



Willamette Partnership

2010 Annual Report





From the Executive Director and Board President

In a lot of ways, 2010 seemed like a runner bending knees deeply into some starting blocks to leap forward. The Partnership completed a new strategic plan outlining initiatives to:

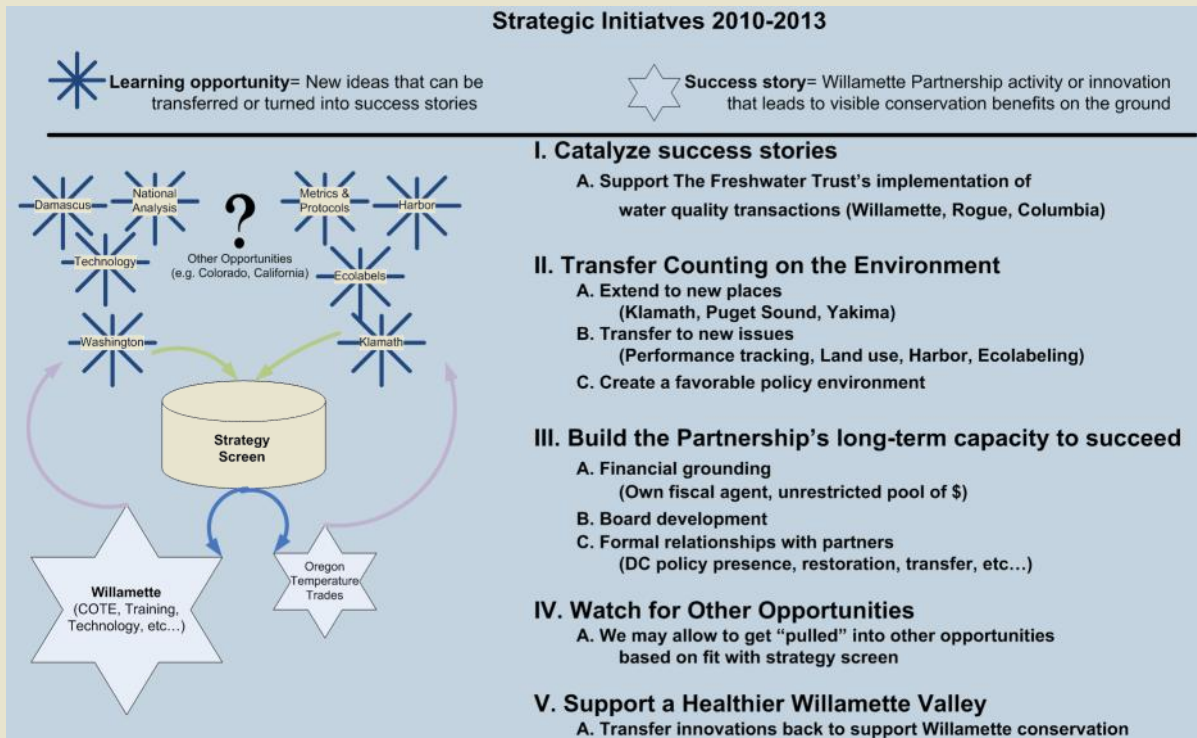
- Catalyze conservation success stories;
- Transfer our Counting on the Environment experiences to new issues and geography;
- Support a healthier Willamette Valley;
- Build the Partnership’s long-term capacity to succeed; and
- Keeping an eye out for opportunities.

We were joined by new staff Carrie Sanneman and Harmony Burright and new Board members Jane Bacchieri, Joe Bowersox, Jim Lanzarotta, Tom Puttman and Dan Vizzini to help us with that leap forward. You’ll see in the pages that follow that the Willamette Partnership and its network are poised to accomplish great things. We look forward to reporting back next year in terms of millions invested in restoration, landowners engaged in conservation, and improving policy around the Northwest and elsewhere. As always, our work is a product of many organizations and people pushing to expand the pace, scope, and effectiveness of conservation. Thank you

Bill Gaffi
President



Bobby Cochran
Executive Director



Board of Directors



Bill Gaffi - President

General Manager of Clean Water Services

Jim Lanzarotta

Moss Adams LLP

John Miller - Vice-President

President of Wildwood, Inc.

