

# Annual Report 2008

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An erosion control and water infiltration structure is constructed in Ejido la Mesa, San Miguel de Allende.

## Payment for Watershed Services Program is implemented in San Miguel de Allende, Mexico

ESF is awarded grants to launch Todos por el Agua

In 2008, Ecosystem Sciences Foundation (ESF) was awarded grants from the Overbrook Foundation (\$35,000) and the Tinker Foundation (\$75,000 over two years) to implement a Payment for Watershed Services Program known as Todos por el Agua (or, Everyone for Water). The generous funding from the Tinker Foundation and the Overbrook Foundation was matched by contributions from ESF and the Mexican Conservation Fund (fmcn.org). With this generous support, ESF and our local partner in Mexico, Salvemos al Rio Laja, A.C., are well on our way to creating a local and reliable source of long-term funding for watershed conservation projects in San Miguel de Allende.

The core of Todos por el Agua is a continuous education and promotional campaign to request payments from water users that will be used to hire field technicians to help poor farmers enroll in existing government watershed conservation programs. The application for existing programs is a time-consuming, bureaucratic process that is next to impossible for many small farmers. A project team consisting of staff from ESF and Salvemos al Rio Laja, A.C., has been assembled to develop and manage Todos por el Agua. In 2008, over 900 residential and commercial water users were surveyed regarding their willingness to support the program; results indicated that over ¾ of those interviewed would be willing to pay a mandatory fee for watershed protection and they preferred a non-profit organization over a government agency to manage the payment for watershed services program (see Figures 1 and 2). Interviews with large agricultural operations are ongoing. In the summer of 2009, a municipal-wide education campaign will be launched to promote water conservation and watershed restoration that will rely

on the Web, radio, television, and one-on-one outreach. Regular updates on Todos por el Agua will be published in the local paper, and program staff will continue working with the water utility (SAPASMA) to develop a workable system to include payments on their bi-monthly water bills.

Concurrent with the publicity campaign planning, Todos por el Agua staff has been hard at work in rural villages to help farmers and community members obtain government funding for watershed restoration projects. In 2008, Todos por el Agua and its partners worked with San Miguel's Municipal Department of Ecology to apply for and administer a soil conservation and reforestation grant from the Mexican government in the community of Cruz de Palmar; community members completed over 3.6 km of terracing and reforestation and were paid \$9,000.00 of funds for their labor. Building on the success of this project, the federal Forestry Commission, CONAFOR has awarded over \$90,000 for villagers to build 100 km of terraces on 370 acres of communal land in Cruz de Palmar and Tierra Blanca in 2009 to control erosion caused by gravel extraction. This grant is further proof that our strategy of facilitating links between communities and government agencies is an effective model for San Miguel.

Additional funding is needed to support the Todos por el Agua program in its first five years. The Tinker Foundation's \$40,000 gift for 2009-2010 will provide a portion of the funds needed, however ESF and its partner Salvemos al Rio Laja are actively seeking additional support.

Nine new rainwater catchment systems have been installed in the municipalities of San Miguel and Dolores Hidalgo; nine more will be installed by July 2009 .

## Rainwater Harvesting Program: An Update

The municipal government provides funding to expand the rainwater harvesting program

As reported in ESF's 2007 Annual Report, ESF and its partner International Renewable Resources Institute (IRRI)-Mexico, installed two rainwater harvesting systems in Augustin Gonzalez in order to provide a clean and reliable water source. The Municipality of San Miguel de Allende acquired funding to expand the rainwater harvesting program and implement 18 rainwater catchment systems in 12 communities in the municipalities of San Miguel and Dolores Hidalgo. These communities were identified during ESF's ongoing water quality testing program as having the highest levels of contamination. As of February 2009, nine systems have been installed by another of ESF's partners Alder Ecologia y Diseño and nine more are expected to be completed over the next six months.

## Payment for Watershed Services (continued)

Results from the interviews show overwhelming public support for both a mandatory (76%) and voluntary (73%) PWS program (Figures 1 and 2). In addition, most respondents support management of a PWS program by a non-profit organization. (Figure 3).



Scenes from Agustin Gonzalez. Gutters and water filtration are essential components of the rainwater catchment system.

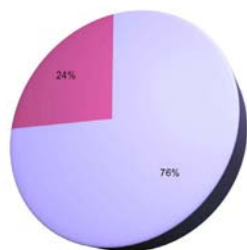


Figure 1. Willingness to pay a *mandatory* fee for watershed protection (n=449).

