

Tyson seeks to wrest control of feedlot from Agri Beef

By DON JENKINS
Capital Press

KENNEWICK — Tyson Fresh Meats has gone to court to forcibly acquire the Pasco feedlot that bankrupt cattleman Cody Easterday sold to a major competitor last year after bilking Tyson out of \$233 million.

Tyson is offering \$25 million — \$9 million more than Agri Beef paid — for the cattle feeding operation known as North Lot. Tyson is asking a bankruptcy judge to void the sale to Agri Beef, arguing the deal short-changed it and other unpaid creditors.

“The \$16 million purchase price was woefully inadequate,” Tyson claims in a complaint filed Monday, Aug. 9, in U.S. Bankruptcy Court for Eastern Washing-

ton. The dispute leaves final ownership of the feedlot uncertain. Agri Beef President Matt Buyers said in a court filing the Idaho-based company bought the feedlot in good faith in an arm’s length transaction.

Easterday, 50, pleaded guilty in March to defrauding Tyson out of \$233 million and another company out of \$11 million by billing them for cattle he never actually bought or fed. Easterday



Bob Brawdy/Tri-City Herald

The former Easterday Ranches North Lot cattle feedlot near Eltopia, Washington. Tyson Fresh Meats has gone to bankruptcy court to forcibly acquire the feedlot, previously sold to Agri Beef by Cody Easterday.

delivered cattle to Tyson’s processing plant in Pasco.

In a plea deal with federal prosecutors, Easterday agreed to pay restitution. He is scheduled to be sentenced Oct. 5 on one count of wire fraud.

Several Easterday farms in the Columbia Basin have been sold through bankruptcy court for \$209 million

to Farmland Reserve Inc., owned by The Church of Jesus Christ of Latter-day Saints.

Tyson supported the sale to Farmland, which operates in Washington as AgriNorthwest, but says it was blindsided by the pre-bankruptcy sale of North Lot.

Tyson uncovered Cody Easterday’s fraud in Decem-

ber and discussed acquiring the feedlot to begin making amends. Easterday estimated the lot’s worth at \$20 million, according to Tyson.

In late January, on a Friday, Tyson executives learned in a conference call with Easterday and his financial adviser, Pete Richter of Paladin Management Group, that Easterday planned to sell

the lot within a few days.

Easterday and Richter declined to identify the buyer. Over the weekend, Tyson prepared to go to court to stop the sale, but learned that Monday the sale had closed the previous Friday.

Besides claiming it was duped, Tyson criticizes how the \$16 million was distributed.

According to a spreadsheet sent to Tyson by Easterday’s lawyer, Richard Pachulski, more than \$11.7 million went to Easterday Farms and the English Hay Company, two other companies owned by Easterday family members.

Pachulski’s Los Angeles law firm got \$600,000, while Richter’s management group got \$625,604.

Creditors got only \$2.1 million, leaving some bills unpaid.

Six unpaid balances shown on the spreadsheet topped six figures, including \$804,000 owed one business for veterinarian services. None of the money shown distributed went to Tyson.

In the face of Tyson’s bid to obtain the feedlot, Agri Beef went ahead Aug. 10 and paid the bankrupt Easterday Ranches \$1 million for trucks, tractors and other equipment at North Lot.

Bankruptcy Judge Whitman Holt in Yakima approved the equipment sale. Agri Beef certainly owns the rolling stock, but Tyson’s bid to acquire the ground will be decided later, the judge said.

