

Forest Communiqué

The Voice of Forest Unlimited
PO Box 195 Cazadero CA 95421 707.632.6070

Defending Forests in the Courts

Timberland, natural areas, and open space are still being converted to sterile industrial vineyards in Sonoma County. Forest Unlimited is presently challenging two such conversions in court. Mill Creek, west of Healdsburg, is a rare specimen. It still supports the struggling Coho, Chinook and steelhead. It is a fragile and important tributary to Dry Creek and the Russian River. The National Marine Fisheries Service discovered "massive bulldozed" areas that resulted in erosion "directly into class III [watercourses]" on 14 acres of a parcel owned by Roger Burch. The cleared areas are within a logging plan of 199 acres still under review by the California Department of Forestry (CDF). As usual, CDF failed to cite the violation.

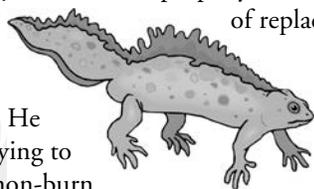
Friends of Mill Creek and Forest Unlimited filed suit, charging Burch with unfair business practices by failing to obtain proper permits and engaging in a pattern of disregard for environmental standards required by federal, state and local law.

On the opposite side of the County, on the steep western slopes of Mt. St. Helena, Ronald Neuman cleared approximately 50 acres of timberland, pulled the stumps, recontoured the natural landscape for vineyards, and bulldozed roads. The entire area drains into Kellogg Creek, a tributary to the Russian River. Neuman, like Burch, carried out these activities without the proper permits, so we have filed suit. He even started a forest fire by trying to burn the leftover slash (on a non-burn day!). Even though the area cleared was clearly timberland and required a conversion permit, CDF refused to cite Neuman and falsely claimed that it was not timberland. Forest Unlimited intends to prove otherwise in court.

One might ask, why sue after the

damage has been done? Environmental law and regulations are meant to protect the environment and the public's right to comment upon development projects. When proper permits are obtained, the State agencies supervise the development and require such things as erosion control plans. Hopefully, such suits discourage illegal timberland conversion and illegal logging and encourage landowners to apply for the appropriate permits. The monetary damages assessed send a message to other landowners--don't cut out the public out of the process. Furthermore, such suits can result in restitution such as the replanting trees or providing permanent conservation easements.

Usually, timberland conversion is permanent. The timber base is lost forever and the remaining timber base is logged more intensively to make up for that loss. CDF seems unable or unwilling to understand that this is a cumulative effect that must be mitigated. Indeed, CDF routinely allows private foresters to ignore the legal requirements to assess cumulative effects or pretends not to notice when they confuse them with direct effects. CDF has yet to set the legally required threshold for significant cumulative impact effects due to conversion. They routinely fail to properly assess the environmental effects



of replacing forest with vineyards, effects such as the increased use of pesticides and herbicides or increased flooding and erosion.

Forest Unlimited opposes all timberland conversions. We encourage the public to challenge timber conversions, demand maximum environmental review, and force CDF to justify their approvals of conversions with genuine scientific evidence.



Forest Unlimited
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Forest Unlimited is a 501(c)3 non-profit organization whose purpose is to protect, enhance and restore the forests of Sonoma County. Forest Unlimited educates the public about logging plan review, forestry law and regulation.

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From the Desk of the
Executive Director

In A Word....



Why Does Wall Street Make a Poor Land Steward?

Why do publicly held corporations make poor managers of forestland?

In a word: Credit. All publicly traded stock corporations are run on credit. Anyone, even a corporation, who is deeply in debt cannot afford to plan for the long-term future. This is because their assets must return immediate profit to pay current expenses plus interest. Any reduction in current revenues becomes a disaster. Inflation guarantees that tomorrow's money is worth less than today's. Publicly held corporations have it even worse. Their expenses include payrolls, taxes and pension funds. They must pay interest on money borrowed to finance machinery and operations. On top of that they must disperse a substantial amount to shareholders. This is

especially true for industrial forestry corporations. If the corporation must earn a 10% per year return on investment, but forestland grows at a leisurely average rate of 1% per year, they have a serious cash flow problem. Sustainability is out of the question. They must mine the forest, not farm it. And that is exactly what industrial forest corporations do, in spite of their slick PR campaigns that claim otherwise. They buy forestland, strip it of all that the law and the public will allow, then sell it off as ranchettes or farmland. The cash produced by the biological equivalent of strip mining and the sale of the land pays profits and expenses and buys more timberland. The cycle continues until the forest runs out and the corporation moves to another country or another state. Both Louisiana Pacific and Georgia Pacific are examples of this cut-and-run policy. For the same reasons, corporations mine their human capital. Did I hear anyone mention Enron? Holding companies like Maxxam take it one step further and mine the accumulated wealth of companies that have just gone public and sold too much stock.

