

Setting the Record Straight

Maxxam/Pacific Lumber's Lawless Logging Continues

March 1999 – April 2004

A Report by:

The Environmental Protection Information Center

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I. INTRODUCTION

Pacific Lumber Company ("PL") became notorious for operating outside the rule of law soon after Maxxam Corporation completed a hostile takeover of the company in 1986. Between 1990 and 1999, Maxxam/PL was found guilty of falsifying evidence to a federal judge, caught illegally logging an ancient redwood grove, charged with more than 300 violations of the Forest Practice Rules, and became the first company ever to have its logging license revoked in California.

As part of a deal in which the state and federal governments purchased the Headwaters Reserve, Maxxam/PL obtained a Habitat Conservation Plan in 1999, and now claims to have reformed its lawless ways. But evidence shows this is hardly the case. The Environmental Protection Information Center ("EPIC") has conducted a thorough review of Maxxam/PL's compliance records since the HCP was issued in 1999. EPIC's analysis shows the company's pattern of violations continues, and has even accelerated in recent years.

In fact, Maxxam/PL's record includes well over 300 violations issued by the California Department of Forestry (CDF) and Department of Fish and Game (DFG) in the last five years. Many of these violations resulted in serious damage to fish and wildlife habitat, including many that resulted in harm that cannot be reversed. A great number include illegal cutting and removal of trees within sensitive riparian areas of salmon-bearing watersheds.

In 1997, another investigation by EPIC revealed that CDF charged Maxxam /PL with at least 250 violations of the California Forest Practice Act between 1995 and 1997. These violations continued to accumulate in 1998, and in November of that year, it became the first logging company ever to lose its license to operate in California. Prior to this, Maxxam/PL was found guilty of violating the federal Endangered Species Act after carrying out illegal logging operations in the ancient redwood grove known as Owl Creek.

There are disturbing trends and patterns revealed through these violations, and their number and nature demonstrate a willful disregard for the law. Unfortunately, state and federal agencies are doing little to prevent future violations, and Maxxam/PL's only penalties have been very minor "slap on the wrists." And while Maxxam/PL has profited tremendously from these violations, public trust resources have paid the hefty price.

II. PACIFIC LUMBER'S HISTORY OF VIOLATIONS

Pacific Lumber Company ("PL") began accumulating violations shortly after Maxxam Corporation orchestrated a hostile takeover of the company in 1986. Between 1990 and 1999, Maxxam/PL falsified evidence to a federal judge, illegally logged an ancient redwood grove, and committed more than 300 violations of the Forest Practice Rules.

A. Violations of the Endangered Species Act – The Owl Creek Massacres

"Twice in 1992, Pacific Lumber surreptitiously conducted logging operations in Owl Creek..."

*Marbled Murrelet and EPIC v. Babbitt, et al.,
83 F.3d 1060 (9th Cir. 1996)*

On Maxxam/PL's long list of violations, the ones it committed in Owl Creek Grove stand out as particularly egregious. The company fought for years to obtain a permit to log the heart of this ancient redwood grove, and when its efforts failed, Maxxam /PL twice brought in chainsaws and began unlawfully leveling giant trees. This illegal logging was only stopped by activists who took to the woods and by EPIC's litigation, including a federal lawsuit that was ultimately upheld by the U.S. Supreme Court. This area, including the site of the infamous Thanksgiving Day Massacre, is now in public hands.

In the mid-1980's, Owl Creek was one of the largest unprotected stands of ancient redwoods in the world. Clearcuts quickly surrounded and fragmented the grove following Maxxam's takeover of PL, and in 1990, it filed a timber harvest plan aimed at the heart of the grove. CDF denied the plan when PL refused to provide surveys for the endangered marbled murrelet, but the Board of Forestry overturned CDF's denial and approved the operation. EPIC filed a state lawsuit, and a California Superior Court ordered the Board to require adequate murrelet surveys. In March 1992, the Board approved the plan again, but required that PL conduct two years of scientifically valid marbled murrelet surveys prior to conducting logging operations.

