

Presented by: The Manager
Introduced: 11/18/2024
Drafted by: E. Wright

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2024-40(am)

An Ordinance Creating a Local Improvement District No. 210 HESCO Barrier Project Phase 1 and Appropriating the Sum of up to \$7,830,000.

WHEREAS, due to the unique geographic topography of the Mendenhall Valley and the ongoing recession of the Mendenhall Glacier, the Juneau valley is threatened by annual glacial outburst floods (also known as jökulhlaups) from a side basin (Suicide Basin or K'óox K̄aadí Basin) of the Mendenhall Glacier above Juneau, Alaska; and

WHEREAS, jökulhlaups have taken place since at least 2011 on an annual basis, with the last two years resulting in significant damage to homes and infrastructure in the Mendenhall Valley; and

WHEREAS, the Assembly declared a Local Emergency in August 2024 due to the glacier outburst flood in which hundreds of homes were severely impacted by flooding, including homes outside anticipated flood areas; hundreds of vehicles were flooded; there were countless hazardous material spills causing portions of the Mendenhall River and floodwaters to smell like petroleum; 43 people sought refuge in an emergency shelter and countless others evacuated to other locations; public utilities and infrastructure were severely damaged; and emergency response costs were significant; and

WHEREAS, the flooding in 2024 reached a peak flood stage of 15.99 feet, a record for the largest flood in the river's tracked history; and

WHEREAS, local, state, and federal emergency declarations were issued following the 2024 jökulhlaup; and

WHEREAS, the City and Borough has appropriated funds for expanded inundation maps and hydrological modeling of the Mendenhall River and local matching funds for the US Army Corps of Engineers (USACE) glacier outburst flooding investigation study, and has executed an agreement with the USACE for advance measure assistance in the form of sandbags and HESCO barriers; and

WHEREAS, the Assembly intends to make a local improvement at the expense of the owners of the property specially benefitted; and

WHEREAS, the Assembly finds that each lot in the proposed local improvement district shall be equally benefitted by the assessment; and

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2 WHEREAS, the Assembly finds that the completion of bank stabilization improvements
3 and the placement of HESCO barriers along the riverbank properties will provide advanced
4 flood fighting which will benefit the entire local improvement district; and

5 WHEREAS, the Assembly finds that absent this work, the homes in the Juneau valley
6 may suffer irreparable damage due to the jökulhlaups; and

7 WHEREAS, the Assembly finds that while the USACE has committed to studying
8 mitigation options which may be placed on federal land, the sole immediate protection available
9 to homes in the Mendenhall Valley are the HESCO barriers.

10 BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

11 **Section 1. Classification.** This ordinance is a noncode ordinance.

12 **Section 2. Public Interest Finding.** The Assembly of the City and Borough of
13 Juneau, having considered all material factors, including the deterrence to property
14 development, maintenance of property values, health, safety, and welfare of the property
15 owners in the proposed local improvement district, finds that the formation of a local
16 improvement district covering property described in Exhibit “A” attached to this ordinance, is in
17 the public interest.

18 **Section 3. Creation and Boundaries.** Pursuant to CBJC 15.10.100, there is created
19 Local Improvement District No. 210 (hereinafter “LID No. 210”). The boundaries of LID No. 210
20 are shown in Exhibit “A” attached to this ordinance and made a part hereof.

21 **Section 4. Improvements to Be Constructed.** The improvements to be constructed
22 consist of Phase 1 riverbank improvements, shoreline protection, and the placement of HESCO
23 barriers along the Mendenhall River for the benefiting properties included in the LID.

24 The riverbank armoring will include supplementing existing or installing new armoring
25 to fortify the riverbank for the installation of the HESCO Barriers. Armoring will be
undertaken upon consultation with the USACE and City and Borough Engineering department.
Due to the unpredictable hydrological forces at play during jökulhlaups, the bank stability may
remain variable and unknown despite best efforts.

The riverbank preparation will involve any necessary preparation and clearing of the
land adjacent to the river for placement of the HESCO barriers. This preparation may include
the removal of earthen and non-earthen materials and the removal of any barriers or
obstructions.

