

Feds protest law firm's \$3.8 million bill in Easterday bankruptcy

By DON JENKINS
Capital Press

YAKIMA — The U.S. Department of Justice has objected to a \$3.8 million legal bill submitted by a Los Angeles law firm overseeing the liquidation of the bankrupt Easterday ranches and farms in the Columbia Basin.

The bill, with others to follow, covers work that lawyers with Pachulski, Stang, Ziehl and Jones did between Feb. 1 and May 31. Hourly rates averaged \$1,053, with one attorney charging \$1,695 an hour, according to court records.

The rates far exceed what local lawyers involved in the case are seeking and are substantially higher than fees attorneys recently collected in a more complicated bankruptcy case in Eastern Washington, according to Assistant U.S. Trustee Gary Dyer, the government watchdog in the bankruptcy proceeding.

The L.A. firm's bill, submitted this month to U.S. Bankruptcy Judge Whitman Holt in Yakima, fails to justify the fees, Dyer stated in an objection filed Friday, July 23.

The firm vaguely described its services, had too many nonparticipating lawyers attend court hearings and over-billed by miscalculating hours, Dyer claimed.

He asked Holt to reduce the fees and perhaps withhold them until the L.A. firm provides fuller descriptions of its work.

Efforts to reach the firm's lead attorney on the case, Richard Pachulski, were unsuccessful.



Cody Easterday has pleaded guilty to defrauding Tyson Fresh Meats and another company of \$244 million. The U.S. Department of Justice has objected to a \$3.8 million legal bill submitted by a Los Angeles law firm overseeing the liquidation of the bankrupt Easterday ranches and farms in the Columbia Basin.

The firm specializes in bankruptcies and was hired by new Easterday directors shortly after Cody Easterday resigned as head of Easterday Ranches and Easterday Farms.

Cody Easterday, 50, later pleaded guilty to defrauding Tyson Fresh Meats and another company of \$244 million by billing them for buying and feeding cattle that didn't exist. He agreed to pay restitution and is scheduled to be sentenced Oct. 5 on one count of wire fraud. He faces up to 20 years in prison.

Separate from restitution in the criminal case, the Easterday

companies — owned by Cody Easterday, his wife and mother — owe millions of dollars to creditors.

Farmland Reserve Inc., owned by the Church of Jesus Christ of Latter-day Saints, will buy several Easterday farms for \$209 million, but the money has to be allocated.

The Pachulski firm was one of three law firms involved in the bankruptcy proceedings that submitted a first round of legal bills this month.

In a court filing, Pachulski defended its rates as reasonable, saying its lawyers overcame objections and organized an auction that

maximized the value of the Easterday properties for creditors.

Dyer unfavorably compared hourly rates sought by Pachulski to other attorneys' fees.

Senior members of a law firm that restructured Astria Health, a Yakima County health-care provider, billed \$800 an hour, Dyer noted. Liquidating farm properties will be simpler, according to Dyer.

Two Seattle firms also are working on the Easterday bankruptcy. The lead attorney for Davis Wright Tremaine charged \$800 an hour, while the lead attorney for Bush Kornfeld billed \$450 an hour.

By contrast, Isaac Pachulski presented an hourly rate of \$1,695. He worked on the case for 1.6 hours, adding \$2,712 to the bill.

His brother, Richard Pachulski, reported working 224.7 hours at \$1,592 per hour for a total of \$358,396.

Hourly rates charged by firm attorneys were at least \$695 an hour. Besides Isaac and Richard Pachulski, hourly rates for 11 other attorneys in the L.A. firm exceeded \$1,000 an hour, ranging from \$1,395 to \$1,025, according to court records. One attorney billed \$538 after spending less than a half hour on the case.

Some lawyers described their activities as "attention to" or "work on" the case.

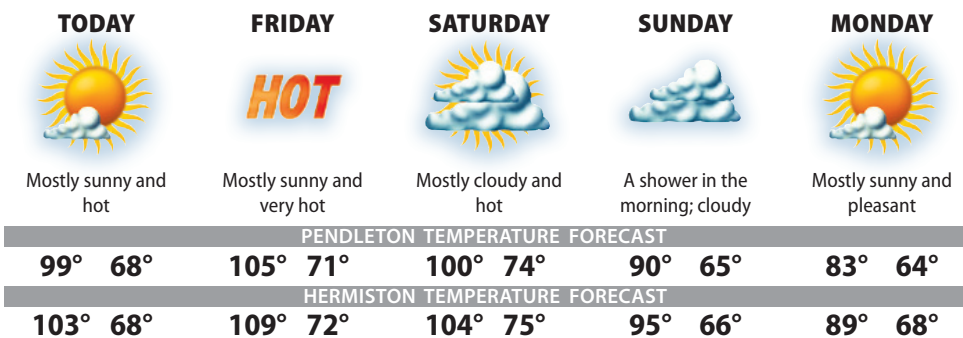
"We requested amplification of these entries ... to understand what was actually being done," Dyer stated in his brief.