Only two months later, on Friday, June 19, 1992, Pacific Lumber mailed a handful of survey results to CDF, then, without authorization from any agency, promptly began logging Owl Creek over the weekend. This was the first of two illegal logging sprees on this logging plan, as explained by the 9th Circuit Court of Appeals:

"Twice in 1992, Pacific Lumber surreptitiously conducted logging operations in Owl Creek. The first instance was in June 1992. Before the [California Department of Fish and Game] received notice, Pacific Lumber commenced logging on a Friday and continued over the weekend. When the CDF became aware of this logging, the CDF asked Pacific Lumber to

stop and it did. During the logging, however, Pacific Lumber had harvested areas immediately adjacent to murrelet survey stations where several detections had been recorded.

“The second surreptitious logging occurred over the Thanksgiving holiday weekend in 1992, despite repeated warnings by the United States Fish and Wildlife Service (USFWS) in October and November that logging in Owl Creek would likely cause a “take” of marbled murrelets in violation of the ESA.”

Marbled Murrelet and EPIC v. Babbitt, et al., 83 F.3d 1060 (9th Cir. 1996). During these illegal logging operations, Maxxam/PL used extra crews and extended hours, carving 20 acres of cuts into the grove in 5 different locations.

EPIC filed a federal lawsuit, charging PL with violations of the Endangered Species Act for harming the endangered marbled murrelet and destroying its habitat. Before the trial, PL was sanctioned for withholding information from EPIC. But the eight-day trial revealed PL was withholding a great deal more.

On the second day of the trial, it was discovered that PL kept original marbled murrelet surveys hidden in a closet, and provided “replicated” surveys that deleted murrelet detections. It was also disclosed that weekend logging was virtually unheard of, and that the June and Thanksgiving “massacres” were personally ordered by then-company president John Campbell.

On February 27, 1995, a District Court permanently enjoined PL from logging the area, finding it would both “harm” and “harass” the marbled murrelet in violation of the Endangered Species Act. PL appealed the case to the 9th Circuit Court of Appeals and the U.S. Supreme Court. Both higher courts upheld the decision in this precedent-setting lawsuit. In December 2000, the state of California purchased 1,200 acres of Owl Creek Grove, including over 400 acres of ancient redwoods and the site of the Thanksgiving Massacre.

B. Violations of the Forest Practice Rules

In 1997, PL's violations again made national headlines when another EPIC's investigation revealed that, between 1995 and 1997, the California Department of Forestry (CDF) issued to Maxxam/PL more than 250 violations of the Forest Practice Rules. In December 1997, CDF announced it would not renew Maxxam/PL's timber operating license due to the number and severity of these violations, and instead granted a conditional license to the company. This license was contingent upon Maxxam/PL following the law, but its illegal acts continued; in November 1998, CDF suspended Maxxam/PL's license for the remainder of the year, the first and only time it has done so for a logging company in California (see Appendix A). In suspending the license, CDF stated, “This Memorandum documents violations demonstrating the basis for at least two more complaints, as well as violations involving gross negligence and willful disregard for the Forest Practices Act and the Forest Practice Rules.”

III. VIOLATIONS CONTINUE UNABATED: MAXXAM/PL RACKS UP OVER 300 VIOLATIONS IN THE LAST FIVE YEARS

Number of Violations by Year	
1999	15
2000	11
2001	82
2002	79
2003	116
2004*	22
Total	325
* to date	

After several initial violations of the habitat conservation plan, Pacific Lumber's compliance '...has gone up significantly.'"

Louis Blumberg, spokesman for CDF;
San Francisco Chronicle, April 22, 2003

Maxxam/PL claims it has reformed its lawless logging practices since obtaining its Habitat Conservation Plan (HCP) in March 1999. But EPIC's analysis of government records shows this is far from the case, with CDF and DFG charging the company with at least 325 violations of the California Forest Practice Rules and its HCP in the last five years. Many of these violations were particularly egregious and caused irreparable damage to fish and wildlife habitat.