Tom Lindley

Perkins Coie LLP

Sara Vickerman - Secretary

Defenders of Wildlife

Chris Mercier

Confederated Tribes of the Grand Ronde

John McDonald - Treasurer

Tualatin Soil and Water Conservation District

Tom Puttman

Puttman Infrastructure

Jane Bacchieri

Portland Bureau of Environmental Services

Liz Redon

North Santiam Watershed Council

Joe Bowersox

Willamette University

Dan Vizzini

Portland Bureau of Environmental Services

Jim Irvine

The Conifer Group

Duncan Wyse

Oregon Business Council

Welcome new Partnership staff

Carrie Sanneman



Carrie is the Partnership's go-to on market activity - managing the Ecosystem Crediting Platform, integrating new metrics, and guiding partners through market protocols. Carrie holds an interdisciplinary Master's degree in

Environmental Science and Management from UCSB's Bren School and is excited to be part of management processes that incorporate science, integrate stakeholders and work across boundaries to solve complex environmental problems. Out of the office, Carrie enjoys having far too many hobbies and getting away

Harmony Burright



Harmony is working on strategies to merge the standards and protocols for eco-labels, ecosystem markets and regulatory acknowledgement. She is also a Master's student in the Water Resources Policy and Management at Oregon State University (OSU) and splits her time between Portland and Corvallis. Her Master's thesis will look specifically at how Farm Bill programs support landscape-scale conservation. Harmony sails on the mighty Columbia when the wind kicks up and has dreams of playing her guitar in a crowded coffee shop.



Ecosystem Markets



The Willamette Partnership's approach to ecosystem markets (collectively called Counting on the Environment) has been recognized nationally as a model for A) how to design ecosystem markets linked to broader conservation strategies, and increasingly B) a way to move toward more outcome-based conservation investments. From involving stakeholders to running a verification program, Willamette Partnership is shaping how ecosystem markets and other ecosystem service payments programs are designed throughout the US.

New Metrics: Building on existing metrics for upland prairie habitat, wetlands, salmon habitat, and water temperature, we currently have 4 new metrics on their way into the suite approved for use:

- Oak, floodplain, and sagebrush habitat metrics have been built by Defenders of Wildlife and Paul Adamus with guidance by expert groups for each habitat type. When complete in Spring 2012, these metrics will be folded into the Counting on the Environment standards.
- In September 2011, Oregon DEQ approved the [Nutrient Tracking Tool](#) for use in water quality trading. The Tool allows land managers to quantify reductions in nitrogen, phosphorus, and sediment resulting from on-farm practices and restoration activities. Nutrient Tracking Tool can also help groups like USDA or Oregon Watershed Enhancement Board quantify the water quality improvements from the projects they fund.
- The EPA's Wetland Development Grant Program has funded the Willamette Partnership to develop a functions-based program for conservation and mitigation of Oregon's wetlands and streams. Over the next three years, we'll work with the Wetlands Conservancy, Oregon Dept. Of State Lands, EPA and the Army Corps to develop a tested, watershed-based approach to mitigation that treats all waters of the state consistently.



Training: As ecosystem markets become more established, the need for trained conservation professionals conversant in the Counting on the Environment metrics and protocols increases. In Summer 2011, the Willamette Partnership accredited nine conservation professionals as verifiers for the Counting on the Environment standards. The seven-day program included an overview of markets, functional assessments of wetlands, salmon, water quality for temperature and prairie, and verification standards. If you are interested in participating in the 2012 program, please contact Joni at eltetoj@willamettepartnership.org, sign up for our newsletter [WP News](#) or call (503) 681-5112.

Research: The Willamette Partnership is part of a National Science Foundation-funded team with Portland State, Oregon State, and Stanford Universities exploring the relationship between anticipated changes in land use and climate change and the provision of ecosystem services over a 50-year time horizon in the lower Willamette Valley. The project will use the Counting on the Environment calculators as one of the tools to quantify ecosystem services.

