



GLOUCESTER CITY COUNCIL CALENDAR OF BUSINESS
TUESDAY, January 24, 2023
6:00 PM
REMOTE MEETING
COUNCIL MEETING #2023-002

Consistent with chapter 107 of the Acts of 2022, this meeting will be conducted by remote participation. The public may not physically attend this meeting but every effort will be made to allow the public to view and listen to the meeting in real-time and participate when necessary.

Join from Computer, Smart Device: <https://gloucester-ma-gov.zoom.us/j/82848716723>

Join via Phone: 1-305-224-1968 or 1-309-205-3325

Meeting ID: 828 4871 6723

Please visit <http://gloucester-ma.gov/remote-public-meetings> for instructions and guidance on how to join a remote meeting

UNANIMOUS CONSENT CALENDAR

ACTION

• **INFORMATION ONLY**

1. Chapter 90 letter from Council President to increase Chapter 90 FY24 state funding and MMA 1/21/23 voted FY24 budget resolution

(Info Only)



**CITY of GLOUCESTER
CITY COUNCIL**
City Hall
9 Dale Avenue
Gloucester Massachusetts 01930

January 24, 2023

Gloucester City Council Members:

As elected officials, we are well aware that our local allocation of our states Chapter 90 funding, \$680,000 in FY23, provides half of what we need to maintain our city's 88.2 miles of municipal roads*. The state's Chapter 90 funding, according to a recent MMA update and echoed by Public Works Director Mike Hale, notes that construction inflation has increased by 65.7% since Chapter 90 was funded at \$200 million statewide in fiscal 2012, where it remains today. This funding provides for the repair and maintenance of 30,000 miles of local public roads throughout the Commonwealth.

From our city's perspective, Public Works Director, Mike Hale, has repeatedly told our city council that our city's allocation of Chapter 90 funding is only adequate to maintain our public roads on a 40-year schedule, as opposed to a 20-year necessary paving schedule. In FY23, our city was allocated 680K of Chapter 90. Mike Hale reported in the annual Chapter 90 MMA survey in December 2022, that 1 million in additional funding was needed for FY24, and that a total of 1.65 million +/- would allow the City of Gloucester a strong annual paving schedule that would address all public roads in Gloucester on a 20-year paving cycle. Once this Chapter 90 funding becomes adequate, according to our Public Works Director, our City Council and Administration would be in a position to more routinely accept qualified private ways to public roads, per the Gloucester Code of Ordinance Chapter 21, Article II, section 21-1.

On January 10, 2023, the Private Road Work Group, appointed by Mayor Verga, in a presentation to this Council, highlighted the importance for our Council to ***“collaborate with our state legislators to seek more Chapter 90 funding for public road repairs during the state's budget process.”***

The time is now.

Having recently attended the annual MMA Business Meeting on January 20 and 21st with Mayor Verga, Jill Cahill (CAO) and Councilor At Large Tony Gross, we had an opportunity to begin to

**Local mileage is gathered from Mass DOT Inventory file*

network with our other 350 municipal elected officials and colleagues about working together to advocate to increase Chapter 90 state funding in FY2024.

On day 1 of our MMA business meeting, Mayor Verga, Councilor Gross and I attended a workshop presented by the MA Highway Association titled, *“Private Roads: Political Nightmare, Legal Reality.”* It was attended by over 70 elected officials, mayors and town managers and Public Works Directors. Mike Hale, a board member of the Highway Association, served as a panelist along with another Public Works Director and an experienced private road repair attorney. During the question and answer, it was further evident that the lack of adequate Chapter 90 funding was affecting the public roads infrastructure of all 351 municipalities in MA. We discussed working together to more effectively lobby for increased Chapter 90 budgeting in FY24 and the years ahead. We were introduced to an MMA Legislative Analyst, Adrienne Nunez, and she stated that she was eager to help us work collaboratively amongst 351 municipalities to increase our FY24 Chapter 90 Funding.

At the annual business meeting on Saturday, 1/21/23, attended by elected officials from our 351 municipalities in MA, our MMA membership voted on the MMA proposed resolution for FY2024. It is enclosed for Council review. In the Area of Capital Budgeting, page 3 of 4, the proposed resolution for Chapter 90 was as follows:

*“The Governor and the Legislature should work together early in 2023 to secure enactment of a multi-year transportation bond bill that provides **at least \$300 million annually** for Chapter 90 local road projected, indexed to grow to match construction inflation, with a notice of allocations for fiscal 2024 by March 1, 2023, with authorization for the Complete Streets and small municipal budget programs provided as additional and separate allocations.”*

Prior to our 1/21/23 vote of the resolution, that was approved by the MMA Board of Directors in November 2022, with the consensus of Mayor Verga and supported by Mike Hale, I amended this Chapter 90 section of the resolution by deleting *<at least \$300 million annually>* and inserting *<at least \$400 million annually>*. Parliamentary procedure allowed me to present my argument to the MMA Board of Directors leading this business meeting. Although my proposed amendment was not approved by the Board of Directors, they DID agree that the adequate FY2024 number should be “at least \$400 million annually. However, they felt a \$100 million increase over the current \$200 million annually, was the appropriate decision for this year’s FY24 MMA resolution.