In a staggering number of cases, Maxxam/PL illegally cut trees in riparian management zones (RMZs) by "misclassifying" streams, constructing fuel breaks, or simply cutting over boundary lines. And by no coincidence, several of these violations involved logging of very large, old growth redwood trees, including trees more than nine feet in diameter.

These and other violations that degraded water quality are the most commonplace by far, totaling 241 of the 325 violations, or about 75%. PL's other violations include 26 for illegal logging operations within marbled murrelet habitat and 14 for violations that impacted the northern spotted owl. Thirteen of the violations involved damage to protected plant species, 10 involved illegal cutting outside the riparian areas, and 21 were issued for various other transgressions, including unlawful herbicide spraying and failing to meet post-logging stocking requirements (See on page 6 and Appendix B).

Despite the number and severity of Maxxam/PL's violations – and a history which suggests a willful intent to commit them – CDF and DFG have done little to ensure that Maxxam/PL will comply with the law in the future. Indeed, both agencies have actually defended Maxxam/PL's record in the press, making erroneous statements that do not hold up to the facts. For example, according to the *San Francisco Chronicle*, "Louis Blumberg, a spokesman for CDF, said that after several initial violations of the habitat conservation plan, Pacific Lumber's compliance '...has gone up significantly.'" This statement does not accord to the facts, which show a steady and dramatic increase in the number of violations issued through the years (see chart above).

Following is information on two categories of violations: those harming water quality and those harming marbled murrelets. For a summary of all the violations EPIC has documented, please see Appendix B.

A. Water Quality Violations

The most pervasive kind of violation cited by CDF and DFG is that related to salmon and water quality protection, with Maxxam/PL habitually violating the aquatic provisions of its HCP and the Forest Practice Rules. In perhaps the most disturbing trend of all, Maxxam/PL has continually "misclassified" streams, failed to identify streams all together, and cut into "no-cut" riparian zones. The "on-the-ground" result has been clearcutting and other illegal cutting in sensitive riparian areas.

These violations could not come at a greater expense to salmon, drinking water, and other "beneficial uses" of the watersheds affected. These watersheds provide habitat for species of salmon listed under the Endangered Species Act. All are formally listed as "impaired" under the federal Clean Water Act due to excessive amounts of temperature and/or sediment pollution, and also provide habitat for species of salmon listed under the federal Endangered Species Act. Additionally, there is also documented evidence showing that the provisions of Maxxam/PL's HCP, even if followed, are inadequate to protect salmon and water quality.

1. Illegal Cutting in Riparian Areas

"In [PL's] forests, streams with fish are bordered by lush natural buffers, some as wide as a football field with the stream running through the 50-yard line. In these buffers, trees and vegetation are preserved to keep streams cool and clear...."

Maxxam/Pacific Lumber's website, palco.com

DFG and CDF issued 31 violations to Maxxam/PL for "misclassifying" watercourses or failing to identify watercourses all together. In these instances, streams received

Violations by Category	
Harming marbled murrelets:	26
Harming northern spotted owls:	14
Destroying rare plants:	13
Illegal cutting in riparian buffers*:	35
Constructing fuel breaks in riparian zones*:	7
"Misclassifying" streams*:	31
Other illegal cutting*:	10
Other illegal ops on streams, landslides, etc:	16
Operating in saturated soil conditions:	32
Untreated erosion sites in riparian zones:	23
Road problems:	36
Stream crossings:	46
Misc. violations:	36
Total:	325
* all or most of these violations involved illegal cutting	

smaller buffers than required – or no buffers at all – and trees were leveled that should be standing today.

As only one example, in Shaw Creek Grove, adjacent to an old-growth marbled murrelet conservation area, Maxxam/PL “misclassified” a stream as one not

supporting aquatic life. When the Department of Fish and Game employees discovered the “error,” trees had already been felled in an area that should have been a “no-cut” zone, including a redwood tree measuring eight feet in diameter.