"(The firm's) response was that the entries were litigation related and they were shielding strategy information. When further pressed for amplification, (the firm) replied it was 'impractical,'" Dyer stated.

Five lawyers submitted bills for attending telephonic court hearings in which they did not participate, according to Dyer. "The reasons for the attendance of numerous attorneys is simply not explained or supported in the application," he stated.

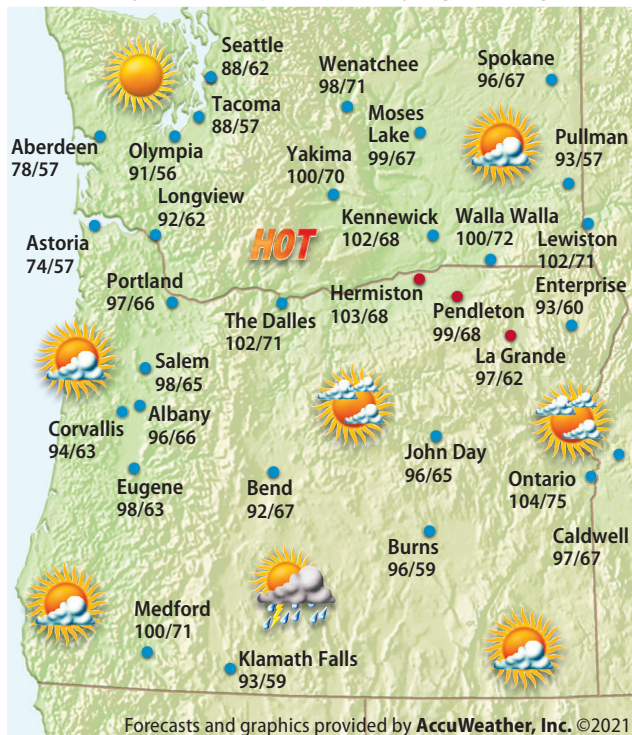
Dyer reported finding at least three cases in which billed hours were apparently inflated by computing errors, resulting in an over-billing of \$2,042.

Forecast for Pendleton Area



OREGON FORECAST

Shown is today's weather. Temperatures are today's highs and tonight's lows.



ALMANAC

PENDLETON through 3 p.m. yest.

TEMP.	HIGH	LOW
Yesterday	91°	66°
Normals	92°	60°
Records	108° (1928)	43° (1910)
PRECIPITATION	24 hours ending 3 p.m.	
Month to date	0.02"	
Normal month to date	0.33"	
Year to date	4.36"	
Last year to date	8.63"	
Normal year to date	8.28"	

HERMISTON through 3 p.m. yest.

TEMP.	HIGH	LOW
Yesterday	93°	64°
Normals	95°	60°
Records	108° (1939)	42° (1929)
PRECIPITATION	24 hours ending 3 p.m.	
Month to date	Trace	
Normal month to date	0.11"	
Year to date	1.93"	
Last year to date	1.66"	
Normal year to date	5.13"	

WINDS (in mph)

Today	Fri.
Boardman SW 4-8	NE 4-8
Pendleton NNW 6-12	NNE 6-12

SUN AND MOON

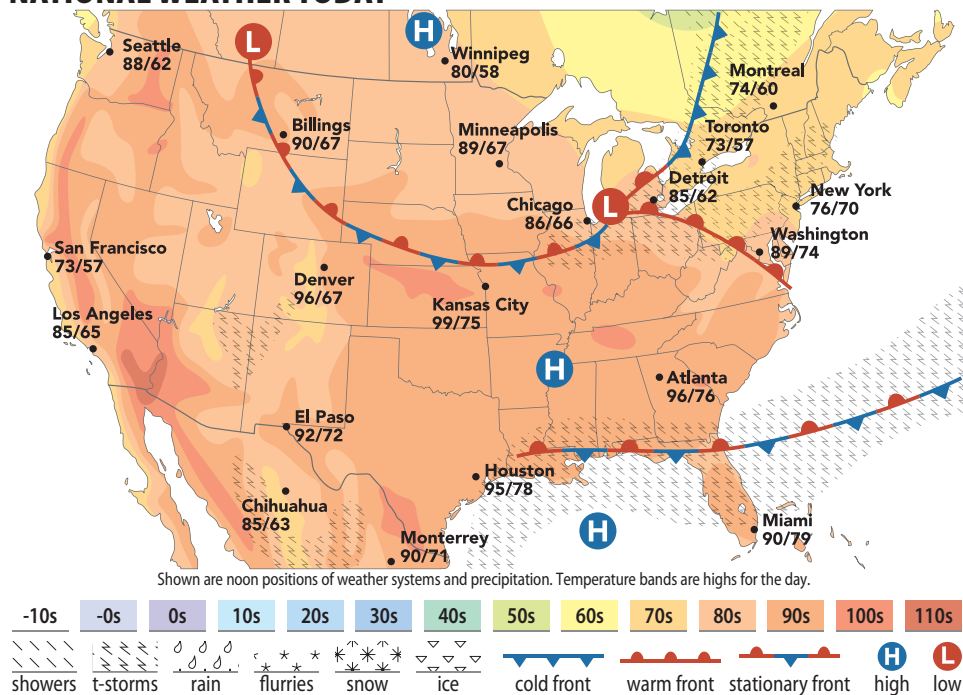
Sunrise today	5:35 a.m.
Sunset tonight	8:27 p.m.
Moonrise today	11:31 p.m.
Moonset today	11:46 a.m.