Policy: In April 2011, we completed [Measuring Up](#), a national assessment of how environmental markets and other incentive programs measure the biodiversity benefits of restoration. The publication will form part of emerging guidance from USDA's Office of Environmental Markets on biodiversity incentive programs.

Technical Development: We launched the web-based Ecosystem Crediting Platform in June 2011 (<http://willamettepartnership.ecosystemcredits.org/>). The system manages workflow for ecosystem markets, and was built for easy adaption to other geographies. The website allows people to map their projects, upload credit calculation data, and ease verification and registration of credits. Versions are live for both Counting on the Environment and Chesapeake Bay Bank.





Counting on the Environment Extension

Willamette Partnership's Extension program is about addressing environmental challenges in new geographies and new issues areas. We're working toward a regional network of environmental markets that use shared market protocols and tools. Over the last year, we've made major progress extending our market-based approaches to conservation into four Pacific Northwest watersheds:

- Klamath - Helped stakeholders develop a draft trading protocol and draft protocol handbook.
- Rogue - Supported the completion of a contract between the City of Medford and The Freshwater Trust to create thermal load reductions using Counting on the Environment protocols and tools.
- Yakima – Held 2 training workshops for staff from Yakima Clean Water Partnership and Washington Dept. of Ecology to learn about Counting on the Environment protocols and tools.
- Nooksak – Presented a credit calculation and mock transaction on the Double Ditch restoration project to encourage and inform a developing market-based program.

Looking forward, we hope to extend even further. This year Willamette Partnership and its partners received grants to push our Extension program forward in 3 major ways:

- \$1 million from the US Forest Service will let us validate, verify, register and purchase temperature reductions created by The Freshwater Trust in watersheds throughout the state and help stakeholders throughout the region design local markets using the Counting on the Environment standards.
- \$1 million from the NRCS Conservation Innovations Grant Program to work with The Freshwater Trust on building, adjusting and greasing the mechanisms through which ecosystem service markets function and then wrapping them up into a complete, scalable and replicable package that can be rapidly implemented in watersheds across the Pacific Northwest and throughout the country.
- \$68,000 from an NRCS Oregon Conservation Innovation Grant to work with Salmon-Safe on merging eco-labels, ecosystem markets and the regulatory assurances for landowners who protect habitat for threatened and endangered species. We want to layer up incentives for everyone doing good things for the environment.



Opportunities/Education



Willamette Partnership is proud to be the fiscal sponsor of *Honoring Our Rivers*, which is a creative project between myriad partners to collect and publish writing and artwork in an anthology that explores and celebrates the relationship between Oregon residents and their watersheds. This program is particularly geared towards engaging youth by 1) educating students about the challenges facing the health of Oregon's watersheds, and 2) inspiring students to reflect upon their connection and impact on their native environment through words and artwork. Each year, a panel of judges – made up of educators, river advocates and published authors – select the most whimsical, charming and thought provoking submissions to be published in the anthology alongside notable individuals such as Ursula LeGuin, Barry Lopez and Kathleen Dean-Moore. The writing and artwork selected for publication are made accessible to the broader community through a published anthology and scheduled community events, such as public readings and art displays. *Honoring Our Rivers* is celebrating its eleventh year in publication and enjoyed the following accomplishments in 2011:

- **37 schools** participated in *Honoring Our Rivers*
- **3,000 anthologies** were published (with over 2700 distributed)
- **Two reading events** were held at Powell's City of Books and Pringle Creek Community
- **One art exhibition** was held at Painters Hall, Pringle Creek Community
- Honoring Our Rivers participants contributed to the **Pringle Creek Restoration project** where they helped to remove blackberry and other invasive species



The submission deadline for the 2012 anthology is January 31, 2012.

You can check out all of the past anthologies and find an entry form by visiting the website at <http://www.honoringourriver.org/>.