Number of Violations by Agency

Dept. Fish and Game:	227
Dept. of Forestry:	98

Maxxam/PL received 35 violations for other illegal cutting in riparian areas, with logging in “no-cut” zones and cutting more than allowed in “selective entry bands.” For instance, in the Eel River watershed, DFG found two ancient redwoods were illegally cut within what should have been a “no-cut” zone for a small stream, one stump measuring almost nine feet and the other measuring six feet in diameter.

The number and nature of these violations suggest that it is no accident they are occurring. For example, in issuing one violation, DFG noted that “[b]lue flagging, which is used to demark a Class III watercourse, was hanging just four feet from the tree stump.”

2. Other Water Quality Violations

Aside from illegally cutting in riparian areas, Maxxam/PL has been cited for numerous violations that damaged water quality and salmon habitat. For example, 23 violations were issued because logging operations created large areas of exposed soil next to streams and were left untreated, many actively eroding silt and fish-choking sediment directly into the watersheds. Numerous violations were issued because stream crossings were causing problems, with many of the 46 violations noting concerns at multiple locations. In these and other violations, Maxxam/PL’s actions or inactions resulted in actual or potential degradation of water quality.

B. Marbled Murrelet

Through its Habitat Conservation Plan, Maxxam/PL received an “incidental take” permit for the endangered marbled murrelet, allowing it to log 10,000 acres of old-growth nesting habitat. This was an unprecedented amount of authorized “take” for this highly imperiled seabird. As mitigation, DFG required that logging of this habitat be spread over a period of years, with the highest quality being left standing the longest.

But Maxxam/PL did not wait long to log this habitat. Immediately after receiving its HCP, it began logging the highest quality murrelet habitat sacrificed through the infamous Headwaters Deal. DFG issued 10 separate violations for these acts, as well as 16 others for illegal operations in seasonal buffer zones that are established around nesting habitat during the breeding season.

Relying on old-growth forests, and exclusively on ancient redwoods in Northern California, the marbled murrelet is facing imminent extinction today. Biologists and marbled murrelet experts submitted comments to DFG when the HCP was proposed, raising concern that the extent of “take” would threaten the survival of the species. And in May 2004, a scientific report commissioned by the Bush Administration was released that shows the marbled murrelet faces a 100% probability of extinction in California in the next 40 to 50 years under current management regimes.

IV. INSULT TO INJURY: MAXXAM/PL SEEKS TO AXE SAME PROVISIONS IT HAS VIOLATED ALL ALONG

In March 2004, Maxxam/PL announced plans to change its Habitat Conservation Plan (HCP), seeking to eliminate the very same provisions that it has been violating all along. These changes would allow it to log even more than currently allowed – removing “no-cut” buffers on streams and landslides and lifting restrictions during the rainy and murrelet nesting seasons.

There is no scientific or legal basis for these changes, and in fact, both the science and law show that fish and wildlife protections need to be dramatically improved instead. Last year, a state court ruled that Maxxam/PL's logging is unsustainable, impairs salmon habitat, and threatens species like the marbled murrelet (*EPIC v. Pacific Lumber*). Additionally, an independent scientific review panel has released two separate reports unanimously concluding that Maxxam/PL's HCP is inadequate to protect our watersheds and salmon habitat.

V. CONCLUSION

*“We think Pacific Lumber is dealing in best faith to comply”
with the Habitat Conservation Plan.*

Michael Valentine, general counsel for DFG;
San Francisco Chronicle, April 22, 2003

While Maxxam/PL may claim it has changed its lawless ways, these violations demonstrate a continued, reckless disregard for both the rule of law and for public trust resources. In them, one finds disturbing trends and patterns, with the same violations occurring on a pervasive level. Unfortunately, even though CDF and DFG are the agencies citing the violations, they have turned a “blind eye” to the violations and have acted only to defend the company to the media and the public.

