



**CRUZ  
DROPS  
OUT  
NATION/7A**

**TWO  
HONORED  
BY HAPPY  
CANYON 2A**



**BLAZERS  
LOSE  
GAME 2  
NBA/1B**

# EAST OREGONIAN

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140th Year, No. 143

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## PENDLETON

# Dissolution brings end of PGG

## Process could take several years

By **GEORGE PLAVERN**  
*East Oregonian*

It's the end of an era for Eastern Oregon agriculture.

Pendleton Grain Growers, the longtime farmers' co-op that formed out of the Great Depression, is finished. Members voted overwhelmingly to dissolve PGG

at a special meeting Monday night, authorizing the board of directors to sell off all property and assets.

That process could take several years before any leftover equity is returned to the co-op's 1,850 members. About 200 members attended Monday's meeting, and 186 cast their votes, about 95 percent, in favor of dissolution. At least 50

members were required for a quorum and two-thirds majority to pass the resolution.

PGG is continuing to work with United Grain Corporation, based in Vancouver, Washington, to sell off its upcountry elevators and McNary Terminal along the Columbia River. A deal could be done by June, in time for this year's winter wheat harvest. The business lines at PGG will remain open until further notice.

PGG was incorporated on March

31, 1930, and soon established itself as a local institution. For 86 years, PGG Country was the signature brand of hometown farms, offering grain, seed, agronomy, energy and irrigation services.

But recent years saw the co-op's finances plummet into the red ink. The co-op overstated their earnings by \$1.8 million in 2010 and \$5.7 million in 2011. In 2012 the U.S. Department of Agriculture suspended PGG's warehouse license for 44

days, citing audit discrepancies.

As PGG tried to restructure its business model — selling off retail stores and agronomy in the process — the co-op continued to hemorrhage money. While the co-op did net a profit of \$434,681 in 2012, financial statements show PGG lost approximately \$4.4 million in 2013 and \$7.9 million in 2014. General Manager Rick Jacobson said they would need at least 8 million bushels

See PGG/8A



Staff photo E.J. Harris

Port of Morrow Director Gary Neal points out a section on a map of the Umatilla Army Depot with Congressman Greg Walden while on a tour with the Columbia Development Authority on Tuesday west of Hermiston.

# Walden visits depot

## Tour shows stark contrast between potential and reality

By **JADE MCDOWELL**  
*East Oregonian*

The acres of sagebrush Congressman Greg Walden stood looking out on Tuesday morning don't look like much to the untrained eye, but the land represents hundreds of millions of dollars of potential economic development for Eastern Oregon.

"When people ask, 'How do we create jobs?', this is a place to create jobs in rural Oregon,"

### More inside

Walden addresses concerns during Boardman town hall **Page 8A**

Walden said.

It's not just a hypothetical: Clean energy companies, major agricultural producers, tech companies and even a Fortune 500 corporation have all expressed an interest in

See DEPOT/8A



Staff photo E.J. Harris

Congressman Greg Walden steps off a bus while on a tour of the Umatilla Army Depot with the Columbia Development Authority on Tuesday west of Hermiston.

## PENDLETON

# City extends baseball field lease to BMCC

## Must give college 30 months notice to terminate lease

By **ANTONIO SIERRA**  
*East Oregonian*

The Blue Mountain Community College baseball team notched a huge victory Tuesday, but it won't show in their win-loss record.

In BMCC President Cam Preus' words, "a sea of blue" filled the Pendleton City Council chambers as players, staff members and program supporters attended the council meeting. They were there to support renewing the baseball field lease, which the council amended to give the college 30 months notice if the city decides to terminate the lease.

Preus said BMCC grew concerned when council members suggested a termination clause that would allow the city to end the lease if an industrial developer needed the land to locate a business.

BMCC officials argued that a few months notice would disrupt a baseball program that plans its games more than a year in advance and offers two-year scholarships to its athletes.

Mayor Phillip Houk said the newly added 30-month termination clause was a good compromise between addressing BMCC's concerns and meeting the city's economic development responsibilities, which were established when the state agreed to demolish the Blue Mountain Recover Center and deed over the property, including the BMCC baseball field, to the city.

Some residents argued the lease didn't go far enough, saying the council should seriously consider Preus' half joking proposal to extend the lease 99 years or deed the land to the college.

Jim Swearingen, a co-owner of J & B Automotive and a former city council candidate, offered to buy the baseball field and deed it to the college himself.

The council voted 6-1 to approve the amended lease with the 30-month termination clause, with Councilor McKennon McDonald voting against and Councilor Paul Chalmers absent. McDonald said she opposed any termination clause.



Staff photo by Kathy Aney

Sunridge teacher Erin Donnelly advises a student Tuesday morning on the sport of badminton during an adapted physical education class.

## TEACHER APPRECIATION WEEK: PENDLETON

# An active role in education

## Erin Donnelly follows mother, teaches physical education

By **JENNIFER COLTON**  
*East Oregonian*

Every school day, Erin Donnelly puts the education in physical education.

"I like being active, and I want to help kids find the same joy in it that I do," Donnelly said Tuesday. "Seeing the kids have fun, moving and active and enjoying themselves is a joy."

Now a physical education teacher at Sunridge Middle School in Pendleton, Donnelly passes on her passion for being active. From an early age, Donnelly had a suspicion physical education was her future, and with two parents in education, becoming a teacher seemed like a natural

fit. Helping out with one particular class sealed her decision to follow in her mother's footsteps.

In high school, Donnelly chose to help out with her mother's adaptive physical education class instead of taking traditional P.E. Adaptive physical education classes work with students with disabilities, such as autism or down syndrome. She fell in love.

Donnelly now teaches an adaptive physical education class at Sunridge.

"That's one of my favorite classes. It's a small group of kids, and they enjoy every minute of it," she said. "It's very rewarding."

Although many of the adaptive students look forward to the class, Donnelly also has her share of students who dread

See DONNELLY/8A