Last New First Full
July 31 Aug 8 Aug 15 Aug 22

NATIONAL EXTREMES

Yesterday's National Extremes: (for the 48 contiguous states)
High 109° in Needles, Calif. Low 37° in Truckee, Calif.

NATIONAL WEATHER TODAY



Brown signs ambitious clean energy bill

By SARA CLINE
The Associated Press/Report for America

PORTLAND — Gov. Kate Brown on Tuesday, July 27, signed Oregon's clean energy bill, which sets one of the most ambitious timelines in the country for moving to 100% clean electricity sources.

The legislation lays out a timetable for the state's two major power companies — Portland General Electric and Pacific Power — to reduce greenhouse gas emissions associated with electricity sold to consumers. Additionally, it bans the expansion or new construction of power plants that burn fossil fuels and allocates \$50 million in grants for community-based energy projects, among other measures.

"With these policies, we will create jobs in a 21st-century, clean-energy economy," Brown said. "We will reduce carbon emissions. And, we will make sure the economic, environmental and health benefits of our clean energy economy reach all Oregonians, especially those who have been disproportionately impacted by climate change and pollution."

The bill requires Portland General Electric and Pacific Power to submit plans to reduce emissions by 80% from a baseline amount by 2030, 90% by 2035 and 100% by 2040.

At least 17 other states and the District of Columbia already adopted similar goals, according to the Clean Energy States Alliance.

But officials say Oregon's timeline is the "strongest electricity emissions reduction timeline in the country." The deadline is nearer than nearly every other state that has adopted a clean power plan, including Washington and California.

"Already, we are seeing the devastating impacts of climate change, from more frequent drought to more severe wildfire seasons that put our homes and our families in jeopardy," said Rep. Jason Kropf, D-Bend, who is a sponsor of the bill.

"This bill will put Oregon on a pathway for a more environmentally sound future and create economic opportunity and jobs for our working families."

Environmental activists have called the bill's passage a huge victory, especially as the state and country continue to see the worsening effects of climate change. But the bill, which passed in Oregon's Senate 16-12 and in the House 35-20, has also been criticized.

"Hiking Oregonians' energy costs during an economic recovery is one of the dumbest ideas I have ever heard of," said Senate Republican Leader Fred Girod. "This bill just adds insult to injury to the countless Oregonians who have endured massive hardship over the last year and a half."

Opponents of the bill say the policy will increase electric prices for Oregonians, cause business energy costs to skyrocket and put strain on the power grid — possibly leading to rolling blackouts.

"This bill accomplishes nothing for our environment," Girod said. "It is simply a bill to virtue signal to extreme environmentalist groups that will cause Oregonians to pay more for less reliable energy."

Whether or not the timeline is attainable is also uncertain.

"If you go out to 2030, we think we can hit that," PacifiCorp Senior Vice President Scott Bolton told The Oregonian last month. "We were pretty clear though, beyond that we don't have a plan that shows we can get there."

Likewise, Brett Sims, a vice president at Portland General Electric, told The Oregonian the company can meet the 2030 target by eliminating coal, operating its natural gas fired plants to serve peaks rather than base load demand and adding substantial wind, solar, storage and demand reduction strategies to its resource mix. However, the 2040 target, he said, remains aspirational.

IN BRIEF

OHA recommends universal mask use for all public indoor settings

SALEM — In response to a large spike in cases and hospitalizations and new national guidance calling for masking measures to prevent the spread of the highly transmissible delta variant, the Oregon Health Authority is recommending universal mask use in public indoor settings, according to a press release.

"(The) reported sharp rise in cases and hospitalizations in Oregon are sobering reminders that the pandemic is not over, especially for Oregonians who remain unvac-

inated," said Dr. Dean Sidelinger, state epidemiologist and state health officer.

Sidelinger said the highly contagious delta variant has increased tenfold in the past two weeks in Oregon, and is now estimated to be associated with 80% of the new cases in Oregon.

OHA's recommendation aligns with the Centers for Disease Control and Prevention's new guidance issued Tuesday, July 27, that everyone, including fully vaccinated persons, wear a mask in public indoor settings. OHA's recommendation applies statewide as cases have increased across the state in recent weeks due to the delta variant.

—EO Media Group

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