Appendix A

Copyright 1998 The Hearst Corporation
The San Francisco Examiner

October 23, 1998, Friday; Second Edition

SECTION: NEWS; Pg. A-6

LENGTH: 282 words

HEADLINE: Pacific Lumber cited for sloppiness;
State says logger violated rules in Humboldt County

SOURCE: OF THE EXAMINER STAFF

BYLINE: ERIC BRAZIL

BODY:

Pacific Lumber Co. of Scotia, kingpin of the North Coast redwood lumber industry, is in hot water again with the California Department of Forestry.

On Thursday, the forestry department cited Humboldt County-base Pacific Lumber for violating the state's Forest Practices Act by sloppy logging along Bear River, five miles south of Headwaters Forest.

Pacific Lumber failed to install four culverts required by its timber harvest plans and drove vehicles and heavy equipment through the river for two weeks, causing heavy silting and turbidity.

The citations follow others issued last week to two companies logging for Pacific Lumber along Freshwater Creek in Humboldt County, where inspectors found the loggers had been clearcutting too close to the stream in the buffer zone designated to protect a pair of nesting spotted owls.

Pacific Lumber is operating on a tenuous license, which was issued in January by the Department of Forestry, which had threatened to revoke its license because of multiple and persistent violations of the Forest Practices Act.

The company agreed to a stipulated judgment, under which it would give the Department of Forestry keys to all of its gates to make unannounced inspections.

"We have not made any decision about revoking their license, but it's certainly within our jurisdiction," said Department of Forestry spokeswoman Karen Terrill. The decision on revocation would be made by the state Board of Forestry. "It's being discussed now, and it's a possibility," Terrill said.

The violations for which Pacific Lumber has been cited are criminal misdemeanors, the fines for which will be set by Humboldt County Municipal Court.

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The San Francisco Examiner

December 31, 1997, Wednesday; Second Edition

SECTION: NEWS; Pg. A-4

LENGTH: 721 words

HEADLINE: State lets logging firm keep license ;
Pacific Lumber promises to comply with forestry laws

SOURCE: EXAMINER ENVIRONMENTAL WRITER

BYLINE: JANE KAY

BODY:

The world's largest private owner of prized redwood trees, Pacific Lumber Co., has averted losing its license to log in California as long as it abides by restrictions clamped on its timber operations.

Pacific Lumber, a subsidiary of Maxxam Corp., got the go-ahead Tuesday to proceed with logging next year under an agreement with the state Department of Forestry.

"The agreement raises the standards, and it increases the scrutiny," said Karen Terrill, Forestry Department spokeswoman. "The restrictions are unprecedented, and apply only to Pacific Lumber."

The department, which enforces state forest practices law, about two weeks ago notified Pacific Lumber, owner of 200,000 acres of giant redwoods and Douglas fir, that it wouldn't renew its commercial license.

Pacific Lumber showed a pattern of failing or refusing to comply with the rules, the department said. The poor practices caused erosion that ruined streams and destroyed wildlife habitat, the department said.

In 1997, Pacific Lumber piled up 44 violations on more than a dozen different logging plans, according to the department.

Terrill called the threatened revocation "very rare."

"Ninety-five percent of timber operators are in complete compliance, " she said. "The other 5 percent take up 90 percent of our time."

In a statement, John Campbell, Pacific Lumber CEO and president, said discussions between his company and the state had produced the agreement.

"Our timber operator license is vital to our business and we are pleased that an agreement with (the department) was reached," Campbell said. "We have taken this matter very seriously and want to assure the state that our operations will be in full compliance with the law."

In the agreement, the state ordered Pacific Lumber to:

Issue gate keys to state inspectors so they can make both surprise and scheduled visits to logging sites.

Restrict activities near streams that could result in sediment, including traveling on dirt roads, hauling logs, placing rock on roads and other activities in certain weather conditions.