Why run debt?

1. **Publicly owned corporations are required by law to maximize immediate profits.** They can actually be sued by shareholders if they don't. Corporations are judged against the performance of other corporations. Your immediate bottom line looks better if you pad it with the accumulated wealth of the future, i. e., borrowed money. If your competitor does it, and you don't, you lose.
2. **A corporation with a large amounts of savings or capital accumulation is a takeover target.** Charles Hurwitz's Pacific Lumber Company is a prime example. Using his holding company Maxxam, the corporate equivalent of a

predator, Hurwitz uses stock transactions between the two firms to systematically suck wealth from PL into Maxxam.

3. **Corporate Boards judge their CEO's performance on a report card issued quarterly.** The CEO's salary and benefits is usually based upon quarterly profits. The expected tenure of most CEOs is rather short. He (rarely she) is understandably focused on the short term bottom line. So what if his successor must deal with a bankrupt company?
4. **A corporation is not a moral agent.** It has no heart and no soul. Survival and maximizing immediate profit for shareholders is its only credo. A CEO who seeks to accumulate economic, human or environmental capital will not last long.

So what's the solution?

Not all corporations are publicly held. Some are closely held by a few individuals or a family as Pacific Lumber was originally. Forest Unlimited is a public interest non-profit corporation. Trusts, such as pension funds and insurance trusts are corporations. Cooperatives are also corporations. And so are cities and counties. Although all of the above can and do borrow money, they generally limit their debt. They have a very different legal mandate and, often, a different set of values than Wall Street's darlings.

Family owned forestry firms generally cut less aggressively than publicly traded corporations. Often the reason is to provide their children with a prosperous business. They often live in the community, know and care about their neighbors, employ local people and have a stake in the local economy.

Land trusts and other nonprofit have Articles of Incorporation that bind them to a public interest, such as forest preservation. They potentially have a long lifetime and no stockholders pushing them for higher profits. They can plan for the future.

Insurance and pension trusts have a legal requirement to make their capital grow over the long term. Indeed, because a trust is earning interest not paying it, tomorrow's money is worth more than today's. Managing forest for old growth not only becomes economically possible for a trust, it is the prudent way to maximize long-term return on investment. After all, rot-resistant old growth logs commands a much higher price than poor quality, fast growing good-only-for-fiber mini-trees. Cutting every 150 years yields larger long term profits that cutting every 40 years. An example of such a trust is the Methodist Church Trust which provides timber from its timberlands to the Collins Pine Company. Their contract with Collins specifies only moderate selective cutting. Every year the standing timber on their property increases in spite of continual logging! The ethical stance of the church also helps guard the forest.

