Coos Watershed Association
Annual Report 2005
About the Coos Watershed Association

What is the Coos watershed?
A “watershed” is the area of land, from ridge to ridge, that ultimately drains to a particular body of water. The “Coos watershed” is the area of land that drains through Coos Bay, Oregon into the Pacific Ocean. It includes all forks and tributaries of the Coos and Millicoma Rivers, and all of the sloughs and creeks that drain into the Coos estuary.

What is the Coos Watershed Association?
The Coos Watershed Association is a local non-profit organization formed in late 1993. It’s a way for people with a wide range of interests to get together and develop the “big picture” of the conditions in the Coos watershed, and a way for individual landowners to decide how to manage and restore the watershed’s natural systems. The Association’s Board of Directors includes representatives of local ranching and agriculture, small woodland owners, industrial timber operators, commercial fisheries and aquaculture, environmental groups, tribal land managers, and local, state, and federal land managers from the Coos County Forest, Elliott State Forest, South Slough National Estuarine Research Reserve, and the U.S. Bureau of Land Management.

How does the Association make decisions?
The Association’s Board of Directors is focused on the watershed’s future. They reach decisions by discussion and consensus - not a majority vote. A decision is final when no Directors object to it.

Coos Watershed Association Statement of Shared Values
The members of the Coos Watershed Association have adopted the following statement as an expression of the shared values which inspired creation of the Association:

WHEREAS we believe it is possible to achieve both environmental integrity and economic stability within the Coos Watershed; and
WHEREAS we believe that the natural products and processes of the watershed are indicators of watershed health, and are important to the economy and vitality of the community; and
WHEREAS we believe that human activities have a legitimate place in the watershed; and
WHEREAS we recognize that our actions can affect the stability of the watershed and related economy; and
WHEREAS we believe deliberate planning and action for watershed health are important and are effectively achieved by the people who live and work within the watershed; and
WHEREAS we believe that a watershed-scale perspective improves our ability to sustain the health of the watershed and related economic activities; and
WHEREAS we believe the coordination of our individual efforts can achieve a synergistic, beneficial effect on the watershed; and
THEREFORE we will support environmental integrity and economic stability within the Coos watershed by increasing community capacity to develop, test, promote, and implement management practices in the interests of watershed health.
It gives me great pleasure to be able to present the 2005 Annual Report of the Coos Watershed Association. This past year was, in fact, a watershed in the context of a ridge dividing one area from another. The Association faced significant challenges to its continuing viability during the first half of 2005. The challenges of 2005 ultimately resulted in a stronger organization, capable of building on its strengths in the future. The value of the Strategic Framework that the Board approved in early 2005 ideally positioned the Association to move forward. Because of this, we ended 2005 as a much stronger organization than when we began the year.

Effective actions on the part of the Board and staff resulted in an improved organizational structure and increased financial management. These organizational improvements in 2005 allowed us to:

- Effectively close out $1.9 million in grants;
- Implement approximately $900K in restoration projects with our partners;
- Complete the Coos Bay Lowlands and Heads-of-Tide (draft) Watershed Assessments; and
- Successfully compete for $890K in competitive grants for 2007 and onwards.

These—and other—accomplishments are outlined in our accompanying Annual Report. I hope you enjoy reading it because the work it describes exemplifies the Association’s mission of “...support[ing] environmental integrity and economic stability for communities of the Coos watershed.”

Thank you for your support and interest in the Coos Watershed Association

Cordially,

Jon A. Souder, Ph.D.
Executive Director

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The Coos Watershed Association (CoosWA) had another productive year in 2005 implementing restoration projects and securing funding to continue our efforts into the future. We continued to focus on fish passage projects, while expanding our in-stream restoration in the upper West Fork Millicoma area; we continued the aggressive road improvement sediment reduction efforts with Weyerhaeuser on the South Fork Coos River, and we planted more riparian buffers in the South Fork Coos area and on Palouse Creek. Our restoration projects had a broad representation of landowner partners including small acreage rural residential owners, agriculture operators, timber companies, and the state forest.