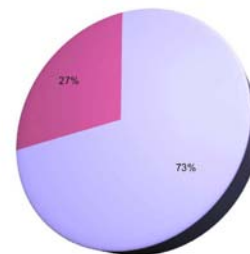


Figure 2. Willingness to pay a *voluntary* fee for watershed protection (n=434).

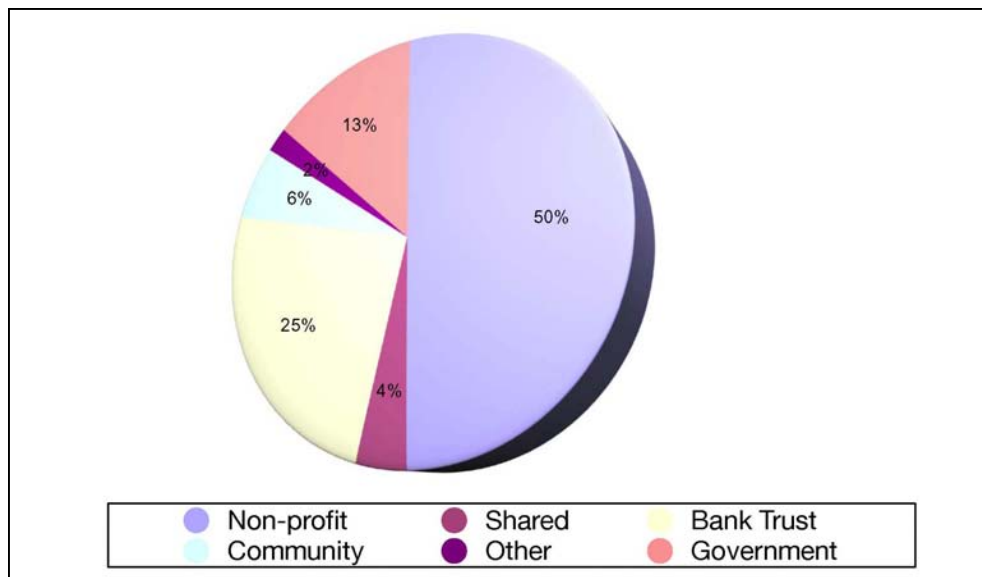


Figure 3. Support for management of a PWS program.

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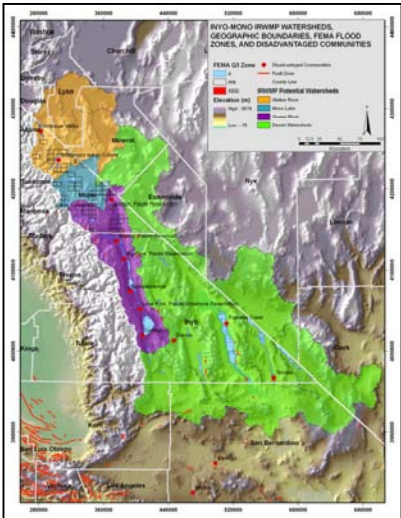
# Integrated Regional Watershed Management in the Eastern Sierra

Integrated regional planning is intended to promote sustainable water uses, reliable water supplies, better water quality, environmental stewardship, efficient urban development, protection of agriculture, and a strong economy.

In April 2008, ESF was selected by the Inyo-Mono Regional Water Management Group to consult and provide grant writing services for the preparation of a Planning Grant Proposal to the California Department of Water Resources. The purpose of the planning grant proposal is to seek funding to develop and implement an Integrated Regional Watershed Manage-

ment Plan to protect the water resources of the eastern Sierra region. As part of the planning team that consisted of approximately 40 non-profit organizations, water districts, water supplier utilities, federal and state agencies, county and city governments and Indian Tribes, ESF worked closely with all members to complete the first draft of the planning application. ESF

will continue to work with the group to finalize the application once the revised Proposition 84 guidelines are released in May/June 2009. ESF looks forward to the opportunity to work with the Inyo-Mono Regional Water Management Group on Phase 2 of the process, which will involve writing the IRWM Plan.



Proposed boundaries of the Inyo-Mono planning region.



The varied topography in the Inyo-Mono planning region provides for diverse vegetation, ranging from alpine environments to desert scrublands.

In fall 2008, water quality testing was continued in communities in the San Miguel de Allende Municipality. ESF will analyze these data to determine which water supply systems are contaminated and prioritized efforts to provide clean drinking water alternatives.