I would like to add, that in a recent document submitted to Governor Healey on 1/3/23, from Geoffrey Beckwith, MMA Executive Director and CEO, on this Chapter 90 topic, he stated, *“Construction inflation has increased by 65.7% since Chapter 90 was funding at \$200 million in fiscal 2012, where it remains today. This means that communities have lost \$131.4 million in purchasing power during this time, which is why we are asking that annual Chapter 90 aide be increased to at least **\$330 million** to offset this reduced support for local road systems.”*

Councilors, we have the lobbying momentum with the support of the membership of MMA, via our 1/21/23 voted resolution. Although the MMA Board did not accept our city’s amendment that the budget should be at least \$400 annually, our MMA BOD’s DID acknowledge, in their discussion, that the adequate Chapter 90 FY24 budget should be at least \$400 annually.

After a robust Chapter 90 conversation at the MMA meeting, we have renewed momentum! Without objection, I will request a meeting with Mayor Verga and his administration, Senator Tarr, and Representative Ann Margaret Ferrante to ask for their legislative support to advocate that that our FY24 state budget receives sufficient Chapter 90 funding in the range of at least 330 million as cited by Geoffrey Beckwith, MMA Executive Director and CEO, and ideally 400 million which our City Administration and Public Works Director believes is adequate for FY2024. Further, I will ask our local legislators for suggestions on best ways to escalate our city's Chapter 90 needs directly to Governor Healey and Lieutenant Governor Driscoll in the immediate future. Time is of the essence and I am confident that we all agree that our city's taxpayers deserve our Council's unwavering support to increase this Chapter 90 FY24 state budget line item.

Respectfully,

A handwritten signature in black ink, appearing to read "Valerie H. Gilman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Valerie H. Gilman
City Council President
Ward 4 City Councilor

CC: Mayor Greg Verga
Senator Bruce Tarr
Representative Ann-Margaret Ferrante



Proposed Resolution Supporting an Enduring Fiscal Partnership Between Cities and Towns and the Commonwealth in Fiscal 2024 and Beyond

Whereas, the well-being and success of the residents and businesses of the Commonwealth depends on the fiscal health of cities and towns and the ability of local government to provide efficient and progressive public services and adequately invest in reliable and resilient public infrastructure; and

Whereas, cities and towns are highly reliant on the tightly capped property tax to fund local budgets and capital programs, and this heavy reliance on the property tax severely limits the ability of cities and towns to respond to new challenges and opportunities, or implement necessary investments to benefit the public; and

Whereas, adequate and sustained state support for local public schools is essential for student success and the health of the Massachusetts economy; and

Whereas, the state’s charter school finance statute imposes significant financial and program challenges for public school districts, particularly in regions where there is a large concentration of charter schools; and

Whereas, state law limits the allowable growth in municipal revenues to a level that is far below the region’s rate of inflation, at a magnitude that is unprecedented during the Proposition 2½ era; and

Whereas, to avoid becoming overly reliant on the property tax and to ensure that municipalities have the fiscal capacity to deliver the high-quality municipal and school services that are essential to support local economies and families in every corner of the Commonwealth, it is imperative that cities and towns receive an adequate share of state revenues, have an effective and fair municipal tax system, have the tools necessary to plan for and fund long-term liabilities and make investments in people and capital, and receive full funding for any new or existing state mandates;

Therefore, it is hereby resolved that the members of the Massachusetts Municipal Association support the following essential policy positions to ensure a strong partnership between cities and towns and the Commonwealth in fiscal 2024 and beyond:

In the Area of Municipal and School Aid

- In fiscal 2024, unrestricted municipal aid should grow by at least the same rate as the growth in state tax collections based on the revenue projections in place when the state’s annual budgets

are enacted and signed into law, and be distributed without earmarks, conditions or restrictions to all cities and towns, so that local officials and residents can adequately fund public safety, public works and all basic municipal and school services while avoiding overreliance on the property tax;

- All State Lottery proceeds, and the revenue from expanded gaming that is statutorily dedicated to pay for municipal services, should be used to help fund unrestricted municipal aid;

- Chapter 70 school aid should be increased in fiscal 2024 consistent with the Commonwealth's constitutional obligation to ensure adequate funding in all schools, at a minimum following the updated spending standard and original phase-in schedule adopted in the 2019 Student Opportunity Act, with each city, town and school district receiving a minimum increase of \$100 per student;

- The governor and the Legislature should review the calculation of the required local contribution under Chapter 70, including the "target local share," and adopt changes to mitigate reliance on the property tax to fund local schools, and should review and address fiscal challenges facing rural schools;

