

The Bay Institute

2002 Annual Report



Cargill and Beyond

The news pouring in through the media's floodgates has been disconcerting of late. Not only because of the conflict in Iraq, but because of the war on the environment led by the current administration in Washington.

What else can we make of the regulatory rollbacks and ceaseless attempts to weaken hard-won environmental laws, already considered minimally protective by most conservationists of the nation's forests, endangered watersheds, wetlands and the quality of our air and water?



Photo John Parodi

TBI Board and staff on tour of Napa-Sonoma Marsh Restoration Project.

These issues greatly concern The Bay Institute (TBI). But we do take great consolation in the knowledge that TBI, despite the vast environmental challenges of the day, continues to forge ahead in its mission to restore the damaged ecosystems of the San Francisco Bay, the Delta and their tributaries.

This is being accomplished through our efforts to develop a Scorecard to track and measure the health of the Estuary; our San Pablo Bay Wetlands Restoration Program; our involvement in the Cargill salt pond restoration; our work to restore the San Joaquin River through our Rivers and Delta Program; and STRAW (Students and Teachers Restoring A Watershed), TBI's successful watershed restoration education program for students and teachers.

Please join us in keeping the faith. We will prevail.

Yours,

Robert J. Erickson

Chairman
Board of Directors
The Bay Institute



TBI Programs in 2002

RIVERS AND DELTA PROGRAM

The Bay Institute's Rivers and Delta Program employs scientific and policy expertise to promote comprehensive approaches to protecting and restoring the Bay-Delta estuary's ecological values and wide-ranging reforms in how California's water resources are managed. It builds on TBI's original emphasis on securing increased freshwater flows to improve Bay habitat and water quality.

Ecological Scorecard

Rivers and Delta Program staff worked on the first comprehensive assessment of ecological conditions and stewardship in the Bay-Delta estuary, using a set of eight multi-metric indexes that measure the status of biotic resources, ecosystem quality, and human management. A prototype version, covering the Bay portion of the estuary, was unveiled in fall 2002; the final Bay Scorecard will be formally released in fall 2003.

San Joaquin River Restoration Initiative

TBI provides technical and policy leadership, in collaboration with the Natural Resources Defense Council, to the coalition of environmental and fishing organizations working to restore flows and fisheries to the San Joaquin River below Friant Dam. In 2002, Rivers and Delta Program staff oversaw the completion of and provided extensive technical guidance to a two year study of potential sources of water to support river restoration: staff scientists also helped to design and manage the development of specific strategies to restore salmon and steelhead. TBI was also a lead negotiator in the attempt by the federal appellate court mediator to identify a settlement of the environmental coalition lawsuit against Friant Dam's operators and water users.

In addition to the Ecological Scorecard and San Joaquin River Restoration initiatives, Rivers and Delta Program staff worked in 2002 to establish environmental water acquisition and habitat restoration goals for state and federal agencies, identify needed improvements in protection and recovery of endangered fish species, monitor environmental water project operations, advocate environmentally sound solutions to agricultural water quality problems in the western San Joaquin Valley, and secure enforcement of federal and state requirements to double anadromous fish populations.

BAY RESTORATION PROGRAM

San Pablo Bay Watershed Restoration

The San Pablo Bay Watershed Restoration Program continues to be the centerpiece of TBI's work to restore wetlands of the Bay.

TBI pledged needed funds to purchase the 600-acre Bahia wetlands property on the Petaluma River, enabling the deal to be finalized. The site had been threatened by development for many years. We worked with North Bay water agencies to use reclaimed water to restore the 9,000-acre former Cargill salt pond complex along the Napa River. We also played an instrumental role in enabling the acquisition of 3,300-acre Skaggs Island by the San Pablo Bay National Wildlife Refuge.

Cargill Project

Beyond the North Bay, TBI testified at several state Senate hearings regarding purchase of 16,500 acres of Cargill's remaining salt ponds. The State and Cargill agreed on terms late last year. Transfer of the property occurred in March, 2003. Topping the year off, TBI addressed the California and the World Ocean conference in October, highlighting successful wetland restoration projects in the Bay.

WATERSHED EDUCATION PROGRAM

STRAW

The STRAW (Students and Teachers Restoring A Watershed) Project sustains a network of teachers, students, community members and restoration specialists who plan and implement watershed studies and restoration projects in Marin and Sonoma counties.

Co-sponsored by TBI and the Center For Ecoliteracy, STRAW provides teachers and students with the scientific, educational and technical resources for hands-on watershed studies and ecological restoration of riparian corridors. Now in its tenth year, STRAW continues to emphasize project-based learning. In the 2002-2003 school year, more than 1,000 K-12 students planted 1275 native plants at 20 sites.

STRAW's network consists of many committed partners, including MCSTOPPP (Marin County Stormwater Pollution Prevention Program), Prunuske Chatham Inc. (restoration biologists), Point Reyes Bird Observatory, the Marin and Southern Sonoma County Resource Conservation Districts, River of Words, Marin Conservation Corps and others.



The Bay Institute of San Francisco — Financial Report

Statement of Financial Position

December 31, 2002

ASSETS

Cash	\$71,607
Grants receivable	375,910
Inventory	142
Deposits	5,096
Property and equipment, net	<u>20,381</u>
Total assets	<u>473,136</u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable	196,733
Accrued vacation:	<u>25,670</u>
Total liabilities	222,403
Net assets:	
Unrestricted	68,697
Temporarily restricted	<u>182,036</u>
Total net assets	250,733
Total liabilities and net assets	<u>473,136</u>

(Audited)

Statement of Activities

For the Year Ended December 31, 2002

CHANGES IN NET ASSETS

Revenue:	
Grants and contracts	\$1,641,621
Donations	39,898
Events and merchandise	61,530
In-kind contributions	5,845
Interest and other	<u>3,312</u>
Total revenue and support	1,752,206
Expenditures:	
Program	1,510,440
General administration & development	<u>198,515</u>
Total expenditures	1,708,955
INCREASE IN NET ASSETS	43,251
NET ASSETS, JANUARY 1, 2002	207,482
NET ASSETS, DECEMBER 31, 2002	<u>250,733</u>

The Mission of The Bay Institute of San Francisco

The Bay Institute is dedicated to the protection and restoration of the ecosystems of San Francisco Bay, the Sacramento-San Joaquin Delta, and the rivers, streams, and watershed tributary to the estuary.

The Bay Institute

is a 501(c)(3) non-profit research, education, and advocacy organization.

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Our sincere thanks to our generous supporters during 2002.

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