Give authority to a registered professional forester who would supervise or shut down timber operations. The forester would inspect every operation at least twice a month and submit written reports to the state.

The Environmental Protection Information Center in Garberville was still reviewing the new conditions Tuesday.

"This could provide a new level of scrutiny of Pacific Lumber's operations, if the restrictions are well spelled out, and there's a good monitoring system (by the state)," said Cecelia Lanman, a founder of the group. "But we must have strong enforcement by the state Department of Forestry in order for this agreement to have any effect. Our experience has been that (the department), and (Gov.) Pete Wilson have miserably failed to enforce this law."

In addition, Lanman believes that the conditions should include the larger issue of cumulative impacts of logging addressed by a State Court of Appeal decision won by her group in 1985.

After Maxxam bought Pacific Lumber, based in Humboldt County, in a 1985 hostile takeover, the company accelerated logging.

"The license should be revoked on the basis that Pacific Lumber has cut too much too fast," said Lanman, "and has created cumulative impacts that will have a disastrous effect on the salmon and the watershed for generations to come."

North Coast environmentalists are leading a campaign to secure 60,000 acres of redwood forests owned by Pacific Lumber for national forest land.

The federal government has put up \$ 250 million to purchase 7,500 acres of it, including the 3,000-acre Headwaters Grove, the largest intact private virgin redwood stand in the world. The state must raise \$ 130 million to pay its share.

Meanwhile, Pacific Lumber continues logging on its large second-growth and old-growth holdings not included in the 7,500-acre deal or protected by specific federal laws, including the Endangered Species Act.

Under the conditional license, the Forestry Department could instigate a license suspension proceeding within 24 hours if it had complaints of violations from its staff or the Humboldt County district attorney. The department would have 15 days to decide whether to revoke the license.

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The New York Times

December 24, 1997, Wednesday, Late Edition - Final

SECTION: Section A; Page 14; Column 1; National Desk

LENGTH: 318 words

HEADLINE: California Officials Threatening To Void Redwood Logger Permit

BYLINE: Reuters

DATELINE: SAN FRANCISCO, Dec. 23

BODY:

California announced today that it planned to revoke the logging license of Pacific Lumber, a company that enraged environmental groups with its plans to cut down an ancient grove of redwoods.

The move by the state's forestry department would effectively halt the company, a unit of Maxxam Inc., from doing its own logging in the 200,000 acres of California forest it owns, beginning in 1998. The company would, however, be allowed to use contractors to do the work.

Gerald Ahlstrom, deputy chief of forest practice enforcement at the California Department of Forestry and Fire Protection, said he was taking action against Pacific Lumber after a compliance review showed that the company had accumulated more than 100 code violations during the last three years.

Most of the violations were associated with erosion control measures, Mr. Ahlstrom said.

A group of California property owners sued Pacific Lumber, Maxxam and its chairman, Charles Hurwitz, earlier this month, accusing the defendants of causing mud slides, floods and destruction of the local watershed through recklessly irresponsible logging.

Pacific Lumber, local law enforcement officials and environmental groups have been locked in a battle for several years over the company's plan to log a tract of ancient redwood trees in Humboldt County known as the Headwaters Forest.

A Pacific Lumber spokeswoman, Mary Bullwinkel, said, "We are in discussions with the California Department of Forestry and are hopeful that we can resolve this issue and get our license renewed."

Environmental groups reacted coolly to the news, saying authorities should have acted years ago.

"Pacific Lumber has been operating in reckless disregard of the rules for years," said Paul Mason, president of the Environmental Protection Information Center, "and a lot of these violations have caused irreparable damage to public resources."

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The San Francisco Examiner

December 13, 1997, Saturday; Fourth Edition

SECTION: NEWS; Pg. A-1

LENGTH: 780 words

HEADLINE: Redwood logger may lose license ;
Pacific Lumber put on notice by agency

SOURCE: OF THE EXAMINER STAFF

BYLINE: ERIC BRAZIL

BODY:

Pacific Lumber Co., target of a decade of protest by North Coast environmentalists and owner of the largest stands of redwoods in private hands, may lose its timber operator license because of persistently poor logging practices.