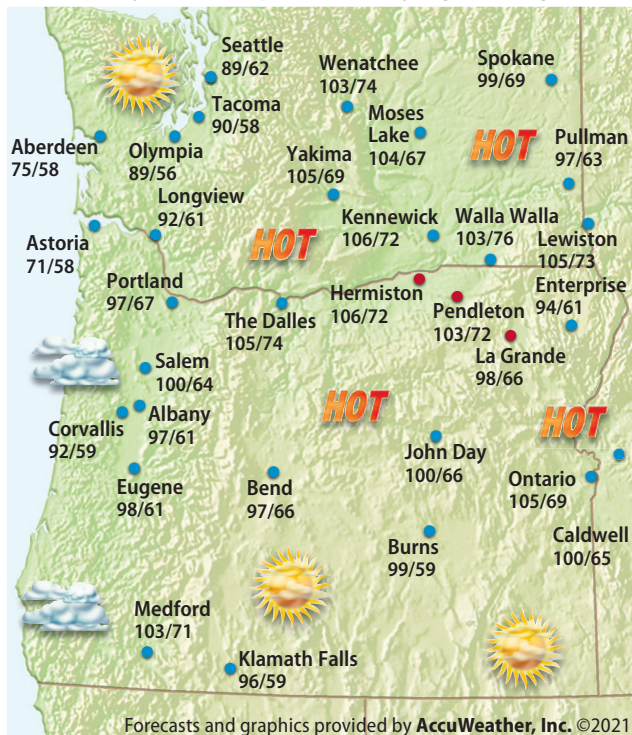
If Tyson prevails, “it creates a logistical issue,” Holt said. “You (Agri Beef) have to come and get your stuff off the property.”

Forecast for Pendleton Area

TODAY	SUNDAY	MONDAY	TUESDAY	WEDNESDAY
HOT	HOT			
Hot and smoky with hazy sun	Hot and smoky with hazy sun	Mostly sunny	Mostly sunny and not as warm	Partly sunny and nice
103° 72°	100° 70°	91° 63°	80° 58°	85° 62°
106° 72°	103° 71°	94° 66°	85° 58°	90° 61°

OREGON FORECAST

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



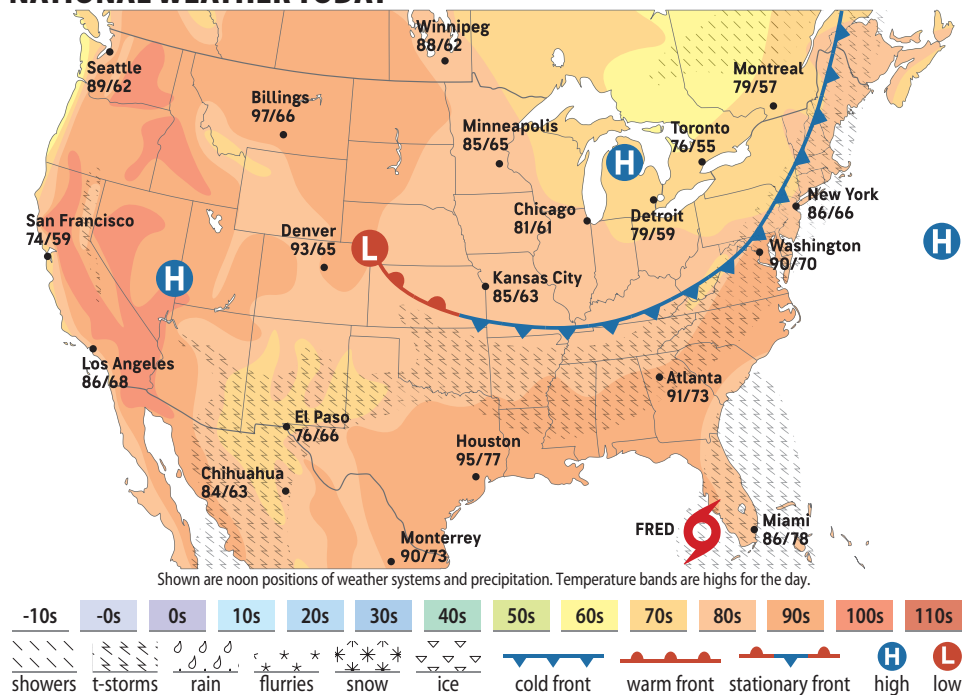
ALMANAC

PENDLETON through 3 p.m. yest.			
TEMP.	HIGH	LOW	
Yesterday	92°	64°	
Normals	90°	59°	
Records	107° (1933)	43° (1918)	
PRECIPITATION	24 hours ending 3 p.m.		
Month to date	0.01"		
Normal month to date	0.13"		
Year to date	4.37"		
Last year to date	8.68"		
Normal year to date	8.44"		
HERMISTON through 3 p.m. yest.			
TEMP.	HIGH	LOW	
Yesterday	95°	60°	
Normals	92°	58°	
Records	104° (1971)	45° (1931)	
PRECIPITATION	24 hours ending 3 p.m.		
Month to date	0.00"		
Normal month to date	0.07"		
Year to date	1.93"		
Last year to date	1.66"		
Normal year to date	5.21"		
WINDS (in mph)			
Today	WSW 6-12	WSW 6-12	
Pendleton	W 6-12	W 6-12	
SUN AND MOON			
Sunrise today	5:54 a.m.		
Sunset tonight	8:05 p.m.		
Moonrise today	12:57 p.m.		
Moonset today	11:16 p.m.		
First	Full	Last	New
Aug 15	Aug 22	Aug 29	Sep 6