- The governor and the Legislature should amend charter school finance law, consistent with MMA legislation, to bring transparency and accountability to the law by limiting charter school tuition assessments placed on local government and providing a means for direct state appropriation of additional tuition payments to charter schools, funded in the state budget;

- Pending passage of charter school finance reform legislation, the full amount of the schedule in the Student Opportunity Act to fund charter school mitigation payments should be appropriated for fiscal 2024 and so that each district is reimbursed in full according to the schedule in the Student Opportunity Act;

- Full funding of the Commonwealth's commitments to the Special Education Circuit Breaker Program, as provided by state law, should be appropriated, adhering to the funding timeline outlined in the Student Opportunity Act;

- Full funding of the Commonwealth's obligations to the program for payments-in-lieu-of-taxes for state-owned land, as provided by state law and including a hold-harmless provision, should be included in the fiscal 2024 budget;

- Full funding of the Commonwealth's obligations to reimburse the costs of regional school transportation, regular school transportation, out-of-district vocational education and the transportation of homeless students under the McKinney-Vento unfunded mandate, should be included in the fiscal 2024 budget;

- Full funding of the Commonwealth's obligations and commitments to Chapter 40S "smart growth" reimbursements, regional and municipal libraries, anti-gang grants, innovation and

regionalization grants, and other effective municipal and school aid programs should be included in the fiscal 2024 budget; and

In the Area of Capital Budgeting

• The governor and the Legislature should work together early in 2023 to ensure enactment of a multi-year transportation bond bill that provides at least \$300 million annually for Chapter 90 local road projects, indexed to grow to match construction inflation, with a notice of allocations for fiscal 2024 by March 1, 2023, with authorizations for the Complete Streets and small municipal bridge programs provided as additional and separate allocations;

• The governor and the Legislature should strengthen the Massachusetts School Building Authority and Massachusetts Board of Library Commissioners grants by adjusting reimbursements to reflect the actual costs of construction;

• The state's fiscal 2024 capital plan should include funding for the MassWorks program to help pay for local economic development projects, including housing, development and road safety programs;

• The state's fiscal 2024 capital plan should include additional funding for water infrastructure projects, including basic drinking water capital and water contamination mitigation (PFAS), wastewater capital and Combined Sewer Overflow mitigation, and stormwater management;

• The governor and the Legislature should support programs in the fiscal 2024 state budget and capital plan to help cities and towns assess and respond to challenges related to climate change, including the Municipal Vulnerability Preparedness program, Coastal Resilience Grant Program, Green Communities Program, GreenWorks and others;

• The governor and the Legislature should continue to make the installation of high-speed internet access in unserved and under-served cities and towns a high priority;

• The governor and the Legislature should deploy federal American Rescue Plan Act funding for water, sewer, environmental, broadband, and housing infrastructure in a timely manner so that communities can leverage these funds to address critical local needs;

• The governor and the Legislature should work with cities and towns to identify the scope of investment needed to ensure that municipal information technology systems are modernized and resilient from cyberattacks, and enact a state funding mechanism and program to provide the resources needed to implement these investments across the state;

• The governor and the Legislature should work with cities and towns to identify the scope of investment needed to ensure that municipal buildings critical to the delivery of essential public services are safe and modern, and enact a state funding mechanism and program to provide the resources needed to implement these improvements across the state; and

In the Area of Local Taxing Authority and Other Revenues

- Cities and towns should be granted new local-option flexibility to adopt local taxes and other revenues to help pay for municipal and school services and the construction and maintenance of local capital projects;
- Cities and towns should be granted increased local-option flexibility to implement targeted property tax relief programs including for seniors and low-income homeowners, and to adjust the relative property tax burden for residential and commercial and industrial properties; and

In the Area of Long-Term Liabilities and Sustainability

- In order to allow cities and towns to manage current costs and ensure fiscal sustainability over the long term, the Legislature, the governor and state agencies should determine, report and review the actuarial liability of post-employment benefits for public employees and undertake a comprehensive reform of the laws and practices related to post-employment benefits for public employees, with an immediate focus on Other Post-Employment Benefit (OPEB) liabilities related to health insurance for retired public employees. Reform should include ways to manage liabilities and finance benefits, and should not impose any new unfunded mandates or preempt any existing decision-making authority that cities and towns currently use to manage their OPEB liability;
- The governor and the Legislature should determine and report the long-term cost to cities and towns as part of the evaluation of all legislative proposals to amend public employee benefit programs, and no legislation to expand benefits should be acted upon until this cost analysis is complete and made public; and

In the Area of Timely Notice of Local Aid for Good Planning and Implementation

- To ensure orderly and efficient financial planning at the local level and implementation of balanced and adequate local operating and capital budgets, the governor and the Legislature should reach early agreement on unrestricted municipal aid and Chapter 70 school aid and local contribution amounts so that a consensus local aid resolution can be approved and reliable Cherry Sheets can be released by March 1; and

It is further resolved that a copy of these resolutions shall be provided to the Governor and Members of the General Court of the Commonwealth.