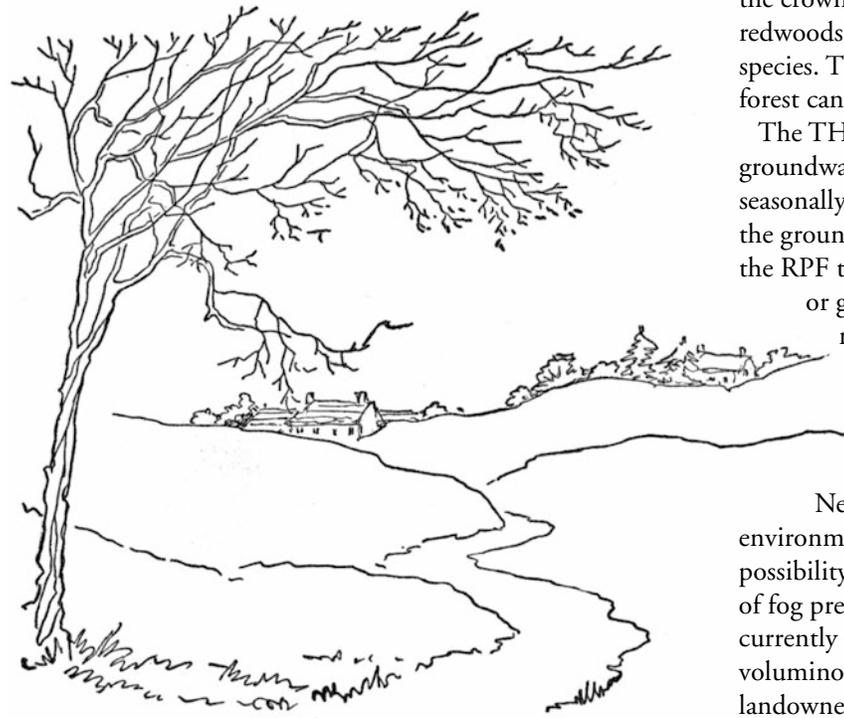
This is only a partial list which I am sure that Forest Unlimited members and friends could add to and improve upon. Forest Communiqué would love to here your ideas.

Fay Creek

by Carl Wahl

Occidental residents are currently trying to stop a particularly egregious timber harvest plan located on the west side of Joy Road near Occidental. The 13-acre THP site is heavily forested with 90-100 year old redwoods and has been designated by the County as desirable open space. Its ridge top location and steep westward slope make it highly visible to neighbors both far and near as well as to motorists.

The landowner, Harmony Forest and Land Co. LLC, filed for



a 67% basal area cut—the maximum allowed by law. Although this area has a 10-acre minimum per residence, the THP takes advantage of a loophole regarding old lot lines to develop three homesites, including new roads. The THP and the development to follow constitute a phased project, and under CEQA, it is illegal to partition a phased project into separate projects. Nevertheless, CDF is reluctant to consider the environmental impacts of the stated proposed development along with the

THP. If allowed to take place as proposed, this beautiful area will never look like a forest again.

Another issue of concern is the THP's effects on groundwater availability. Studies have shown that fog precipitation contributes about 20% of the total annual net precipitation in this area. The THP, coupled with the development to follow, may remove 74-82% or more of the area's forest canopy. Fog production is directly proportional to the amount of foliage in the crowns of trees. Further, due to the shape of their needles, redwoods have the highest rate of fog production of any tree species. The reduction in groundwater recharge from so large forest canopy reduction would be quite substantial.

The THP is located at the virtual epicenter of a County pilot groundwater study. Neighbors on all sides of this THP seasonally haul water. Nevertheless, CDF has so far dismissed the groundwater issue as insignificant. CDF has not pressed the RPF to assess the cumulative effects of either development or groundwater depletion. The THP is also flawed in many other areas, including an inadequate alternatives analysis and an inadequate assessment of the cumulative effects of both habitat reduction and potential siltation of Fay Creek, located just below the THP site.

Neighbors have joined together and enlisted the help of environmental attorney Ed Wilson who is intrigued with the possibility of setting far-reaching legal precedents in the areas of fog precipitation and groundwater availability. CDF is currently drafting the Environmental Response to the THP's voluminous public input. Still, neighbors agree that the landowner has the right to develop a homesite on the property. This area could make a beautiful estate parcel and still generate a significant profit from its sale without having to denude the forest and further exacerbate the area's serious groundwater problems.

Those wishing to help in this endeavor should contact Carl Wahl at 874-9268. Tax-deductible contributions for this lawsuit may be made by writing a check to Forest Unlimited notated for "Fay Creek THP".

Enron Explained

In case you were wondering how Enron came into so much trouble, here is an explanation reputedly given by a Texas A&M professor to explain it in terms his students could understand.

Capitalism

You have two cows. You sell one and buy a bull. Your herd multiplies, and the economy grows. You sell them and retire on the income.

Enron Capitalism

You have two cows. You sell three of them to your publicly listed company, using letters of credit opened by your

brother-in-law at the bank, then execute a debt/equity swap with an associated general offer so that you get all four cows back, with a tax exemption for five cows. The milk rights of the six cows are transferred via an intermediary to a Cayman Island company secretly owned by your CFO who sells the rights to all seven cows back to your listed company. The annual report says the company owns eight cows, with an option on six more.

