From: Paul Cienfuegos

Date: Friday, May 02, 2003 12:28 PM

Subject: Humboldt County (California) urgently needs your help

Dear friends across the United States, from the people of Humboldt County struggling against Maxxam Corporation,

As many of you probably already know, we have a world-famous case here of corporate fraud and environmental destruction caused by Maxxam Corporation, which is headquartered in Texas (CEO: Charles Hurwitz) and is chartered in Delaware. In November of 2000, in an upset election that toppled the good-old-boy power structure here, a dissident District Attorney was elected by the people of our county to replace a D.A. who had been looking the other way for years as Maxxam Corp violated the law literally hundreds of times. Just weeks after taking office, Paul Gallegos stunned everyone by filing a major fraud lawsuit against the corporation. That event set off a firestorm across California's north coast. And because Maxxam still runs the county politically, its allies have responded by quickly organizing a recall campaign to oust our new D.A. as quickly as possible before he shakes things up too badly.

The reason that I'm writing to all of you is that we urgently need your help here to defend our new D.A. from the recall campaign while simultaneously supporting his bold move to sue Maxxam for fraud.

Below, you will find a brief note from Richard Salzman who is coordinating the local campaign to support the D.A. and his historic lawsuit. Justice will not be served in this county unless we can raise substantial amounts of money to at least try to match what the corporation's supporters are already raising in their already vicious media campaign against Gallegos. **Thus I am asking you to consider making a generous donation toward this cause.**

Also below, you'll be able to read an Op-Ed written by our D.A. in our local daily last week, followed by two major articles about the issue from the *Los Angeles Times* and the *Daily Journal*.

Please respond not to me, but to Richard Salzman. Thanks in advance, Paul Cienfuegos, Arcata, CA, Co-director, Democracy Unlimited of Humboldt County

A note from Richard Salzman to our supporters across the nation

Last year the residents of Humboldt county, on California's redwood coast, elected Paul Gallegos, a man of the people, not beholden to any special interest as District Attorney in an upset victory against the incumbent DA of 20 years, best known for his authorization of the use of pepper spray as a pain compliance technique on non-violent protesters. Eight weeks after taking office and one day before the four year statue of limitations ran out, he filed a lawsuit alleging fraud against Maxxam corporation's wholly owned subsidiary Pacific Lumber. Pacific Lumber's apologists have now launched a recall of the district attorney in hopes of removing him from office in order to avoid answering these charges in a court of law.

This is clearly a David and Goliath story when viewed from the national stage. A community faced with having exercised true democracy now being subverted in the most overt manner by an out-of-state corporation using all the worst tactics of instilling fear in their workers and promoting hate-mongering against any who dare oppose them. We will need the support of concerned citizens from throughout the country if we are to keep Maxxam from buying this election. We have invested all we have on producing a series of nine commercials which we are now putting into rotation.

In order to buy the air time to run the whole series, we will need to raise some \$30,000 (what their campaign had already raised by the time they served Paul the notice of recall) over the next few weeks/months. In addition to financial support we are asking voters around the country to write to their representatives as well as to ours, urging their support of our beleaguered DA. We need elected officials nationwide to speak up in outrage over this attempt to circumvent justice and buy an election. This story has been covered in both the *New York Times* and the *Los Angeles Times* as well as the *San Francisco Chronicle* and papers in DC and elsewhere. We encourage people to speak out wherever they live in opposition to this attempt to circumvent justice.

Thanks for your support. Yours in solidarity,

Richard Salzman - coordinator Alliance for Ethical Business po box 387, Eureka Ca 95502 707.845.3700 aeb@inreach.com

"The Alliance for Ethical Business is a citizens group working to ensure that corporate fraud and illegal business practices are prosecuted in a court of law."

MY WORD

All people are equal under the law by Paul Gallegos

27 April 2003

Eureka Times-Standard

To the people of Humboldt County:

One of the primary goals of our society is to realize the unfulfilled promise that all people are equal before the law. I was elected district attorney by the people of Humboldt County because they share my commitment to fulfilling this promise.

