Strain** - Firefighter and police officer shortages
  - Public Works - **significant truck driver shortage**

# Pay disparities and service impacts

- **Consequences**
  - Equipment **sitting idle**
  - **Inability to serve residents** in a timely manner
    - Currently **over 4,000 open work orders**
  - Increased **employee burnout**
  - **Increased overtime** costs
- These trends are troubling and are **projected to get worse**

# Pay disparities and service impacts

- Comparing the city's salaries to the market's 50th percentile, the majority of city jobs studied are **significantly below** comparable market jobs, **ranging from 15% to 36% below market.**
- Examples:
  - Equipment Mechanic 1 is paid 20.5% below market rate
  - Electrician 1 is paid 15.8% below market rate
  - Equipment Operator 4 (CDL truck driver) is paid 34.84% below market rate

*Source: Arthur J. Gallagher & Co.*

# Fire Department

- The Chattanooga Fire Department starting salary of \$32,524 is roughly **25% below** market value, according to a Gallagher pay study commissioned by the city.
- **61% of resignations** from the department are **due to “pay,”** according to exit interviews.
- CFD’s attrition rate of 32% means that firefighters are **leaving faster than they can be hired**, and persistent vacancies have grown to 25 over the last few years.
- CFD’s application pool has **shrunk** to 166 in a recent round of hiring, down from 500 applications in previous years.
- **Overtime** in 2020 **increased** to \$52,100 from \$36,000 in 2017, a 45% rise.

# Fire Department - Service Impact

In order to maintain public safety, the Fire Department has a number of tools to deploy as staffing resources dwindle:

- **Suspension** of extended training activities
- **Suspension** of public engagement events
- **Cancellation of PTO**, voluntary and/or **mandatory overtime**
- If current trends continue unresolved, the Fire Department faces the prospect of **brownouts** – a brownout is when a fire station or fire crew is **shut down** on a temporary, rolling or permanent basis.
- CFD could see an impact to its **ISO rating** of 1, which is the highest rating.

# Police Department

- The Chattanooga Police Department starting salary of \$36,990 is roughly **25% below** market value, according to a Gallagher pay study commissioned by the city.
- For FY 2021, CPD has had **82** applicants for its academy, compared to **278** for FY 2020, and **710** for FY 2019, an **88%** decrease in two years.
- **Retirements** in 2021 are **up 50%** compared to 2020, with 50 additional officers eligible for retirement over the next year.
- **Overtime** in 2020 was **\$2.7 million** vs **\$1.3 million** in 2017, **more than double**.

# Police Department

- **Calls per officer are rising**, up to about **534 calls** answered per patrol officer per year. For comparison, Hamilton County Sheriff's Office answers about **352 calls** per patrol deputy, or **52% less calls**.
- Starting pay for a Chattanooga Police Officer is **\$2,108 lower** than starting pay for a **Hamilton County Sheriff's Deputy**, or **5.7% lower**.
- Starting pay for a Chattanooga Police Officer is **\$1,010 lower** than starting pay for a **Hamilton County Corrections Officer**, or **2.7% lower**.
- Increased workload and low pay leads to **additional attrition and churn**, as officers leave for other jobs faster than they can be replaced.

# Police Department - Service Impact

- Calls such as **burglaries, noise complaints, aggressive panhandling** and **vehicle wrecks** without injury would be handled by phone or not at all, as department focuses on Priority One calls.
- Increasingly **long response time** when residents dial 911.
- No or limited **special event coverage** (for events like Riverbend).
- Reallocation of investigators to fill patrol vacancies, **impacting case clearance rate**.
- No or limited additional training, **community outreach**, event attendance.

# Public Works

- City of Chattanooga starting pay for many jobs is \$12.60 per hour, compared to \$20 per hour for local manufacturers.
- Starting pay for **CDL truck drivers** is \$29,865, or 118% lower than starting pay for CDL truck drivers being recruited by local companies.
- Starting pay for mechanics at auto dealerships ranges from **\$25 to \$40** per hour, while the city pays a starting salary of **\$13.75**.
- Public Works has **job vacancies** that stretch back **more than two years** with no applicants. An expected wave of retirements could render the city unable to perform basic functions.
- Survey data shows that most qualified applicants **turn down city jobs** due to pay, leading the city to eventually hire **less-qualified applicants** who require far greater training time and managerial intervention.

# Public Works - Service Impact

- Public Works can currently only staff **one 12 hour shift** of drivers to apply salt and sand to primary streets in case of a storm, which could carry **life-safety and economic risks**.
- Chattanooga faces a **sharp reduction** in brush pickup, as well as **less-frequent recycling** pickup.
  - Curbside recycling is close to being suspended now due to lack of staff, in order to avoid impacting garbage pickup.
- **Decrease frequency of garbage pickup**, if staff shortage not addressed.
- For the month of June 2020, citywide services could only complete **74** open work orders, compared to **149** for the month of June 2019.

# Public Works - The cost

- **Overtime** for 2021 for **garbage and recycling** will cost \$264,000, compared to \$97,500 in 2017, **up more than 170%**.
- Total department overtime in 2020 was \$506,000, vs \$273,000 in 2017, **nearly double**.
- Excessive overtime leads to **burnout** and **churn**, further reducing our workforce.
- The **lack of skilled staff** across many positions is forcing the city to contract with the private sector at a significantly greater expense than it would cost to pay market rate salaries.
  - Example: The city could **save \$1.2 million annually** by filling industrial electrician positions at market rate **versus contracting** this work out.

## Next steps

- Update Gallagher Pay Study (General Pay Plan)
- Finalize Gallagher Pay Study (Sworn Pay Plans)
- Focus on funding and filling critical positions with life safety and quality of life impacts for city residents.
- Implement pay plan to increase city's ability to hire and retain qualified personnel – **essential pay for essential workers.**

# Under the Hood

---

Presentation to City Council  
July 27, 2021

Brent Goldberg  
Chief of Staff