Now do you see why a company with \$62 billion in assets is declaring bankruptcy?

Forest Unlimited Campaigns

Forest Unlimited has initiated several new campaigns that need your participation! Please consider volunteering for one of the following campaign projects. If you can volunteer from one to two hours per month, we have important, rewarding tasks for you. Training is available, so don't think that you lack the skills. Hours are flexible. You can volunteer by calling 707-632-6070.

Campaign to Reforest Sonoma County:

Reforestation Projects: Forest Unlimited has been participating in several forest restoration projects, among them reforestation of Atascadero Creek and restoration in Armstrong Redwoods State Park. Volunteer now to help plan future projects.

Watershed Organizing: Forest Unlimited has been organizing and training watershed groups on forest protection techniques. If you would like to work with us to organize groups to protect watersheds, contact Forest Unlimited.

Forest Education Campaign:

The more a citizen learns about the amazing ecology and function of the forest, the more they appreciate the importance of preserving and protecting forests. Consider participating in Forest Unlimited's Education Campaign. Several projects comprise this campaign.

Interpretive Hikes Project: One of the best ways to learn about forest communities and ecology and develop a love of the forest is to get out into the woods. Volunteers will organize and publicize interpretive hikes that emphasize identification of local riparian and upland trees and their ecology. This involves site selection, work with a local hike leader with the appropriate knowledge, publicizing the event and, of course, attending the hike.

Educational Articles: If you enjoy learning and writing, consider researching and writing an article for the Forest Communiqué, Forest Unlimited's newsletter, on some interesting aspect of forest ecology, forest economics, or local forest history.

Educational Books: Forest Unlimited is selecting educational books to offer to its membership and to sell at events. If you have recently read a book on forests, forest ecosystem, watershed protection or activist organizing that you consider a "must read", let us know.

Anti-Corruption Campaign:

Most of the employees of the California Department of Forestry are hardworking, public servants with high integrity. Unfortunately, Forest Unlimited has, to put it tactfully, encountered serious under enforcement.

Reporting this behavior to superiors in the Department, has only resulted in stonewalling and evasion. The California taxpayer has a right to expect that State agencies will defend the public interest. The public should have confidence that State employees are honest and diligent. Because of the amounts of money riding on each Agency decision, there is an incentive for bribery. How can you help clean up corruption? Here is what we propose:

Who's Responsible? Project: If you are interested in law, consider volunteering for this project. Forest Unlimited needs someone who will research what responsibility that State agencies have to audit and monitor the competence, performance and honesty of their decision makers and inspectors. This will likely require consulting State codes and regulations on the internet or visiting the Sonoma County Law Library. Volunteers will issue a report of their findings which will include a set of recommendations for implementation by the State Legislature. Ultimately, we hope to convince the State Legislature to hold hearings on these issues.

Forest Documentation Project: Sonoma County has a problem with illegal timberland conversions. California Department of Forestry has been unwilling to cite many of these environmental offenses. Forest Unlimited can enforce when CDF fails to but only if we can demonstrate that areas cleared were in fact previously "timberland" under the Board of Forestry's definition.

We need citizens willing to take the time to document the forest on hillsides, particularly those adjacent to vineyards. Volunteers will photograph these areas using a gps unit and compass to record the location and direction of the photos



See Campaigns... next page

Pocket Canyon Scenic Highway Threatened

by Rene' deMonchy

One hundred eighty-one acres of beautiful wooded mountains are threatened with a proposed Timber Harvest Plan (THP) in Pocket Canyon. Pocket Canyon is located on Highway 116 between Guerneville and Forestville and, as such, is within the State designated Highway 116 Scenic Corridor. The Scenic Corridor encompasses all of the east-facing slopes rising up from the highway all the way to the ridge tops.

Though the parcels involved are zoned DA (Diverse Agriculture) by the County of Sonoma, a Scenic Resource zoning designation, the boundaries of which are the same as the State Scenic Corridor, is also present. Neither the County nor the State possess any real enforcement power over the logging proposal when it comes to the scenic resource.