Section 5. Estimated Cost. The estimated cost of Phase 1 is up to \$7,830,000, which
includes the costs to be borne by the City and Borough. The estimated cost of Phase 1 to be
funded by the City and Borough is up to \$4,698,000 and the estimated cost to the owners of
property specially benefitted is up to \$3,132,000. Any costs over the \$7,830,000 will be borne by
the City and Borough, subject to Assembly appropriation.

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3 **Section 6. Method of Apportioning Costs.** Costs to be borne will be divided 40%/60%
4 between the properties specially benefitted within the LID boundaries and the City and
5 Borough. The properties specially benefitted within the LID boundaries shall be assessed up to
6 \$3,132,000 equally apportioned between all homes. The City and Borough is responsible for up
7 to \$4,698,000. The total project cost for Phase 1 is up to \$7,830,000. Because the City and
8 Borough will be absorbing a large portion of the costs, and as the property owners' contribution
9 is capped at a value that is lower than could properly be assessed against the properties
10 otherwise, equal apportionment among each homeowner is warranted. Exhibit "B" setting forth
11 the assessment of each property specially benefitted is attached to this ordinance and made a
12 part hereof.

13 **Section 7. Method of Apportioning Costs, Riverbank Homes.** In addition to any
14 cost apportioned under Section 6 above, riverbank property owners identified in Exhibit "C,"
15 attached to this ordinance and made a part hereof, may be individually assessed an amount up
16 to \$50,000 for armoring necessary for the placement of the HESCO barriers. Property owners
17 will be notified of the additional assessment prior to any work taking place; property owners
18 may elect to complete work on their own, subject to required project completion dates.

19 **Section 8. Reserve funds.** \$500,000 in reserve funds will be placed in an account to be
20 used upon the removal of the HESCO barrier to rebuild any appurtenance removed by the City
21 and Borough on riverbank properties. Riverbank property owners may apply for reimbursement
22 of up to \$25,000 for necessary rebuilds. Applications must be approved by the Manager's office
23 prior to the expenditure of funds.

24 **Section 9. Appropriation.** There is appropriated to the Manager the sum of
25 \$7,580,000 for Phase 1 Riverbank Stabilization and HESCO Barrier Project along the
Mendenhall River.

Section 10. Source of Funds. The Phase 1 project costs to be met from the
assessments against the properties specially benefitted is up to \$3,132,000. The Phase 1 project
costs to be met by the City and Borough is up to \$4,698,000. The funding source for the costs to
be borne by benefited properties is a Central Treasury Loan. The funding source for costs to be
met by the City and Borough of Juneau are \$2,000,000, which has already been appropriated
from the Restricted Budget Reserve, with the remainder to be appropriated from the general
fund. The funds appropriated are exempt from the requirement that loans be for "the purpose of
capital acquisition" under CBJC 57.05.045(a). The funds appropriated are exempt from the
requirement that the loan term "shall not exceed five years" under CBJC 57.05.054(b). A
repayment plan will be established by the City and Borough. The properties specially benefitted
will have up to 10 years for repayment of funds at a 4.78 percent interest rate. Homes bearing
the additional assessment under Section 7 will have up to 30 years for repayment of the
additional assessment at a 4.78 percent interest rate.

Section 11. Direction That Work Be Done. The Manager is hereby ordered to do or
cause to be done all things necessary and useful to plan, acquire, construct, and install the
improvements described in Section 4.

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Section 12. Authorization to Enter Land. The Assembly is empowered to enact all reasonable and necessary emergency orders to protect the health, safety, or welfare of the residents of the City and Borough. The Manager is authorized under the City and Borough Charter 03.25, Alaska Statute 26.23.190, and Resolution 3073, to enter private property to complete the riverbank stabilization and HESCO barrier project in order to alleviate or prevent disaster and safeguard the property and occupants of all benefited homes in the Mendenhall Valley.

Section 13. Authorization to Acquire Land. The Manager is hereby authorized to acquire, in the name of the City and Borough, any lands or rights in land necessary or useful for the project.

Section 14. Finding of Special Benefit. The Assembly of the City and Borough of Juneau hereby finds that the property within LID No. 210 described in Exhibits “A”, “B”, and “C” will be specially benefitted by the improvement and each lot or tract within such district will be specially benefitted.

Section 15. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this _____ day of _____, 2024.

Beth Weldon, Mayor

Attest:

Beth McEwen, Municipal Clerk