Shortly after taking office we became aware that Pacific Lumber Co. may have engaged in fraudulent conduct. We had a duty to investigate the matter and did. As a result of that investigation and the evidence we uncovered, we filed a lawsuit against them.

Because it is a matter which will be resolved in court, I do not wish to discuss the details of it here. Nor will I engage in a discussion about the possible outcomes. As with all court cases, the pleadings which have been filed are public records and are available for public inspection. For convenience we have placed a copy of the complaint and other documents of public interest at our web page at http://www.co.humboldt.ca.us/distatty/.

However, I would like to explain what this case is not about. It is not about whether Pacific Lumber Co. is being properly regulated by the government. Nor is it about forestry and water laws. It is not an attempt to put any company out of business or to end logging. Clearly the wealth of our county is tied to the wealth of our people. Rather, it is about fraud and, ultimately, whether our laws apply to all or just some of us.

It has been suggested that we should not have filed this case against the biggest business in Humboldt County. This suggestion is troubling and perplexing, as it implies that we either do or should have different rules for people based on their wealth or political power. Clearly, this cannot be.

Nobody is above the law. This fundamental principle was at the heart of the American Revolution more than 200 years ago. As American citizens, we are not bound by race or religion but by the beliefs enshrined in our Constitution and the Declaration of Independence. I know we all share these beliefs and a commitment to their fulfillment. I also know that it is our individual conduct that gives meaning to these beliefs and that they will only be realized by our commitment to fulfilling them.

Some people say that our suit against Pacific Lumber defined me. My response is that it has not defined me, it is defining US. We are all in this together. It is a painful process. But we will come through it together and be better for it because all people will know that in

Humboldt County all people are equal under the law and no one, not even the most rich or most powerful, gets preferential treatment.

As your DA, I know where I stand. It is where I have always stood: for equal treatment before the law. As readers of this paper know, I wasn't the candidate predicted to win the election. I didn't have nearly as much money as my opponent. I wasn't well-connected. I had never before run for public office. However, I won because the people of Humboldt County elected me. They elected me for the very change that some seek to prevent.

I am honored and privileged to have the responsibility of serving the people of Humboldt County. I am honored and privileged to have the opportunity to work with the people at this office, who work tirelessly to serve this community. I know that I can comfortably speak for all of them when I say that we feel fortunate to have the opportunity to work for you.

Thank you.

Paul Gallegos was elected district attorney in March 2002 and took office in January. He lives in Eureka.

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D.A. in Hot Water After Taking on Logger

by Kenneth R. Weiss *Los Angelese Time* Staff Writer, April 27, 2003

EUREKA, Calif. -- Barely three months in office, Dist. Atty. Paul V. Gallegos faces a recall campaign, threats of lawsuits and court sanctions -- all after he brought civil fraud charges against a powerful timber company that has become a symbol of a beleaguered way of life.

An emigre from Southern California, Gallegos is a political neophyte in a north coast county that, since the mid-1980s, has been a battleground over logging practices that imperil some of California's last giant redwoods.

Although he doesn't view himself as an environmentalist and was elected last year with broad support, he now finds himself undercut by a local establishment that links him to the anti-logging counterculture.

"Mr. Gallegos is stirring up trouble," said Robin Arkley Sr., a former timber mill owner who pledged \$5,000 to launch the recall campaign. "He's threatening our way of life."

Arkley, 78, said he and other "good ole boys" are fed up with Gallegos and his kind. "It's us against them," he said. "We're going to take back the county from the ardent environmentalists, the college community and the hippies."

Lawyers for the timber company, Pacific Lumber Co., known here as "Palco," say the D.A.'s suit has no merit and have threatened to countersue if he doesn't drop it. Officials of the two

state agencies responsible for overseeing logging practices also have questioned the merits of the suit.

Gallegos said he thought he was doing what he had been elected to do when he charged Pacific Lumber Co. in a civil action with deceiving the California Department of Forestry by failing to disclose that its timber-cutting plans could cause landslides.

Having concealed that information, Gallegos contended, Pacific Lumber was allowed to cut 100,000 giant redwoods, profiting handsomely at the expense of wildlife and downstream neighbors who have suffered from mud flows, flooding streams and other damaging effects of stripping redwoods off steep, unstable slopes.