Accountability for this lack of enforcement, along with a host of other issues, is being pushed to the forefront by a newly formed, grass-roots neighborhood group called Pocket Canyon Protection Group (PCPG). This group is organized under the umbrella of Forest Unlimited's non-profit legal status and has done an exceptional job of challenging the THP. To date the group has been able to facilitate the return

of the 3 THPs so far submitted to CDF back to the Registered Professional Forester (RFP).

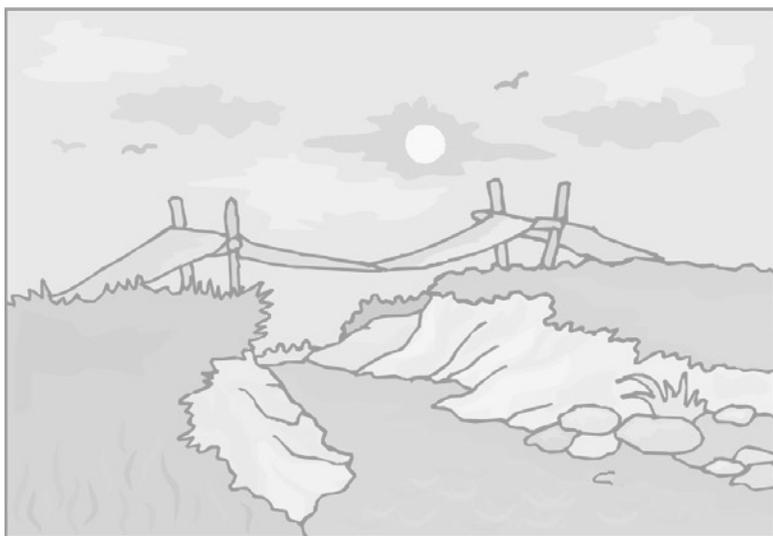
The RPF is Glenn Edwards, a.k.a. GTE & Associates of Ukiah. Glenn Edwards is well known to CDF and Forest Unlimited for other THPs submitted in this county. He has acquired the nick-name "Mr. Inadvertent" for the many inadvertent omissions in his logging plans.

According to Rene' de Monchy, spokesperson for PCPG, this THP will have an extremely negative impact on the scenic beauty and tourist economy of the area. The devastating effect on the watershed is the most important issue. The THP area is in the zone-4 water scarce designation by the County and many residents within the watershed area have seen their wells decline or dry up in the summer. The cause of this is currently unknown but extensive new Korbel vineyards may have something to do with the problem. A watershed study by the Clean Water Institute is in the offing.

Much of the proposed logging would take place on 80% slopes directly above a Class-1 creek which provides water for a 49-connection, California Water Service (CalWater) well (within 20 ft. of the creek). Other private wells exist along the creek too, and all are less than 50 ft. deep, resulting in their classification by the State Department of Health as "surface water". As a result, the Regional Water Quality Control Board has played a very serious role in forcing the RPF to make changes to his logging plan.

The State Department of Fish and Game has documented Steelhead in the creek and other endangered species, such as the Northern Spotted Owl, inhabit the area. PCPG made a digital videotape to document the presence of the Steelhead.

Expecting the submittal and possible CDF approval of a fourth version of the THP, PCPG has begun fundraising for the possibility that they may have to file suit to prevent environmental damage. They have selected Paul Carroll of Menlo Park to be their 'attorney-at-the-ready'.



Campaigns from page 4...

(equipment provided by Forest Unlimited). Species composition of the photographed hillsides will be recorded and all data stored in digital form. The information will serve as documentation of the forest before it is illegally cut.

Enforcement Project:

For several years now, Forest Unlimited has been taking landowners to court who engage in unlawful logging or timberland conversions. We need additional volunteers to

locate and investigate these illegal acts. So if you always wanted to be a private eye, consider volunteering for this project! The Forest Unlimited Air Force is an element of this project. We use air surveillance to locate illegal logging in remote, difficult to reach areas in the County.

There are other projects we are excited about too numerous to list. If any of these projects excite or intrigue you or if you have a project you would be interested in developing, contact Forest Unlimited at 707-632-6070.

Are They Logging in Your Watershed?