Restoration accomplishments in 2005 included:

- 4 stream crossing culvert upgrades
- 1 culvert replaced by a bridge
- 2 miles of in-stream improvement (36 70-foot logs and 34 whole trees)
- 80 cross-drain culverts in forest roads
- 15 acres of riparian planting, with 1.6 stream miles treated
- Site rehabilitation at the Matson Creek Wetland Preserve
- Competing vegetation control on our riparian restoration projects covering over 40 acres at 8 different sites

While the Association’s Restoration Program expenditures totaled approximately $384,000, we were able to leverage funds for on the ground projects in the amount of $498,000, bringing our total budget to $882,000.

In addition to this project work, we submitted grants to secure funding for future projects. We received a $250,000 Oregon Watershed Enhancement Board (OWEB) grant that will match over $600,000 in landowner contributions for road and stream improvements with the Elliott State Forest and Weyerhaeuser.

In 2006 we will be applying for several restoration grants in order to implement projects which have resulted from our assessment and outreach efforts in the Coos Bay Lowlands and Heads-of-Tide areas.

<table>
<thead>
<tr>
<th>Restoration Program</th>
<th>Grant $</th>
<th>Match $</th>
<th>Total $</th>
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<tr>
<td>Wetland Enhancement</td>
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<td>Riparian Planting &amp; Establishment</td>
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<tr>
<td>TOTAL</td>
<td>$384,476</td>
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Legend
- Road Drainage Improvement
- Instream Complexity (Wood)
- Fish Passage Improvement
- Riparian Restoration

Weyerhaeuser bridge on Woodruff Creek

Large wood placement on Elk Creek
In 2005, the CoosWA worked to continue past monitoring while expanding and developing the program. Monitoring our restoration actions is important to identify project successes as well as to guide future restoration priorities and project designs. We also develop monitoring protocols and tools and disseminate results in peer reviewed reports.

The Association has progressed beyond basic implementation required for grant reporting by expanding our program to include scientific monitoring of watershed health benefits that result from our projects. This involves the collection of baseline data before a project is completed, and dedication and follow-through in order to collect data over a time frame through which project effectiveness can be measured.

Our specific monitoring activities conducted in 2005 included:

**In-stream Structure and Fish Passage Monitoring**
- Sampled fish utilization of in-stream projects including adult spawning surveys and juvenile snorkel surveys
- Conducted aquatic habitat inventories to track changes to habitat

**Road Sediment Monitoring**
- Designed a study on the effectiveness of cross-drain culverts with Weyerhaeuser
- Storm sampling of turbidity and total suspended solids
- Wrote and had peer reviewed *Road Drainage Improvement for Sediment Reduction Program Effectiveness Monitoring Report*.

**Riparian Silviculture Monitoring**
- Developed a database for information management and analysis
- Collected temperature data at over 20 sites to monitor effect of riparian planting on stream temperature
- Continued tracking survival and growth for 2,000+ trees in our projects, representing 10% of our plantings in the last 5 years
- Wrote and had peer reviewed *Riparian Restoration Planting and Establishment Monitoring Report*.

**Coho life cycle and tide gate effectiveness monitoring**
- Collected a second year of adult coho populations
- Located and restored two smolt traps and collected smolt data on Larson and Palouse Creeks
- Initiated research on seasonal coho utilization in tide gated streams

Although much of our monitoring requires long term investigation before it will be possible to properly evaluate many of the projects, we are seeing successes in places where we have multiple years of data. On Willanch Creek, we have recorded a 10º F drop in 7-day maximum average summer water temperatures from 73°F to less than 64°F at the bottom of the project site. There are numerous stream crossings that were lacking fish passage where several years of data subsequent to the upgrades show coho utilizing the newly opened areas.
In 2005, the CoosWA began a formal outreach program directed to landowners in the Coos Bay Lowland areas surrounding the Coos estuary. These lowland areas are characterized by a higher diversity of private ownership and land uses, as compared to the timber-dominated uplands. The mixture of private land uses, and smaller acreages in these lowland areas make it necessary for the CoosWA to establish communications and working relationships with landowners to achieve watershed restoration goals.