A special thanks to our grantors and partners



USDA Forest Service
 Natural Resources Conservation Service
 US Environmental Protection Agency
 Clean Water Services
 Perkins Coie LLP
 University of Maryland/Office of Environmental Markets
 Bullitt Foundation
 Meyer Memorial Trust
 Northwest Natural Resource Group
 Oregon Governor's Fund for the Environment
 Portland State University
 Nation Fish and Wildlife Foundation
 Oregon Department of Transportation

Coordinating Team

Team members who help guide the Counting on the Environment process

- Clean Water Services
- Institute for Natural Resources
- National Marine Fisheries Service
- Natural Resources Conservation Service
- Oregon Department of Environmental Quality
- Oregon Department of Fish and Wildlife
- Oregon Department of State Lands
- Oregon Department of Transportation
- Oregon Watershed Enhancement Board
- The Freshwater Trust
- The Nature Conservancy
- USDA Forest Service
- U.S. Fish and Wildlife Service
- U.S. Army Corps of engineers
- U.S. Environmental Protection Agency

Financials



Statement of Activities

Years ended June 30, 2011

Grant revenue

Federal	\$	182,527
Other grants		207,671
Contributions/donations		12,012
In-kind		14,603

Total contributions & revenue **416,813**

Expenses

Programs

Ecosystem markets	230,485
Counting on the Environment extension	165,952
Opportunities/education	13,426
Management and general	7,687

Total expenses **417,549**

Change in net assets **(737)**

Net assets - beginning of the year **86,559**

Net assets - end of year **\$ 85,822**

Statement of Financial Position

For years ended June 30, 2011

Assets

Cash	\$	26,225
Temporarily restricted		67,136

Total Assets **93,361**

Liabilities

Accounts payable	7,539
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Total Liabilities **7,539**

Net Assets

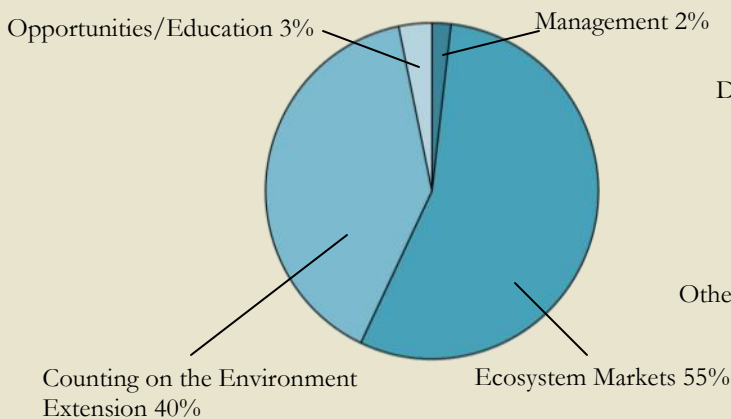
Unrestricted	26,225
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Temporarily restricted	59,597
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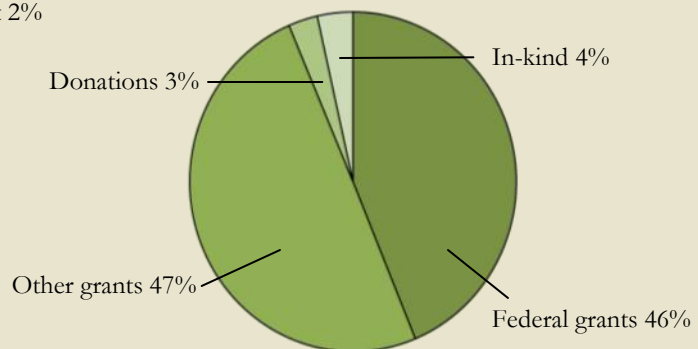
Total net assets **\$ 85,822**

Total liabilities and net assets **\$ 93,361**

Expenses



Revenue



The financial reports above are a consolidation of funds received by Willamette Partnership and Clean Water Services, our fiscal agent, on behalf of Willamette Partnership. Clean Water Services underwent an independent audit and received an unqualified opinion for financial statements ending June 30, 2011



Increasing the pace, scope, and effectiveness of conservation
in the Willamette Basin and beyond.

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www.willamettepartnership.org