Chances are, the answer is yes. The following are just some of the logging plans and timberland conversions currently under review in Sonoma County. Listed is the official CDF plan number, the landowner, the watershed, size and silviculture for each. Comments to CDF should be addressed to Director, 135 Ridgway Ave, Santa Rosa, CA 95402

1-99-509 SON Pasalacqua Briggs Creek 129 acres

Conversion. Still in limbo awaiting second review. The local CDF report has gone to the State Clearinghouse. The public has made a showing that there may be significant adverse environmental effects which legally triggers a full EIR. But, once again, CDF is violating the law and is attempting to push this through on a negative declaration. Forest Unlimited has organized a group of landowners adjacent to this plan.

1-00-147 SON Campbell Buckeye, Soda Springs, Grasshopper Creeks 88 acres

Conversion. This is awaiting rubberstamp approval at the State Clearinghouse in Sacramento. The public comment period is closed and CDF is writing its response to public comment .

1-00-238 SON Putman Sullivan Creek 23 acres

Conversion. This is awaiting approval at the State Clearinghouse in Sacramento. The public comment period is closed and CDF is writing its response to public comment .

1-00-222 SON Burch Mill Creek 199 acres

Conversion, Selection, Seed Tree Removal, Rehabilitation. Just approved. In spite of residents requests to be notified so they could attend the second review, CDF held a stealth review, then approved the plan. Forest Unlimited has filed suit alleging that Burch converted timberland without a permit in the middle of and prior to approval of the THP. Forest Unlimited held Forest Protection Workshops for the Mill Creek Watershed Association. A number of their members have offered to place conservation easements on their properties and are working with the Open Space District. Burch, who owns the sawmill in Cloverdale has been previously sued for Clean Water Act violations.

1-01-012 SON Burch May's Creek 94 acres

Selection, Seed Tree, Sanitation Salvage. This parcel is leased by the Sonoma County Water Agency to use for wastewater disposal and SCWA is opposing the THP. The parcel also contains the Clar Tree, the tallest redwood in Sonoma County. At last word Burch was discussing sale of a conservation easement to SCWA.

1-01-171 SON Codorniu Grasshopper, Little Creeks 105 acres

Conversion. The local assessment has not been sent to the State Clearinghouse yet and it is awaiting second review. The public comment period is still open. Forest Unlimited held two training sessions with a neighborhood group in the area of Horicon School on Annapolis road. Codorniu Napa Inc. is a Spanish multinational. Logging the trees is intended to finance the vineyard.

1-01-178 SON Polston Little Creek 33 acres

Seed Tree Removal, Commercial Thinning. Another plan near Annapolis Road on a tributary to the Wheatfield Fork of the Gualala.

1-01-202 SON Jones Fuller Creek 11 acres

Conversion. Another plan adjacent to Annapolis Road. Fuller Creek is a tributary to the Wheatfield Fork of the Gualala.

1-01-223 SON Peter Michaels South Fork Gualala 70 acres

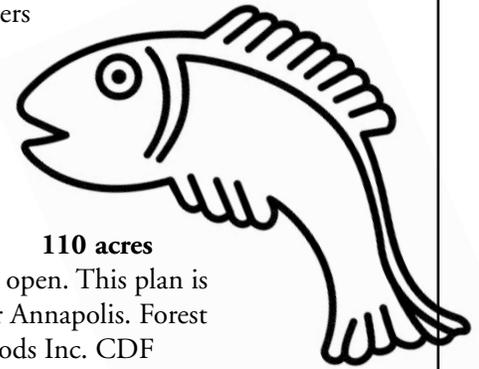
Conversion. The plan is still under local CDF review Public Comment is still open. The area is near Seaview Road just over the ridge from Fort Ross State Park. This is the same the same general area that Peter Michaels attempted to illegally convert but were halted by a Forest Unlimited suit. The new plan covers an area much larger than the previous attempt.

1-01-232 SON Bareilles East Austin Creek 49 acres

Alternative Prescription. The PHI has been done but we are waiting for second review. The Public Comment period is still open. Located at the junction of East Austin Creek and Austin Creek. FU helped organize a watershed group known as the East Austin Creek Homeowners Association and provided two training workshops. That group is also working with the Austin Creek Watershed Association.