In leveling such accusations, Gallegos has stepped into a long-running fight in this community and taken on a formidable adversary. Pacific Lumber has been engaged in a herculean struggle to log as it sees fit on its own land -- 211,000 acres that are home to the largest stands of ancient redwood trees that are not in parks or preserves.

Pacific Lumber's owner, Houston financier Charles Hurwitz, has made one major concession to anti-logging forces, and that was for a handsome price. In 1999, the state and federal governments paid Pacific Lumber \$480 million to set aside a 7,500-acre Headwaters grove of ancient redwoods. Gallegos' lawsuit may turn on language in that deal that dictated how the company could log the rest of its land.

Gallegos, 41, a USC graduate, moved to Eureka nine years ago after he and his wife fell in love with the sparkling air and the beauty of Humboldt Bay, with its backdrop of towering trees.

The upbeat district attorney, whose youthful exuberance puts a bounce in his stride, is part of the latest wave of white-collar newcomers to arrive in what was once a county dominated by fishing and logging.

Humboldt County's economy today is driven by jobs in government, tourism and service industries. Even Pacific Lumber's payroll is down to 800 employees -- from a peak of 1,500 -- as it continues to lay off workers and shift logging work to outside contractors.

Gallegos practiced criminal defense law, took up surfing and coached T-ball and soccer in Eureka, where he lives with his wife and three young children. Then he decided to run for district attorney last year.

He insists that he hadn't fallen in with any faction in Humboldt County: the third-generation loggers, the Green Party and other left-leaning interests associated with Humboldt State University or the aging hippies who arrived during the 1970s' back-to-the-land movement and established deep roots as small-business owners or backwoods pot growers.

Gallegos opposed a recently stepped-up tree-sitting campaign, and he prosecutes trespassing activists who try to save old redwoods from Pacific Lumber's chainsaws by scampering up the massive trunks and locking themselves to the trees' boughs.

Gallegos refrains from calling himself an environmentalist, although he said he is concerned about the sustainability of "lifeboat Earth" and the "need to do everything in a sustainable fashion so our kids will have a place to live."

His campaign for district attorney focused on a fair and practical application of the law, and didn't bring up the environment -- although his campaign did receive some assistance from Green Party members. He upset 20-year incumbent D.A. Terry Farmer and won 52% of the vote.

Within days of taking office in January, say Gallegos and his top assistant, Timothy Stoen, they were presented information by a local landowner about Pacific Lumber that raised a suspicion of corporate malfeasance rather than violations of environmental law.

According to the D.A.'s lawsuit, Pacific Lumber submitted false data showing that intensive logging on steep slopes would not cause landslides and lobbied the director of the California Department of Forestry to allow more logging on unstable slopes. Under the terms of the Headwaters deal, logging that could cause such damage was prohibited.

The deception, the lawsuit said, helped Pacific Lumber step up the rate of harvest and earn an extra \$40 million a year. Prosecutors seek \$250 million in damages for the allegedly illegal harvesting of an estimated 100,000 trees on unstable slopes.

Jared Carter, Pacific Lumber's longtime attorney, said, "No effort was made to suppress" information. "There has been no harvesting on these unstable areas." The district attorney, Carter said, is being "misled" by a group of environmental activists on a crusade to halt Pacific Lumber from harvesting timber on its own land. "What do you expect us to do, other than take every action to defend ourselves?"

The D.A.'s defenders scoff at the idea that the lawsuit is merely a tool of tree-sitters or less radical activists bent on saving every last ancient redwood.

"We're not eco-environmental freaks," said Kristi Wrigley, a third-generation apple farmer. "We've never spoken out against logging. We're speaking up for clean water."

She seethes over the silt and mud flowing down the Elk River that has sullied her source of fresh water, flooded her farm five times this past winter and smothered the roots of what were once her most productive apple trees.

The district attorney, she said, is "right on the mark," but she fears "he will be strangled by politics, just as politics have strangled us. Money is going to win."

Pacific Lumber's detractors say the company has a history of reckless logging practices. Twice in the late 1980s, the state Department of Forestry suspended the firm's license to cut timber, citing more than 100 violations of the state Forestry Practices Act. Most were for careless logging operations during wet weather and a failure to control erosion.

