



CHESAPEAKE BAY FOUNDATION

Saving a National Treasure

Maryland

Philip Merrill Environmental Center
6 Herndon Avenue
Annapolis, MD 21403
410/268-8816
410/269-0481 (from Baltimore metro)
301/261-2350 (from D.C. metro)

Pennsylvania

The Old Water Works Building
614 North Front Street, Suite G
Harrisburg, PA 17101
717/234-5550

Virginia

Capitol Place
1108 East Main Street, Suite 1600
Richmond, VA 23219
804/780-1392

Web site: cbf.org

E-mail: chesapeake@cbf.org

Membership information: 888/SAVEBAY

ABOUT THE COVER:

With less than four years until a 2010 deadline to remove the Bay from the EPA's list of impaired waters, CBF is intensifying efforts to fight pollution and leave a legacy of clean water for future generations.

© David Harp

PHOTO CREDITS:

Page 1-2: from left to right: Todd Cairns, Pennsylvania Game Commission; Bill Portlock; bottom: Jack Nevitt

Inside spread: from left to right: CBF Staff, Neal Halsey, David Harp, Bill Portlock



Printed on recycled, recyclable paper. 12/06

2006 YEAR IN REVIEW

WHAT WILL WE TELL OUR CHILDREN?

THAT WE CARED ABOUT THE BAY, JUST NOT ENOUGH?



CHESAPEAKE BAY FOUNDATION
Saving a National Treasure

2006: DEMANDING LASTING CHANGE



CBF's legal initiatives are generating attention and sending the message that polluters and elected officials must be held accountable.

Following several years of stalled progress in restoring the Bay's health, 2006 just might be remembered as a turning point for the Chesapeake Bay and its rivers and streams. The Chesapeake Bay Foundation's (CBF) work has yielded tangible progress. We have earned the attention of our elected officials and will hold them accountable for the commitments made through the historic Chesapeake 2000 Agreement.

Maryland and Virginia enacted important legislation in 2006, and we can expect real water quality improvements as a result. These gains are fragile, however. The pressures of continued population growth mean our Bay-saving efforts need to increase exponentially in order to see lasting results.

A Breath of Fresh Air

Intense advocacy and lobbying efforts by CBF staff, members, and our environmental partners throughout Maryland were instrumental in passing the Healthy Air Act during Maryland's 2006 legislative session. The law will ensure that the state's six dirtiest coal-fired power plants reduce emissions of toxic pollutants harmful to the air, water, and human health.

The Healthy Air Act is the most rigorous power plant emissions legislation ever passed by any state in the country—pretty remarkable, considering the uphill battle involved in getting



CBF's highest priority in 2006 and beyond is to secure state and federal funds to help farmers reduce polluted runoff from agricultural lands. This includes work in Pennsylvania to ensure legislation that, if passed, will reduce 15 million pounds of nitrogen pollution annually.



Thanks to the generosity of supporters like the George L. Shields Foundation, CBF is engaging growing numbers of watershed residents, calling for bold, immediate action to clean up waterways.

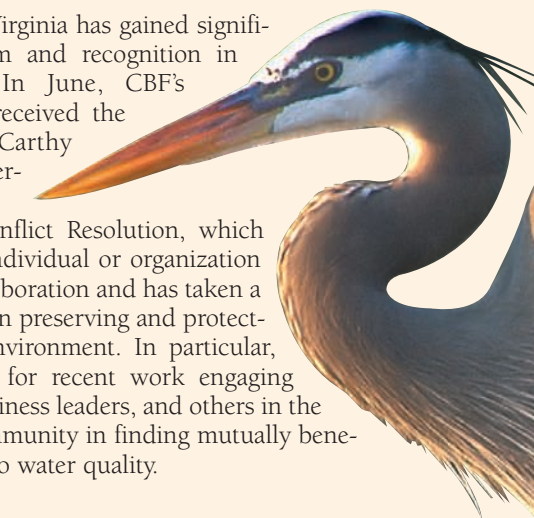
million for clean water initiatives, the largest investment in clean water in Virginia's history.

CBF's work in Virginia has gained significant momentum and recognition in recent years. In June, CBF's Virginia office received the Gerald P. McCarthy Award for Leadership in Environmental Conflict Resolution, which recognizes an individual or organization that fosters collaboration and has taken a leadership role in preserving and protecting Virginia's environment. In particular, CBF was cited for recent work engaging farmers, agribusiness leaders, and others in the agricultural community in finding mutually beneficial solutions to water quality.

the bill signed into law. Had it not been for public demand and the generosity of our supporters—amplified by CBF's online action network and media efforts—the Healthy Air Act would not have been passed.

Record Funding for the Bay

CBF focused its energies on furthering the groundbreaking 2005 legislation in Virginia to upgrade sewage treatment plants. CBF and thousands of Virginians maintained constant pressure on lawmakers throughout the year, holding them accountable for their commitments to save the Bay. After months of deadlock, the Virginia legislature approved a state budget that includes an unprecedented \$281 mil-



2006: EDUCATING FOR THE FUTURE



Kisha Flawd (right) and Expedition Susquehanna teammate Natasha Bretz hold a Hellbender, the largest species of aquatic salamander in the US.