## ESF Internship Program: Education & Practical Experience

Catie Ryan, who was an intern with ESF from September 2007 to May 2008, completed her master's degree in May 2008. She graduated from the Brandeis University Heller School for Social Policy and Management with a degree in Sustainable International Development. Catie was hired by ESF to work as a liaison in San

Miguel de Allende for its Urban Environmental Assessment, investigating and evaluating the potential for controlled urban growth and the acquisition of green space in the San Miguel de Allende Municipality and region. Catie gained valuable experience working with ESF staff and with municipal government agencies in

Mexico. Her thesis, titled *Stormwater Management for Urban Watershed Sustainability: Strategizing for water-sensitive urban development in semi-arid Mexico* was inspired by her internship experience. We wish Catie much luck and ESF looks forward to continuing its partnership with the Heller School at Brandeis University.

## The Nature Conservancy Silver Creek Summit

ESF participates in a forum at the Silver Creek Preserve in Picabo, Idaho

Mark Hill and Shannon Campbell of ESF participated in a two day summit in May 2008 at The Nature Conservancy's Silver Creek Preserve in south-central Idaho. ESF was invited to participate in a managed forum to develop assessment tools and monitoring protocols for Silver Creek, a spring-fed system that is currently experiencing water quality problems. Mark presented the panel

of scientists representing other NGOs, academic institutions, and private industry with an overview of Payment for Watershed Services programs based upon ESF's experience in the Rio Laja Watershed in Mexico. Mark also participated in panel discussions on effectively managing this unique spring-fed system, and provided recommendations for long-term monitoring.

ESF provided the panel with state-of-the-art maps of the Silver Creek Preserve and Big Wood River Watershed delineated using Digital Elevation Models. ESF is actively seeking out local partnerships with NGOs in Idaho and will continue, when needed, to collaborate with The Nature Conservancy on any project needs they have in the Big Wood River Watershed.



Aerial map of the Silver Creek Preserve.



Map depicting soil types at the Silver Creek Preserve.



Angler on Silver Creek. Silver Creek is a legendary fly fishing destination with a prized rainbow and brown trout fishery. Photo courtesy of Creatas photos.



The Nature Conservancy's Silver Creek Preserve. Photo courtesy of Keith Willits ([flickr.com](https://www.flickr.com/photos/keithwillits/)).

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In fall 2008, ESF and Salvemos al Rio Laja partnered with the Mexican Conservation Fund, a highly respected and well recognized group in Mexico, to submit a joint proposal to secure future funding for Todos por el Agua

### San Miguel de Allende named World Heritage Site

San Miguel de Allende was named a World Heritage Site by the United Nations Educational, Scientific and Cultural Organization (UNESCO) in July 2008 in recognition of the town's Baroque architecture that has been carefully preserved over the years. This designation will provide the city of San Miguel with financial assis-

tance to preserve its cultural and historical sites. The timeless charm offered by this unique city has attracted an influx of population, both Mexican nationals and foreigners. The demands on natural resources and water in particular will increase as the population increases in San Miguel de Allende and outlying ar-

reas. ESF is very encouraged by the added interest in conserving this historically and culturally rich part of Mexico and will continue to pursue funding opportunities to implement conservation and restoration projects in the Rio Laja Watershed.

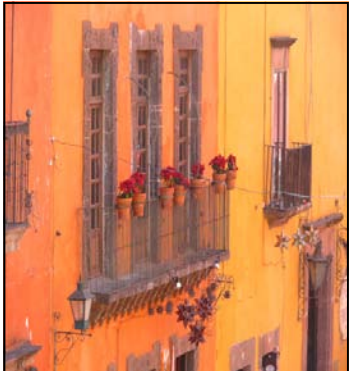


Street scenes from San Miguel de Allende, Mexico. The Paroquia, left, is a symbol of the city.

### Newly Appointed Foundation Manager, Derek Riso

David Varner, Foundation Manager for the last several years, resigned in December 2008 to pursue other interests. David was instrumental to the formation and growth of ESF. The success of ESF's Mexico projects would not have been possible without David's efforts

and skilled guidance. Derek Riso, the Foundation Treasurer and manager of the Mexico rainwater harvesting projects, has replaced David as Foundation Manager. Derek's long standing Board membership make him an ideal candidate for this position.