For Gallegos, the first sign of a backlash came when he arrived at work one day last month and found the Humboldt County courthouse surrounded by logging trucks and a picket line

of loggers carrying placards that read: "Recall the D.A."

It was later that day in mid-March that the county Board of Supervisors, in an auditorium full of rowdy loggers, rejected the district attorney's attempt to hire a lawyer from out of town to help prosecute the civil fraud case.

Supervisor Roger Rodoni, a cattle rancher who leases 2,000 acres of grazing land from Pacific Lumber, led the 4-1 majority against paying the expenses of Joseph W. Cotchett, a Burlingame attorney with a record of winning corporate fraud cases.

Since then, the district attorney has received a letter from another firm on Pacific Lumber's legal team, threatening to sue him and the county. He recently was served with legal papers saying Pacific Lumber would seek court-imposed sanctions to recover legal bills that, Carter said, have climbed quickly to more than \$100,000.

To Cotchett, who still wants to join the prosecution, the scene is unfolding like a Jimmy Stewart movie in which a fresh-faced reformer confronts powerful vested interests.

"It's clear they are trying to intimidate him," said Cotchett, who believes the case has a lot of merit. "If those facts, as alleged, are true," he said, "then Pacific Lumber has a big problem."

But the company also has allies.

Recently, both the California Department of Forestry and the state Department of Fish and Game, in letters sent to the Humboldt County supervisors, have questioned the D.A.'s fundamental assertions.

Both agencies assert that the steep slopes most susceptible to landslides have been protected under other provisions of the Headwaters deal, and thus the incorrect information didn't put these areas in jeopardy.

Yet both of these agencies, which approved the Headwaters deal, acknowledge they are bound by a paragraph-long "mutual defense pact" tucked inside the voluminous document by Pacific Lumber's lawyers. It requires them to join with the firm to defend the Headwaters deal, including the company's timber harvesting plans, which have been targeted by other lawsuits from environmental and labor groups.

Blocked from hiring outside legal help, Humboldt's district attorney approached California Atty. Gen. Bill Lockyer for assistance in the prosecution. That help has yet to materialize.

Lockyer declined to comment, but aides pointed out a conflict he faces because of his duty to represent the two agencies -- Forestry and Fish and Game -- that have been taking issue with the case.

"We like to help local prosecutors, but we must take direction from our client agencies," said Tom Dresslar, spokesman for Lockyer. "It's not a very comfortable situation for anyone in this office."

Gallegos said he will not drop the lawsuit, even if it costs him his job.

He characterized the unfolding events as politics interfering with justice in a region that needs to shake its habit of subservience to timber interests.

"This is a test for this community," Gallegos said. "Some people think they should be exempt from the law because of how much money they have or how much they contribute to the community. I do not."

Times researcher Maloy Moore contributed to this report.

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TAKING ON TIMBER

A Recall Drive is the Latest Development in The Case of the Humboldt County D.A. Suing Pacific Lumber

By Dennis Pfaff Daily Journal Staff Writer, April 24, 2003

SAN FRANCISCO - Paul Gallegos knew he was taking a political risk by going after Humboldt County timber giant Pacific Lumber Co. just weeks after taking office as the county's top prosecutor.

"I would have had to have been blind, deaf and dumb not to know that it would be the end of any political career I might have," said Gallegos, against whom a recall attempt was poised to be launched today.

The veteran defense lawyer-turned-Humboldt County district attorney may be causing political discomfort outside his jurisdiction, as well. Both state Attorney General Bill Lockyer and the Gov. Gray Davis could find themselves drawn into the suit Gallegos filed in February against Pacific Lumber.

He's seeking as much as a quarter-billion dollars in civil penalties from the timber giant for allegedly hiding information in connection with the 1999 Headwaters agreement.

Under that deal, Pacific Lumber agreed to cede thousands of acres of old-growth forests to government control in exchange for regulatory certainty in operating on its remaining acreage.

Gallegos' civil fraud case is among a trio of parallel courtroom dramas. Just completed last month was a trial of a lawsuit brought by environmentalists alleging state officials didn't do their jobs properly in scrutinizing the plans that govern Pacific Lumber's logging practices under the Headwaters deal.

