

City and Borough of Juneau City & Borough Manager's Office 155 Heritage Way Juneau, Alaska 99801

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TO: Mayor Weldon and Borough Assembly

DATE: February 27, 2025

FROM: Katie Koester, City Manager

RE: Memorandum of Understanding for Riverfront Property Owners

The purpose of this memo is to provide the Assembly and the public with a copy of the Notice to Property Owners and Memorandum of Understanding (MOU) we will be sending riverfront property owners who will have HESCO barriers installed on their property. The last time you saw a <u>draft MOU</u> was at the October 21, 2024 meeting. Many things have evolved since then, chiefly among them approval of a Local Improvement District as a mechanism to pay for the installation of the barriers.

The main difference between the October draft and the copy before you today is the majority of the document is framed as a Notice to Property Owners. The Notice to Property Owners clearly outlines CBJ obligations, such as maintaining and removing the barriers, and our ask of property owners for things like notifying us when a barrier is damaged and requesting them to not alter the barriers. Any unique circumstances that need to be documented, or arrangements that need to be made, can be cared for in the accompanying Memorandum of Understanding.

CBJ staff has had questions from riverfront property owners about how they will be able to engage in negotiating terms and conditions of the MOU. For example, people would like compensation for allowing the barriers on their property and/or a shorter term. These items are not up for negotiation; however, we will make every effort to accommodate unique circumstances homeowners have.

CBJ will send a copy of the Notice to Property Owners and the Memorandum of Understanding to all property owners. Project managers in the field will have copies of the MOU and will work with property owners to document their unique circumstances and conditions. Inquiries about the Notice to Property Owners should be directed to Engineering and Public Works Director Koch.

Project Update. This is an opportune moment to give you an update on the project. The HESCO barriers are on their way and should get here by the end of March. The HESCO barriers, materials and shipping have a combined value of \$2.4M that is essentially an in-kind contribution from USACE to Juneau. CBJ Engineering also had their first meeting with contractors who will be doing the site preparation and installation. We have brought 4 different contractors on board so we can move swiftly. Property owners can expect to see project managers walking the river on Tuesday with contractors. We have also had the opportunity to run hydrological modeling on the alignment and the modeling is showing that the barriers behaving and protect the neighborhoods.

Funding. You have a Resolution tonight authorizing CBJ to apply for a DEC loan for the project that is 50% forgivable. The Assembly does not have to make decisions on how to distribute the forgiveness now; the assessments will go out on property owners on their property tax bills in September.

As of the drafting of this memo we are still waiting for word from USACE on whether the funding included in the American Recovery Act has been selected by the current Administration for the 2025 USACE work plan. I hope to have a verbal update for you on Monday.

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