## Foundation Financial Review

### Foundation Annual Highlights

2008

Income	In-Kind	Cash	Total
Compensation for Services	\$ 0.00	\$ 12,240.00	\$ 12,240.00
Private/Public Contributions	\$ 84,105.00	\$ 45,326.09	\$ 129,431.09
Awards	\$ 0.00	\$ 479.00	\$ 479.00
Grants	\$ 0.00	\$ 70,000.00	\$ 70,000.00
Interest Income	\$ 0.00	\$ 3,315.89	\$ 3,315.89
<b>TOTAL INCOME</b>	<b>\$ 84,105.00</b>	<b>\$ 131,360.98</b>	<b>\$ 215,465.98</b>

### Project Expenses

Inyo/Mono IRWMP	Expenses	\$ 0.00	\$ 460.64	\$ 460.64
	Labor	\$ 20,700.00	\$ 11,789.73	\$ 32,489.73
Silver Creek Preserve	Expenses	\$ 0.00	\$ 440.17	\$ 440.17
	Labor	\$ 2,760.00	\$ 700.00	\$ 3,460.00
Mexico Programs				
Upper Rio Laja Watershed	Expenses	\$ 0.00	\$ 879.74	\$ 879.74
	Labor	\$ 8,835.00	\$ 2,875.00	\$ 11,710.00
Rain Water Harvesting	Expenses	\$ 0.00	\$ 0.00	\$ 0.00
	Labor	\$ 180.00	\$ 0.00	\$ 180.00
Payment for Watershed Services	Expenses	\$ 0.00	\$ 6,358.10	\$ 6,358.10
	Labor	\$ 32,355.00	\$ 21,712.00	\$ 54,067.00
	Mexican Partners	\$ 0.00	\$ 4,911.45	\$ 4,911.45
Water Quality Testing	Expenses	\$ 0.00	\$ 0.00	\$ 0.00
	Labor	\$ 765.00	\$ 0.00	\$ 765.00
Mexico Office Expenses	Expenses	\$ 0.00	\$ 1,605.17	\$ 1,605.17
	Labor	\$ 270.00	\$ 0.00	\$ 270.00
Internship Program	Expenses	\$ 0.00	\$ 54.00	\$ 54.00
	Labor	\$ 180.00	\$ 750.00	\$ 930.00
Project Development	Expenses	\$ 0.00	\$ 574.38	\$ 574.38
	Labor	\$ 12,480.00	\$ 0.00	\$ 12,480.00
Grantseeking	Expenses	\$ 0.00	\$ 562.59	\$ 562.59
	Labor	\$ 3,600.00	\$ 1,533.00	\$ 5,133.00
	Subtotal	\$ 82,125.00	\$ 55,205.97	\$ 137,330.97

### Overhead Expenses

Operations		\$ 0.00	\$ 1,980.00	\$ 1,980.00
Labor		\$ 1,980.00	\$ 1,707.00	\$ 3,687.00
Insurance		\$ 0.00	\$ 3,193.63	\$ 3,193.63
Taxes		\$ 0.00	\$ 743.48	\$ 743.48
Accounting/Legal		\$ 0.00	\$ 1,110.34	\$ 1,110.34
	Subtotal	\$ 1,980.00	\$ 8,734.45	\$ 10,714.45
	<b>TOTAL EXPENSES</b>	<b>\$ 84,105.00</b>	<b>\$ 63,940.42</b>	<b>\$ 148,045.42</b>

<b>Revenue over Expenses</b>		<b>\$ 0.00</b>	<b>\$ 67,420.56</b>	<b>\$ 67,420.56</b>
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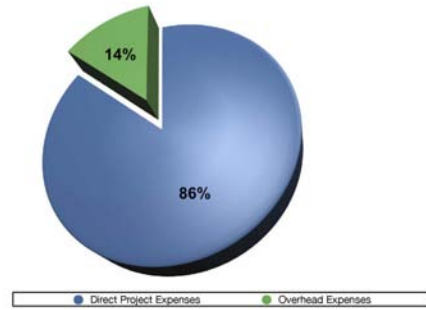
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# Foundation Financial Review

Board of Directors,

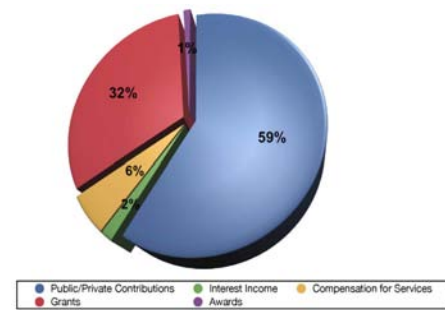
We prepared a summary of the financial transactions of the Foundation for the year ending December 31 2008. As of December 31, 2008 the Foundation had a residual cash balance of \$131,360.98. There were \$6,120.00 outstanding accounts receivable and there were no outstanding accounts payable.