Coming up May 12 in Eureka is the retrial of a federal police-brutality complaint against sheriff's deputies who pepper-sprayed activists protesting the company's practices.

Coincidentally, the next day in the same city, a key hearing in the Gallegos lawsuit is scheduled in Humboldt County Superior Court.

The community, according to various accounts, is roiling.

"When it comes to timber and environmental activists, Eureka is the center of a war zone," attorneys for the pepper-sprayed protesters said recently, in arguing against holding the trial there.

While some county residents see Gallegos as a troublemaker, others point to Pacific Lumber, which since its takeover by a Texas conglomerate in the mid-1980s has been at the center of near-constant controversy.

"These guys have distorted almost every aspect of life up here - the political, the environmental, the social and the judicial," said Eureka attorney William Bertain, who has represented property owners and pensioners in cases against Pacific Lumber.

Gallegos' lawsuit, brought under Business and Professions Code Section 17200, says Pacific Lumber secured state approvals to log under the Headwaters deal by submitting an environmental report containing false information regarding the potential hazards, such as erosion from its hillside operations.

Logging on unstable slopes "resulted in major landslides causing destruction to ancient redwoods, serious harm to Humboldt Bay and serious harm to streams, bridges, roads, homes and property rights of the people of Humboldt County," the complaint alleges.

Although Pacific Lumber eventually came forward with corrected information, according to the lawsuit, that data was delivered only to a local representative of the California Department of Forestry, and not until just before the Headwaters deal was finalized. Gallegos said that prevented the information from being included in the decision-making process.

Pacific Lumber officials have denied any wrongdoing, saying Gallegos' lawsuit rests heavily on the findings of a government researcher whose work lacks "scientific credibility."

Gallegos has requested a court order to stop the company from logging in some areas, including those potentially unstable hillsides. He also seeks \$2,500 for each tree harvested illegally. By some estimates, that could reap \$250 million in penalties, although any actual recovery likely would be far lower.

Gallegos' own demeanor in pursuing the litigation suggests a combination of defiance and optimism, notwithstanding the recall effort funded by a retired timber executive, a serious slap-down by the county's board of supervisors and a legal counter-attack by Pacific Lumber that threatens Gallegos and the county itself with sanctions.

"If I put that ahead of doing my duty then I couldn't do this job," Gallegos said. He is fond of saying that the prosecutor's position is "a job to do, not a job to have."

State Could Co-defend Case

His job, assuming Gallegos keeps it, could get even tougher if agents of Lockyer and Davis choose - or are forced - to become involved on the company's behalf.

That could happen as a result of a 1996 agreement that paved the way for the eventual Headwaters deal. Pacific Lumber and the state and federal governments pledged to "preserve diligently" the Headwaters agreement against any "third party challenge."

Stanley Young, a spokesman for the California Resources Agency, the chief environmental arm of the Davis administration, said the 1996 agreement allows Pacific Lumber to demand legal help from the state. He said the joint-defense pact could be triggered because Gallegos' lawsuit is an attack on the environmental documents "underpinning the [Headwaters] agreement."

Young said the company has not yet asked for help under the agreement. But some agency officials, including an attorney for the Department of Fish and Game, have formally expressed reservations about the Gallegos lawsuit.

The situation is forcing Lockyer, who represents those state agencies in litigation and who also has crafted a pro-environmental image, to do a delicate balancing act.

The attorney general has decided against providing any help to Gallegos, according to a spokesman. At the same time, Lockyer's office puts the onus for calling the shots squarely on the Davis administration.

"Our office has made it very clear to the Humboldt County district attorney that we have a clear, ethical duty to represent our clients, and that doesn't leave us any wiggle room to join or assist the DA in the lawsuit against Pacific Lumber," Lockyer spokesman Tom Dresslar said Wednesday.

He said the state agencies involved believe in the adequacy of the environmental report at issue in Gallegos' lawsuit.

"Misrepresentations, even if they did occur, wouldn't have affected the adequacy of the EIR, and the decision wouldn't have changed," Dresslar said.

