



**GOP DEBATE No. 3 NATION/7A**



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## Taking the grain out of PGG

Facing losses and increased competition, board to consider long-term options

Staff photo by Kathy Aney

Pendleton Grain Growers' Rew Elevator stands as a longtime landmark west of Pendleton just off Interstate 84. PGG is looking to sell, lease or merge the company's grain division.

### Manager insists news is "not the end of the world" for PGG

By **GEORGE PLAVEN**  
*East Oregonian*

Pendleton Grain Growers, the local farmers' co-op that has been a signature brand of Eastern Oregon agriculture for 85 years, is in danger of losing its grain division amid slumping production and increased competition.

Despite the announcement Wednesday, General Manager Rick Jacobson insisted the news is "not the end of the world" for PGG.

The co-op's board of directors will weigh offers to sell, lease or merge grain assets with another company after a disappointing 2015 harvest. That means the McNary river terminal, Feedville piles and 19 upcountry elevators could soon be taken over by an outside firm.

Jacobson said their preference is to stay within the co-op model, though the future remains uncertain. He said a number of entities have expressed interest in a deal, but did not specify which ones.

"This whole market is tough on the growers. Price is down. Yield is down," Jacobson said. "Our responsibility is to make sure they have a good company to deliver their grain."

Board chairman Tim Hawkins said the division didn't bring in enough wheat from growers to justify continuing service. Grain is a business that requires scale to stay competitive, he said, and without enough volume it doesn't make economic sense for PGG to maintain those assets.

"We had informed the growers in meetings that the future of the grain business would be evaluated

### PGG properties head to auction block

Pendleton Grain Growers is sending some of its properties to the auction block.

John C. Rosenthal of Portland is president of Realty Marketing/Northwest and handles auctions for surplus corporate real estate. He said PGG is auctioning the 1,440-square-foot home at 215 S.W. 10th St., Pendleton, that housed the co-op's Internet technology operations. The reserve bid is \$99,500 for the site. And \$165,000 would buy homes PGG owned at 904, 908 and 912 S.W. Dorion Ave., Pendleton, along with a small parking lot PGG had at the corner of Southwest 10th and Dorion, across from the

company's old retail store.

Rosenthal said the winner of that sealed bid auction must put up at least the asking price to take all four properties. The strategy has been effective at past auctions, he said, and works to ensure overall development of a lot, not just one building on a block.

Rosenthal also is seeking sealed bids for PGG's former retail store in Athena, along with a nearby metal building. The reserve price is \$150,000.

Rosenthal and his wife, Marti Cohn, were in the area Monday and Tuesday to look at the properties and talk with potential bidders. He said people who are interested can call his company at 1-800-845-3524 for more information.

based on the size of the handle this year," Hawkins said in a statement. "PGG greatly appreciates the support of the producers that

brought us their grain, but there simply were not enough of them."

PGG usually handles about 12-13 million bushels per year, but handled only 5 million bushels in 2015. Jacobson pointed to a number of likely factors, including a third straight summer of drought that cut wheat yields in half in some areas.

See PGG/8A

**"You have to look at the long term, not just the short term. We could either be a marginal company, or merge some of these assets and be a good, strong company."**

— **Rick Jacobson**, PGG General Manager

### Why are my taxes so high?

Market fluctuation, bonds determine what you owe

By **PHIL WRIGHT**  
*East Oregonian*

Umatilla County mailed 42,000 tax bills last week. Some folks had sticker shock.

Paul Chalmers, Umatilla County assessment and taxation director, explained property taxes go up 3 percent a year on either the property's maximum assessed value or the real market value, whichever is lowest. When the market drops and then rebounds, property taxes can increase more than 3 percent.

"That phenomenon happened to some people," Chalmers said.

Umatilla County Commissioner George Murdock was one. He paid \$9,596 in property taxes in 2013 for his home on Northwest Johns Lane, Pendleton. But in 2014 he paid \$8,866, a drop of more than 11 percent.

The 2013 tax was based on the home's assessed value of \$510,790. In 2014 that rose 3 percent to \$526,110, but at the same time the real market value

See TAX/8A

### PENDLETON

## Teachers get a thumbs up from survey

School district releases results of assessment

By **ANTONIO SIERRA**  
*East Oregonian*

People in Pendleton love their teachers, but not their tests.

Those were some of the takeaways from a special survey the Pendleton School District distributed to parents and school staff last spring, the results of which were released Wednesday.

Instead of the usual round of public meetings, the Pendleton School District contracted with Canadian software company Thoughtexchange to gather input for use in its upcoming 10-year plan.

Between March and April, potential participants were sent a link to a website where they were asked about their likes and dislikes about their school.

See SCHOOL/8A

### HERMISTON

## Hall of fame craver

Local man to inducted into White Castle hall of fame

By **JADE McDOWELL**  
*East Oregonian*

A Hermiston resident is in the same Hall of Fame as rock legend Alice Cooper.

Not the Rock and Roll Hall of Fame, mind you. The White Castle Cravers Hall of Fame.

The Midwestern restaurant chain inducted Gene Snyder, 74, this year, christening him the "Traveling Slider Man." The first thing Snyder always does when he travels is check for the nearest White Castle. He has eaten the restaurant's famous sliders from New

York to Las Vegas. "It's been a part of my life for almost 70 years," he said.

Last year's inductees included Alice Cooper, who has opined about his love of White Castle burgers during media interviews in the past. This year no one particularly famous got the honor, but Snyder pointed out that there were only 11 inductees out of 1,148 people who applied.

"It's easier to get into Harvard than to get inducted into the White Castle Hall of Fame," he said.

His lifelong craving for White Castle's two-inch sliders started when he was a kid growing up in Chicago.

"I was always real slight and did

See WHITE CASTLE/8A



Photo contributed by Gene Snyder

**Gene Snyder holds a box of White Castle sliders during his trip to Columbus, Ohio to be inducted into the restaurant's hall of fame.**