In March of 2005, the CoosWA hired Bessie Joyce to coordinate the Coos Bay Lowlands Assessment and Restoration Plan. She got right to work organizing the first series of neighborhood Coffee Klatch meetings - an integral and unique feature of the Lowlands Assessment process. These meetings were held in landowners’ homes within each of the six Lowland sub-basins—North Slough, Palouse, Larson, Kentuck, Willanch and Echo. The first round of Coffee Klatches saw a 16% average attendance and a total of 105 individual attendees. During this first series of meetings we solicited landowner concerns and objectives that were incorporated into the Assessment and helped steer the process of prioritizing potential restoration actions. Another set of meetings was held in the Fall of 2005 in which landowners were introduced to many of the CoosWA’s restoration projects through slideshow presentations and field tours.

During these meetings we received a lot of positive feedback from the attendees. At the first series of meetings, one landowner described our approach of working various types of stakeholders as “diplomatic.” We know how important it is to hear from those who live on and manage the land and we learn much from their participation in the Coffee Klatch program. Our second series of meetings is meant to explain and discuss some of the techniques that we use to restore habitat and fish populations in the watershed. One landowner said that learning about these different methods was a “real eye-opener.” At the end of 2005, we were preparing for the third round of Coffee Klatches, where the Assessment results and prioritization of potential restoration actions will be presented. This series of Coffee Klatches will be complete by the end of March, 2006. Project implementation funds will be sought in the Spring of 2006.

The process of prioritizing potential restoration actions is another unique development associated with the Lowlands Assessment. With guidance of the Lowlands Advisory Committee and others from Oregon State University Extension and NOAA Fisheries, CoosWA has crafted a process to determine priority actions within sub-basins, and to describe how the CoosWA should best approach those priority projects. Besides the accomplishment of capturing, analyzing and displaying a tremendous amount of data in the assessment document, the Coos Bay Lowlands Assessment project has produced an adaptable model with extremely useful tools for future assessment and restoration planning endeavors. This model was used during 2005 to complete the draft assessment for the Heads-of-Tide area. The elements of public involvement through the Coffee Klatch program, and the restoration prioritization process will be utilized in the Heads-of-Tide (lower Millicoma and South Fork Coos Rivers area), Catching Slough, and Daniels Creek assessment projects. Funding proposals were submitted to the Oregon Watershed Enhancement Board and the Oregon Department of Environmental Quality in October, 2005, to address these three areas.

“I was very impressed with the Coos Watershed Association’s diplomatic approach” - Landowner on Larson Creek

Mouth of Larson Creek, above the tidegate
Financial Management has historically challenged the Association. However, 2005 was a banner year in this regard. We hired two additional staff members, Margaret Kirby, our Program Manager and Aimee Peters, our Office Manager & Bookkeeper, to increase organizational capacity and provide additional fiscal oversight. We successfully improved our accounting systems, allowing for more effective and efficient management of accounts payable and receivable. We have strengthened our relationships with our grantors and project partners, allowing us to increase the amount of work we are able to do while maintaining a high level of quality.

We are now able to more carefully track our grants and contracts, ensuring that we meet our deliverables and maintain our high standards in final reporting. We continue to use our accounting system in new ways in order to improve efficiency and accuracy in the daily management of our finances. We have even had requests for our fiscal staff to assist other watershed councils in setting up and improving their accounting systems.

The upgrades to our accounting system were integral to a successful year in 2005 as we were busy closing out approximately $2 million in grants. Most noteworthy was the completion of the Coos-Coquille Basin Estuarine Wetland Protection and Restoration project, where we partnered with the Coquille Watershed Association, the Oregon Watershed Enhancement Board, U.S. Fish & Wildlife Service, and other partners to restore 450 acres of coastal wetlands and protect another 450 acres through easements/acquisitions and shorter-term land use agreements.

While we know it is important to cultivate these new relationships in order to become stronger and more sustainable, we are still very successful in seeking grant funding through existing sources. We continue to remain competitive in the design of critical and challenging projects through our programmatic focus and strategic prioritization of projects. During 2005, we applied for more than $1 million in grants and were successful with approximately 90% of the proposals.

During the year, we spent more than $900,000 in order to fund our program and support services. Almost half of our expenses came from the costs associated with our restoration projects. Approximately 25% and 19% went to the completion of watershed assessments and monitoring, respectively. Administrative overhead totaled 17%, which includes council support funding that provides the majority of the Executive Director's salary.

During 2005, our expenses came predominantly from staff salaries and benefits (48%) and project contracts (37%). About 11% of our expenditures are attributed to project-related supplies/materials and travel, and less than 5% of our expenses came from office-related costs.