The district attorney said he doesn't need Lockyer's help, but insists Lockyer has no business defending Pacific Lumber.

"I would certainly be surprised if the attorney general's office finds itself in the position of defending fraudulent conduct ... [and] interpreting the agreement they signed as requiring them to defend lying to the government," Gallegos said.

Dresslar insisted the attorney general never would "defend anybody who lied to the state."

"We're not defending [Pacific Lumber]," Dresslar said. "We're defending client agencies and the adequacy of the EIR."

Pacific Lumber, in an April 1 demurrer motion, asked a Humboldt County judge to dismiss Gallegos' lawsuit partly on grounds that the state and federal governments were "indispensable" to the case, yet had not been named as defendants.

The company speculated Gallegos left them out because government agencies cannot be sued under Section 17200.

"There are numerous cases involving challenges to agency decisions, just like this one, where courts have dismissed the action because an indispensable party was not or could not be joined," the company said in its motion.

Pacific Lumber raised several other grounds for throwing the case out, including a sweeping right to communicate with the government.

"Plaintiff alleges Pacific Lumber engaged in wrongful conduct by providing the government misleading information as to the effects of its timber operations and by promoting its objectives in the Headwaters agreement," the company's attorneys wrote. "Such conduct is protected under the First Amendment and the Noerr-Pennington Doctrine and cannot serve as a basis for liability" under the Business and Professions Code.

The Noerr-Pennington doctrine, the brief said, gives immunity to those trying to influence the government.

"Their position is, they are allowed to lie," said Gallegos. "That's an interesting position to take."

"The privilege goes pretty far," said Pacific Lumber attorney Edgar Washburn. He asserted, in fact, that it would apply even if the company lied - which he insisted it did not.

Washburn, of San Francisco's Stoel Rives, said if the relevant state agencies could be drawn into the case, "the AG would come in to defend them."

In a letter to Gallegos dated March 20, Washburn pointedly noted that Lockyer's aides already have defended the Headwaters agreement in court in response to litigation brought by environmentalists.

In that case, environmental groups objected to state agencies' approval of the company's long-term logging plans under the Headwaters deal. They claim state officials dramatically boosted the amount of timber the company could cut and illegally gave Pacific Lumber assurances about what it would have to do to comply with environmental laws. [Environmental Protection Information Center v. California Department of Forestry, CV990445.]

That case was tried in March before retired Lake County Superior Court Judge John Golden, sitting by assignment. Golden, who has asked for additional briefing on some aspects of the dispute, may not rule on the logging plans for months.

In the letter, Washburn demanded of Gallegos, "How can you claim to be representing the

people of the state of California making claims directly contrary to those denied and defended by the attorney general" and other state agencies.

Jim Branham, a Pacific Lumber spokesman, said the company has kept both the attorney general's office and state environmental agencies informed about the fraud case.

He said the company has not asked for any specific action, such as invoking the defense agreement, but added, "We are concerned that the county, as an agency of the state, be aware of the state's commitments."

'We are going to be aggressive'

Washburn had threatened to seek sanctions against the district attorney and the county if Gallegos proceeded with the suit. Pacific Lumber made good on that threat, filing a sanctions motion that is scheduled to be heard along with the demurrer May 13.

Aggressive defense tactics are not unusual for the company. In the past, it has sought large sanctions from plaintiffs who lost environmental cases against it, once unsuccessfully attempting to assess \$670,000 against one organization.

Washburn made no apologies for the company's hard-nosed approach in the current case.

"We made a concerted effort to get [Gallegos] to dismiss the case before we got into heavy-duty litigation," Washburn said. "We are going to be aggressive in defending it."

State fish and game officials wrote a letter March 10 to Assistant Humboldt County District Attorney Tim Stoen, who is spearheading the litigation, expressing concern about the case. The letter cited "errors in fact" in the county's complaint and denied that the information provided by Pacific Lumber resulted in permission for the company to cut trees in unstable areas.

Stoen said he felt ambushed by the letter, which was dated the day before the county supervisors met to consider hiring prominent Burlingame litigator Joseph Cotchett to assist Gallegos in the case.

Young said the state Resources Agency was merely being responsive.