The California Department of Forestry has notified Pacific Lumber President John A. Campbell that it was poised to deny or revoke the company's license based on the company's activity in Humboldt County forests this past year.

Pacific Lumber, which owns some 200,000 acres of redwoods and other old growth timber, including Headwaters forest, for which the federal government recently agreed to pay \$ 250 million, is currently on probation for several counts of violating the state's Forest Practices Act.

"Their violation of probation is a matter of public record," said Gerald A. Ahlstrom, deputy chief of CDF's forest practice enforcement and litigation branch. "Thirty-five or 40 violations have been noted by our inspectors."

CDF grants about 2,000 timber operator licenses a year, and just 11 companies received letters warning them of possible license revocation, Ahlstrom said.

Neither Campbell nor Pacific Lumber spokeswoman Mary Bullwinkel returned calls seeking comment on the CDF letter.

"Now, we're going to collect more information from the field on (Pacific Lumber's) compliance with the rules and look at that record, and if it's significant enough, we will go ahead and put into play our authority to deny their license," Ahlstrom said.

In the past, "no big timber company has had its license revoked," he said. "This is the first time we've ever even notified a large company."

Pacific Lumber is a subsidiary of Houston-based Maxxam Inc., a conglomerate owned by Charles Hurwitz, who acquired the company in 1986 in a complex deal aided by fiscal felons Michael Millken and Ivan Boesky.

By accelerating the rate at which old growth redwoods were being cut in order to increase Pacific Lumber's cash flow, Hurwitz called North Coast environmentalists to their battle stations, and he hasn't had a moment's peace since.

The most recent prominent demonstrations against Maxxam turned the national spotlight on Humboldt County, when sheriff's deputies swabbed pepper spray on the eyelids of anti-logging protesters from the Headwaters Coalition.

Landslides blamed on logging

On Dec. 2, Maxxam was sued twice by Humboldt County residents who accused Pacific Lumber of ruining the town of Stafford, which was badly damaged by a landslide that may have been caused by timber overcutting; and of damaging the Elk River, which no longer runs clear because it is thick with logging debris.

Maxxam's critics contend that its takeover of Pacific Lumber, which had been controlled by the same Humboldt County family for more than a century, has altered the entire tenor of life in the county, causing conflict from afar by its logging tactics.

Pacific Lumber has been transformed "from a white hat to black," said Eureka attorney Bill Bertain, who represents plaintiffs in several suits against Maxxam. "They're the rogue of the timber industry, thanks to Hurwitz and his executives."

Paul Mason, spokesman for the Environmental Protection Information Center in Redway, Humboldt County, said the state's move was "a step in the right direction, but it's a little wishy-washy. My past experience with CDF doesn't inspire a great deal of confidence that they're going to stand up to a known bad actor who consistently violates the rules."

Violations while on probation

The Forest Practices Act violations for which Pacific Lumber is on probation are failure to maintain a watercourse crossing used in timber operations to prevent stream overflow down a road; failure to remove inadequate drainage structures and failure to install water breaks on logging skid-trails.

The 31 additional violations since the company was placed on probation include overharvesting, failure to reduce hazards, clear-cutting instead of thinning, failure to dispose of trash and numerous instances of inadequate road maintenance.

Ahlstrom said no decision would be made on Pacific Lumber's license until after Jan. 1. If the decision is for revocation, there will be a hearing before an administrative law judge. If the judge's decision goes against the company, it can appeal to the Superior Court.

Until the case is fully adjudicated, the company will keep its license and can keep on logging.

Even if the one-year license is revoked, logging could still continue on Pacific Lumber land, if the company expands its use of contract loggers who hold valid licenses, Ahlstrom said.