After a very productive year, we envision increased success in 2006. We will be placing much emphasis on watershed assessments and restoration planning, as well as implementing prioritized projects which have resulted from earlier assessment and planning efforts. We will continue to monitor each of our program areas and seek out longer-term funding for this work. Additionally, we will emphasize building the capacity of the organization, introducing enhancements to operations and the Board of Directors. Growth in these areas will increase our ability to fund and implement projects which improve the health of the Coos watershed.
Statement of Financial Position

Assets
Cash and cash equivalents $103,311
Grants receivable 136,195
Prepaid expenses 1,697
Office and field equipment (less accumulated depreciation $13,122) 28,718

Total assets $269,921

Liabilities and Net Assets
Accounts payable $10,683
Accrued payroll taxes and benefits 3,801
Accrued vacation 12,078

Total liabilities 26,562

Net assets
Unrestricted 186,949
Temporarily restricted 56,410

Total net assets 243,359

Total liabilities and net assets $269,921

Statement of Activities

Revenues
Allocation to administration $ 76,934
Contract services 14,331
Landowner project contributions 9,631
Interest income 1,231

Total unrestricted revenue $102,127

Expenses
Program services $770,321
Support services 140,630

Total expenses $910,951

Change in net assets $112,538
Net assets, beginning of year $130,821
Net assets, end of year $243,359

Board Development

The Coos Watershed Association Board of Directors was extremely active during 2005. Much of the year’s work occurred within the standing and ad-hoc committees.

The Audit Committee worked together to secure a CPA firm to complete our financial audit and were very closely involved during that process. After coming off a difficult audit during 2004, they were pleased to see that the Executive Committee and Association staff had worked to restore good fiscal standing and enhance management and reporting practices in 2005.

After the Board’s adoption of the Strategic Framework 2005 – 2015, the Strategic Planning Committee, began working to prioritize and implement the recommendations included therein. Many of these were implemented during 2005, including the initiation of the Board orientation process for new members, the creation of a Board manual, identification of Board development/training needs, the development of the Program Manager position to increase the capacity of the staff, and other personnel and operations enhancements.

The Restoration Committee, in addition to its review of project proposals for 2005-2006, worked closely with the Project Manager and Assessment & Outreach Coordinator in order to develop a restoration prioritization process with the assistance of faculty from Oregon State University. This process is leading to a strategic plan for the Association’s restoration program as well as a work plan for the Restoration Committee. The Committee has been instrumental in providing technical assistance for restoration planning in the Lowlands and Heads-of-Tide assessment areas. These efforts will continue in 2006 as the Association begins assessments and restoration plans in the Catching and Daniels sub-basins.

Some special events during 2005 included the Annual Meeting and Board Projects Tour. During the Annual Meeting in March, Guillermo Giannico, OSU professor of the Fisheries and Wildlife Department, gave a presentation on the restoration prioritization process used during the development of the Coos Bay Lowlands Assessment and Restoration Plan. Dr. Giannico will continue to provide technical assistance as we utilize this model for the Catching & Daniels Assessments. Also during this meeting, the Board added new member, Paul Merz, a local commercial fisherman, who has become an extremely active and valuable member of the Board and the Restoration Committee. The Board Projects Tour in November was well attended and assisted by Greg Kreimeyer of the Department Forestry and Board member Marty Giles of Wavecrest Discoveries who drove the tour vans. Attendees visited projects in the Elliott State Forest and the wetland enhancement project on Matson Creek. In future years we are looking to increase the frequency of these tours and open them up to members of the public.

During 2006, the Board will invest time in re-activating the Research & Outreach Committee. This group, in working with the Restoration Committee, will be instrumental in completing the Catching & Daniels Assessments and Restoration Plans and in strengthening our Monitoring Program. In the following year, the Board will also begin to focus on fundraising to sustain core operating funds for the Association and enable the implementation of many of the recommendations included in the Strategic Framework.
Board of Directors at the Rogers Creek tributary restoration project

Board of Directors at the Matson Creek Wetland Preserve

Officers

Jim Clarke  
President
Member-at-Large

Jim Young  
Vice President  
Oregon Department of Forestry, State Land Managers

John Herbst  
Secretary  
Confederated Tribes of the Coos, Lower Umpqua, and Siuslaw Indians, Tribal Government