"The D.A. asked [state officials] to put their concerns in writing. They did. That's it," he said.

According to local press reports, county supervisors cited the letter in voting not to hire Cotchett.

On the day the proposal for outside counsel was heard, timber workers ringed the county building with log trucks, and supporters and opponents of Gallegos jammed the meeting.

Cotchett, of Cotchett, Pitre, Simon & McCarthy, had offered to take the case on contingency, asking for 14.5 percent of any money collected from the company plus minimal expenses.

Stoen estimated the arrangement would cost the county no more than \$9,000, an amount he called a "pittance" for the involvement of such a high-powered firm.

But the supervisors voted 4-1 against the deal. The majority included the wife of the former district attorney Gallegos defeated and a man who leases land from Pacific Lumber.

"There was no way we were going to let that happen, given the questionable circumstances surrounding the lawsuit," Supervisor Roger Rodoni, who opposed the request, told reporters after the hearing. Although Rodoni rents land from Pacific Lumber, he said the state Fair Political Practices Commission had given him the green light to vote on the matter, according to press accounts of the hearing.

Stoen said that the rejection of "a free attorney" left the county with its own, limited resources to pursue the case. Cotchett, for example, would have traveled to Houston to depose Charles Hurwitz, who heads Pacific Lumber's parent company - a trip the county cannot afford.

Stoen insists the setback won't stop the county's litigation, but he acknowledged it will hurt.

"It prevents us from expanding the pool of truth," he said.

Cotchett, meanwhile, is still spoiling to get in the case. He said environmental groups have contacted him about filing a companion lawsuit on their behalf. That would get him into the proceedings - and enable him to consult with Gallegos - even if he's not retained by the county.

"The legal issue is whether those groups have standing to come in and file an action on behalf of the people," Cotchett said.

Recall campaign

Gallegos took office in January after upsetting 20-year veteran District Attorney Terry Farmer, who lost despite Lockyer's endorsement. Now, Gallegos' major problem may be whether he can retain his job for the four-year term.

Retired timber executive Robin Arkley Sr. has openly solicited support for a recall campaign, salting the effort with \$5,000 of his own money. His beef with Gallegos is the lawsuit.

"It would simply put the largest private employer in our area out of business," Arkley said of the 17200 lawsuit. Pacific Lumber, he said, is innocent of any wrongdoing.

Organizers said they planned to deliver a 200-word official notice to Gallegos this morning, formally launching the recall. Gallegos will have a week to prepare an argument in his own defense. County officials then will prepare a petition for a recall election, and organizers can begin collecting signatures.

Arkley, who said he is working with an unnamed partner to recall Gallegos, suggested

money is no object.

"I keep pungling up money, me and another guy, all the time," said Arkley, a self-described "good old boy."

Directing the recall is Rick Brazeau, the Arcata political consultant who helped run Farmer's unsuccessful campaign, Arkley said. Providing legal advice to the effort is Eureka attorney Tom Herman, a former Pacific Lumber vice president.

Branham said Pacific Lumber is not currently involved in the recall effort. "I don't want to speculate on what may happen in the future," he said.

Stoen has little doubt the company wants Gallegos out of office.

"Pacific Lumber knows the only way they are going to get me off the case is to get rid of my boss," he said.

Stoen has also had a spotlight focused on his past.

For example, local news stories routinely mention Stoen's work decades ago as a legal adviser to Jim Jones. Stoen broke with the cult leader prior to the horrific Jonestown mass suicide, which claimed the life of Stoen's young son, whom Stoen had tried to free from Jones' clutches.

Stoen said that while he has never concealed the association, he wishes critics would point out that "I was the one [Jones] blamed for his downfall."

In later life, Stoen's politics have shifted, as well. Far from the young man who was drawn to Jones' utopian socialist ideals, Stoen ran unsuccessfully last year as a Republican for the state Assembly (he carried Humboldt County).

For his part, Gallegos rejects accusations that his litigation is endangering the county's economy.

"If they are found out to have violated the law and people lose their jobs because of it, it's Pacific Lumber that didn't care about their employees, not me," Gallegos said. "No one would ever say I should let all sorts of poor people get away with fraud."

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