CBF spotlights waters at risk

CBF focused unprecedented attention on upstream areas of the Bay watershed in 2006, particularly in Pennsylvania. In the spring, CBF released *Waters at Risk: Pollution in the Susquehanna Watershed*. The report described the major sources of pollution threatening Pennsylvania's waterways while showcasing proven solutions. It was widely covered in the media and significantly advanced CBF's efforts to frame a public dialogue on water quality issues in Pennsylvania. Read it online at cbf.org/watersatrisk.

Students' 444-mile canoe expedition explores the Chesapeake Bay Watershed

In June, CBF hosted students from communities throughout Pennsylvania's Susquehanna River Basin in a 444-mile journey from the headwaters of the Susquehanna in Cooperstown, NY, to the Chesapeake Bay in Annapolis, MD. The students, all members of Pennsylvania's FFA, spent a month paddling the river with CBF's extraordinary educators while studying water quality issues and meeting with local leaders, recreational experts, and scientists along the way. The expedition generated widespread media coverage and highlighted the impact of the Susquehanna River on the Bay, as well as the critical work of local watershed groups that protect and restore water quality.

2006: CONNECTING PEOPLE TO THE BAY



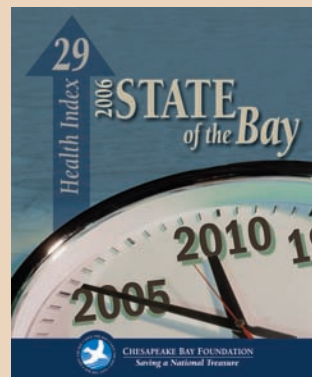
CBF hopes the Captain John Smith National Historic Trail will inspire visitors to become actively involved in efforts to restore the Bay for future generations.

Celebrating the Bay's history

CBF released its annual State of the Bay report in mid-November. The 2006 report describes a Bay at 29, two points better than 2005, but still less than half of our ultimate goal of 70.

The baseline for CBF's State of the Bay report is the rich and balanced Bay that Captain John Smith described in the early 1600s—a theoretical score of 100. While we will never again see a Bay score of 100, Smith's accounts provide a foundation for our vision of what's possible in our lifetimes—a restored Chesapeake, fed by healthy rivers and clean streams; sustainably populations of crabs, fish, and oysters; thriving water-based and agricultural economies; and a legacy of success for our children and grandchildren.

To commemorate Smith's voyages—and in time to mark the 400th anniversary of Smith's journey—CBF has joined the Conservation Fund, Sultana Projects, and others to support the establishment of the Captain John Smith Chesapeake National Historic Trail as an addition to the National Trails System. The trail follows Smith's 1607 exploration of the Chesapeake Bay watershed



In 2006, the state of the Bay scored 29 on CBF's annual health index, up from 27 in 2005.

2006: TAKING A STAND AGAINST SPRAWL



The proposed Blackwater Resort Communities development would have threatened the pristine Blackwater National Wildlife Refuge.

The wrong development in the wrong place

This year, CBF dramatically stepped up its opposition to sprawling development. A proposed mega-project in Dorchester County, MD, named Blackwater Resort Communities, would have replaced more than 1,000 acres of farmland and forest with 2,700 homes, a hotel and conference center, and a golf course. The site included over 300 acres of critical area land (land within 1,000 feet of tidal water) and bordered the Little Blackwater River, which drains into one of the premier wetland areas in the nation, the Blackwater National Wildlife Refuge. While CBF recognizes a real need to accommodate the region's growing population, the proposed development was an egregious example of sprawl—clearly, the wrong development in the wrong place.

With the help of donors and more than 35,000 grassroots activists who turned their outrage into action, CBF stopped the development. First, the state's Critical Area Commission voted unanimously to deny the developer's application to build within the critical area, citing concerns over compliance with the law and further damage to water quality in the region. Then, days before the mid-term election, the state announced its plan to buy 70 percent of the site.

In taking on this ill-advised development, CBF has set a precedent against unchecked growth that would destroy farmland and threaten our natural resources. Let it serve as a warning to the thousands of Bay area residents who value clean water, open space, and rural landscapes: Get involved; this could happen in your community.

2006: LITIGATING FOR THE BAY



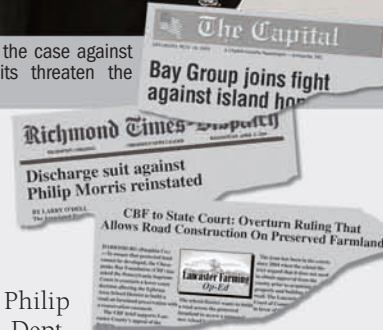
CBF President Will Baker speaks about the case against Philip Morris, whose discharge permits threaten the health of the James River.

A recent court victory is a critical win for CBF members across the watershed

In 2004, CBF sued the Philip Morris company and the VA Dept. of Environmental Quality for failing to require nitrogen pollution limits in the company's wastewater discharge permit. The Chesterfield County Circuit Court dismissed the case for lack of standing, citing that CBF would not suffer any harm due to the permit, and that CBF could not represent its members.

CBF filed an appeal with the VA Court of Appeals to dispute this decision, and argued the case in February 2006. The Appeals Court overturned the earlier decision, setting a precedent that allows CBF, and other organizations like it, to represent their members when environmental laws are not being enforced.

CBF's legal team will continue to take polluters to court as a last resort when the best interests of CBF's 177,000 members are at risk. In doing so, we raise the concerns of our constituents to a higher level, demanding bold and immediate action to protect their local streams, rivers, and the Chesapeake Bay.



CBF's legal initiatives are generating attention and sending the message that polluters and elected officials must be held accountable.