Don Yost  
Treasurer  
Oregon International Port of Coos Bay, Port & Waterfront Industries

Tom Hoesly  
Past-President  
Menasha Forest Products Corporation, Industrial Timberland Owners

Dan Brelage  
Brelage Pacific Dairy, Ranching & Agriculture

Marty Giles  
Wavecrest Discoveries, Member-at-Large, Environment

Mike Graybill  
South Slough National Estuarine Research Reserve, State Land Managers

Memo Jasso  
Northwest Steelheaders, Member-at-Large, Environment

Bob Laport  
Coos County Forestry, County Land Manager

Jim Lyons  
Ocean Terminals, Port & Waterfront Industries

Joan Mahaffy  
Ranching & Agriculture

Paul Merz  
Fisheries & Aquaculture

Dave Messerle  
Messerle & Sons, Small Woodland Owners

Mark Nauman  
Weyerhaeuser Company, Industrial Timberland Owners

Larry Qualman  
Qualman Oyster Farms, Fisheries & Aquaculture

Elaine Raper  
Bureau of Land Management, Federal Land Managers

Rob Schab  
Coos Bay-North Bend Water Board, Member-at-Large

Greg Stone  
Stuntzner Engineering & Forestry, LLC, Small Woodland Owners
Coos Watershed Association Staff (Clockwise from top left): Freelin Reasor, Richard Howard, Daniel Draper, Jon Souder, Margaret Kirby, Bessie Joyce, Aimee Peters, Lisa Biggs, Matthew Anderson, Kristin Hovenkotter and Michael Lester

Jon Souder  
*Executive Director*

Margaret Kirby  
*Program Manager*

Matthew Anderson  
*Project Manager*

Bessie Joyce  
*Assessment & Outreach Coordinator*

Michael Lester  
*Road Sediment Remediation Specialist*

Richard Howard  
*Riparian Stewardship Crew Leader*

Lisa Biggs  
*Acting Fisheries Biologist*

Daniel Draper  
*Monitoring Technician*

Freelin Reasor  
*Monitoring Technician*

Shannon Miller  
*Monitoring Technician*

Kristin Hovenkotter  
*Monitoring Technician*

Emilie Simpson Morris  
*Monitoring Technician*

Aimee Peters  
*Office Manager & Bookkeeper*
Bureau of Land Management
Coos Bay / North Bend Water Board
Coos Soil & Water Conservation District
Conservation Reserve Enhancement Program, U.S. Department of Agriculture
Coquille Watershed Association
Fish America Foundation
Oregon Department of Agriculture
Oregon Department of Environmental Quality
Oregon Department of Fish & Wildlife
Oregon Department of Forestry
Oregon Department of State Lands
Oregon Sea Grant
Oregon State University Extension
Oregon Watershed Enhancement Board
National Oceanic & Atmospheric Administration
South Slough National Estuarine Research Reserve
The Wetlands Conservancy
U.S. Fish & Wildlife Service
Weyerhaeuser Company

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Jen Feola, ODFW
Kirsten Gallo, U.S. Forest Service
Guillermo Giannico, OSU, Dept. of Fisheries & Wildlife
Gifts In Kind International
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Autodesk, Inc.
Hough MacAdam & Wartnik, LLC
Leo Kuntz, Nehalem Marine, Inc.
Justin Mills, NOAA
Mark Nauman, Weyerhaeuser Company
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Gordon Reeves, U.S. Forest Service
Alan Ritchey, ODFW
Phil Roni, NOAA
ShoreBank Enterprise Pacific
Paul Slater, Coos County Road Department
Randy Smith, ODF
Heather Stout, NOAA
TechSoup
Microsoft Corporation
Mission Research
Symantec Corporation
Stan Van derWetering, Siletz Indian Tribe
Mark Villers, Blue Ridge Timber Cutting

We would like to especially thank Jim Clarke for his service as President of the Board of Directors from 2002-2005.
Support the Coos Watershed Association

If you are interested in supporting the Coos Watershed Association through a tax-deductible membership or donation, please contact us. We would welcome your contributions at any level. Please mail this card with your contact information to the Coos Watershed Association.

Please send me information about:

____ Becoming a Member
____ Making a Financial/In-Kind Donation

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