

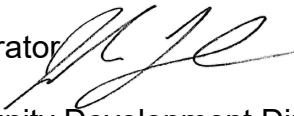


CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator 

From: Amy Ainslie, Planning & Community Development Director 

Date: October 6, 2025

Subject: Cooperative Resource Management Agreement (CRMA) for Baranof Warm Springs

Background

The recreational areas at Baranof Warm Springs (BWS) are under the joint jurisdiction of the City and Borough of Sitka (CBS - dock, bathhouse, boardwalk) and State of Alaska Department of Natural Resources (DNR – tidelands, Baranof Lake Trail, the “grotto”). It is also notable that there are US Forest Service owned/managed lands in the immediate area including Baranof Lake (though not the subject of this agreement).

The State established the Special Use Designation (SUD) for the Baranof Lake Trail serialized under ADL 106378, on June 26, 1997. This SUD requires “regulating commercial guiding activities in this intensive use area by requiring any, or combinations of, the following: Land Use Permits, Leases, User Fees, Access Restrictions, etc.” for all state uplands within 30 feet each side of the centerline of the existing Baranof Lake Trail as shown in Attachment A of the draft agreement.

Additionally, the Department of Transportation and Public Facilities (DOT&PF) constructed the dock in Warm Springs Bay, authorized by the State in an Interagency Land Management Assignment (ILMA), serialized under ADL 108337. In 2017, DOT&PF transferred ownership of the dock to CBS. The ILMA was not transferred to CBS, so the State closed DOT&PF’s ILMA on May 13, 2025, which has resulted in an unauthorized dock on State land.

The proposed Cooperative Resource Management Agreement (CRMA) between CBS and DNR for Baranof Warm Springs aims to:

- Give CBS management authority for commercial recreation on the Baranof Lake Trail, eliminating the time and cost for operators associated with having to obtain

- permits from both agencies.
- Provide authorization for the dock to remain on DNR tidelands.

The Parks & Recreation Committee will also review the draft CRMA on October 14th. A copy of the draft CRMA, along with public comment opportunities, was sent to several Baranof Property Owners Association (BPOA) members on 9/30 and to all current commercial recreation permit holders and stakeholders on 10/1.

Analysis

While the authorization for the dock at BWS is fairly straightforward and largely administrative in nature, the transfer of management responsibility for commercial recreational land use at BWS has a larger impact on commercial operators in the area. As described in the fiscal note below, the acceptance of this CRMA decreases costs for operators using the area by eliminating the costs of DNR's land use permitting in this area. It also decreases the time/process for application, and administrative burden on both agencies (DNR intaking permits, and for CBS in needing to validate permit information/applications between both agencies).

The agreement also empowers, but does not require, CBS to undertake maintenance/improvements on Baranof Lake Trail. Notably, it does not:

- Convey ownership of any lands
- Obligate expenditure of funds or future payments of money
- Transfer ownership/management of any water rights or water lines at BWS

Fiscal Note

According to DNR, their commercial recreational land use permits have a \$400 application fee, a \$1200 annual fee, and a \$4/guest fee. While the subject of a future Assembly decision, CBS's draft Commercial Recreational Land Use Plan for 2026 includes a fee increase for use of BWS (\$400 annual fee and \$10/guest fee). By eliminating the need for a DNR permit and associated expenses, the cost to operators is still higher than the status quo under CBS's proposed fees, but reduces what would be a more significant increase when taking both permit fees into account. By capturing more fees under CBS's permit, the funds raised from these permits would be subject to more local control that could benefit the area, and contribute to ongoing costs CBS incurs for maintenance in this area (which at a minimum now is \$16,600/year under the BPOA caretaker agreement).

Recommendation

Approve the CRMA between CBS and DNR for Baranof Warm Springs.

Encl: Draft CRMA for BWS
BWS Area Map