Steven D Severn, CPA  
SEVERN, WINKLE & MAGETTE



**Use of Operating Funds**

Direct Project Expenses	86%
Overhead Expenses	14%



**Sources of Income**

Public/Private Contributions	59%
Compensation for Services	6%
Grants	32%
Interest	2%

## Executive Director's Letter

This past year was very successful for ESF with the awarding of two generous grants from the Tinker Foundation and Overbrook Foundation. Though ESF provides matching contributions for all of its projects, many of the projects cannot be implemented without additional funding sources. The support that the Tinker and Overbrook grants provide will ensure the success of Todos por el Agua (or Everyone for Water), ESF's Payment for Watershed Services (PWS) program that was launched in 2008 in San Miguel de Allende Municipality. In addition, the securing of these grant monies has generated added interest in the PWS program on the part of government agencies and non-profit organizations in Mexico, who have committed to providing future funding. To ensure the sustainability of Todos por el Agua and other programs, ESF is continually seeking sources of support.



Beneficiaries of the rainwater harvesting system installed in the primary school in Augustin Gonzalez.

Having already been awarded grants from well known foundations in the United States, ESF is hopeful that the successful implementation of the Todos por el Agua will continue to garner financial support for this and other projects.

The Foundation continued to strengthen its partnerships with local government agencies and non-profits in Mexico and the United States. Salvemos al Rio Laja (SRL), ESF's primary partner for the PWS program, has been instrumental in promoting the project and implementing the environmental education aspects of the program. ESF and SRL have also worked closely with other NGOs and government agencies on different aspects of the PWS project. In addition, ESF will continue the internship program we have established with the Brandeis University Heller School for Social Policy and Management. Our close relationship with the Department of Ecology in San Miguel de Allende continues to provide ESF with the support needed to achieve parts of the PWS program and other projects. The municipal government installed an additional nine rainwater harvesting systems in communities whose water systems were identified by ESF as highly contaminated.

In the United States, ESF's involvement in The Nature Conservancy's (TNC) Silver Creek Summit not only assisted TNC in developing an effective ap-

proach to restoring Silver Creek, but enabled ESF to make connections with many other non-profits and academics in the state of Idaho. ESF's involvement in the Inyo-Mono Regional Watershed Management Group has also provided ample opportunity for collaboration on developing water management objectives and strategies for the eastern Sierra. The Foundation's success lies in our ability to forge strong and lasting partnerships and use the skills and experience that other groups offer to meet project goals.

ESF's commitment to fulfilling its mission in the United States and Mexico was demonstrated again in 2008; we are indebted to the grant-making institutions and our partners who are assisting ESF in meeting its project goals and mission. ESF continues to succeed as a small foundation, using limited resources with great efficiency to achieve important goals that have real, measurable results for the communities in which the Foundation contributes and works. We will continue to forge relationships in Mexico and the United States in 2009 and devote more resources to developing and securing funds for domestic projects.

Mark Hill  
Executive Director

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#### *ESF Board*

Mark Hill  
*Executive Director*

Derek Risso  
*Foundation Manager  
and Board Treasurer*

Zach Hill  
*Board Director*

Tim Maguire  
*Board Secretary*

#### *Foundation Mission*

The mission of Ecosystem Sciences Foundation is to promote sustainable solutions to environmental issues. The Foundation advocates the wise application of science and design to protect the environment and restore damaged ecosystems. Ecosystem Sciences Foundation is an international environmental research organization dedicated to bridging the gap between scientific disciplines and resource management strategies.

The expertise and philosophy of the Foundation is broad and inclusive.

- The Foundation is an applied science and research organization dedicated to integrating the fields of ecology and design, specializing in the development of interrelated ecological systems.
- The Foundation believes that how we build our communities and develop the landscape is a critical component of ecosystem health and integrity.
- The Foundation believes in a collaborative and multi-disciplinary approach to environmental issues, and promotes solutions that are inclusive and comprehensive.

The Foundation actively develops and supports projects that have strong local support, have solid opportunity for the successful application of designs and is based on real, measurable improvement of the ecosystem.

The Foundation pursues research and operating grants, accepts donations and endowments, and makes in-kind or matching grants on a per project basis.

#### How can you help ESF?

##### **Donate Now!**

The Ecosystem Sciences Foundation is dedicated to finding sustainable solutions to environmental, human health, and social issues worldwide. For us to be successful we need your support. Please help us in our efforts by donating to the Ecosystem Sciences Foundation.

All donations are tax deductible and as an ESF supporter you will receive the satisfaction of knowing that your money will help conserve our planet's resources and improve lives.

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