1-01-297 SON Henderson Pocket Canyon Creek 181 Acres

Selection, Alternative Prescription, Rehabilitation, Seed Tree. In limbo. This plan borders Scenic Highway 116 and appears to be in preparation for a future conversion. Forest Unlimited held two training sessions for the Pocket Canyon Protection Group which was formed out of residents that use a private water system with its source in Pocket Canyon Creek. Thanks to good work by PCPG, this THP has been returned three times without being officially accepted for filing.



1-01-365 SON GRI Rockpile Creek 110 acres

Clearcut. PHI has been done but is waiting for second review. Public Comment is still open. This plan is located near the junction of Rockpile Creek and the Gualala River on steep slopes near Annapolis. Forest Unlimited met with a group of concerned citizens and the Manager of Gualala Redwoods Inc. CDF consistently approves large GRI clearcuts on the Gualala. The area could use many more defenders.

1-01-407 SON Holmes Calabanzas Creek 10 acres

Conversion. 3.5 miles southeast of Kenwood. Calabanzas Creek is a tributary to Sonoma Creek. PHI is done and the plan is awaiting second review. Public Comment is still open.

No number Neuman Kellog Creek 40-60 acres

Conversion. Forest Unlimited has filed suit alleging an that the required permits for a conversion, grading and contouring, and watercourse alteration were not obtained. Work has halted but CDF is falsely claiming that the area was not officially timberland.

ZPEO1-0232 Howard Fuller Creek 2.95 acres

Conversion. This is a less-than-three-acre conversion and therefore, within the County's jurisdiction, not CDF's. Its located on Annapolis Road.

Yes! I want to plug into Sonoma County Forestry Issues!

For an annual membership fee you will receive our sometimes quarterly newsletter, an invitation to our annual meeting/potluck, plus special mailings about upcoming events and workshops sponsored by Forest Unlimited. Your tax-deductible contribution will help fund trainings and educational forums to facilitate public participation in forest protection.

- Help! They want to log in my neighborhood. Please contact me!**
- Please notify me of the next Forest Protection Workshop in my area**
- Please contact me about volunteering** (see page 4 for just a few of the opportunities)
- YES! I would like to join Forest Unlimited to further your work!**

(Dues are tax-deductible as permitted)

\$100__ \$75__ \$50__ \$25__ other \$_____

Name _____

Address _____

City/State/Zip _____

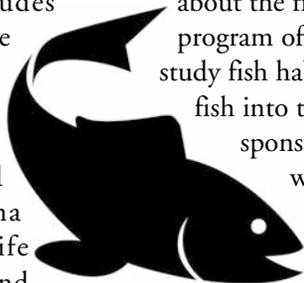
Phone/email _____



Send to: Forest Unlimited at PO Box 195, Cazadero, CA 95421 • 707.632.6070

Salmon and Trout Go to School

Some schools in Sonoma County are raising salmon and trout right in their classrooms. Students have a unique opportunity to witness their birth and care for them during their early life stages. In the process, the students will learn important concepts, while developing caring attitudes about the fish and their habitats. The program often includes field trips to study fish habitats and one to release the fish into the wild. This is a program sponsored by Trout Unlimited with funding by the Sonoma County Fish & Wildlife Advisory Committee and available to willing teachers of all grades.



The goal of this program is to help young people become good stewards of all our aquatic resources, including salmon and trout. Salmon and trout are especially valued wildlife in California, but sadly, most wild populations are dwindling. Students raise these fish to learn about their habitat requirements and how to keep habitats healthy, so the wild fish may thrive once again.

Eden

Eden, beautiful as it is...

Lush green forest interiors,
slithering snakes
brilliant orchid's bird song
wet, fertile soil underfoot,
humidity risen
to the lungs, breathing deep in
sweat dripping elixir's healing
properties
lithely within Life's orchestration
penetrating mind's eye
then stillness.

Monkeys SCREAM Warning, long into the sky
rises the chainsaws noise, seething
into trees, cries heard by none, the snake's nest
bloody death crashing to the ground
not to catch the rains, to stop the floods,
to keep the soil embedded here, the ground
cakes, so the cattle roam the dryland
soon to be burgers,
Barren now

Sanctuary
it may well be never more.

- Pia



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