NATIONAL EXTREMES

Yesterday's National Extremes: (for the 48 contiguous states)
High 108° in Palm Springs, Calif. Low 35° in Gothic, Colo.

NATIONAL WEATHER TODAY



Indian Creek restoration starts near Elgin

By ALEX WITTEW
The Observer

ELGIN — A project to remove several dams along Indian Creek near Elgin is underway.

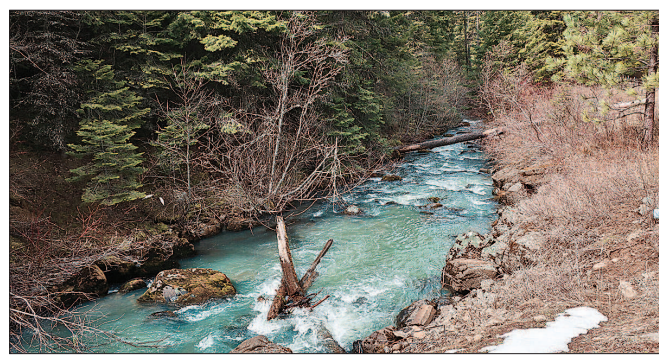
Trout Unlimited, in partnership with Hancock Natural Resource Group, is planning to remove two outdated diversion dams on the creek, along with removing an old roadbed and its culvert in an effort to restore spawning habitat and rearing grounds for juvenile fish, including Lower Snake River steelhead, chinook salmon and bull trout.

Some of the fish species this project will help are endangered, including the redband trout.

“It is really helpful to have a return back to the state it was supposed to look like, and that allows for more resilience in the ecosystems,” said Trout Unlimited spokesperson Emery Hansell.

The groups planned to break ground on the project this week. Officials expect the project will run approximately three to four weeks and open up nearly 10 miles of connected habitat in the area.

Removing the obstructions, according to officials, will allow for the



Levi Old/Trout Unlimited

Indian Creek flows into the Grande Ronde River near the area Trout Unlimited and Hancock Timber Resources Group are working to remove outdated diversion dams to improve habitat for fish.

easier passage and rearing of juvenile fish as they travel through the Grande Ronde River. But that’s only one benefit that will come with the removal of the dams.

“There is more than just the passage going on,” said Levi Old, Trout Unlimited’s project manager for Northeastern Oregon. “You will, a lot of times, have a constricted floodplain so you’re moving water more efficiently through an area near the dam, which affects the local geomorphology. By removing these two dams, we’re going to open up about 1.5 acres of historic floodplain habitat that had been cut off.”

The project also will add 22 large wood structures to

the creek to create habitat for fish that would protect them from predators, help with sediments sorting and offer shade from the sun. The introduction of these wood structures, according to Old, will help restore the creek to its original state.

“Streams have evolved with heavy woodloads in them, and historically humans have taken them out, but these fish have evolved to use the shade and cover,” Old said. “A creek like Indian Creek is especially important for spawning and rearing of ocean-going fish and resident trout species. And as we’re starting to feel the effects of a changing climate, there is still cold water in places like Indian Creek.”

IN BRIEF

Umatilla National Forest to further reduce area closure

PENDLETON — With continued reduced initial attack on new fires across the Umatilla National Forest, officials are taking more steps to reduce the area closures on Friday, Aug. 13, reopening access to most of the Umatilla National Forest lands in Oregon, according to a press release.

National forest lands within proximity to active large wildfires, such as the Lick Creek, Green Ridge and Elbow Creek fires, will remain closed to public entry.

The modified closure prohibits access to all Umatilla National Forest lands in Washington state — on both the Pomeroy and

Walla Walla ranger districts — and closes lands surrounding the Elbow Creek Fire on the Walla Walla Ranger District in Walla Walla County, the release said. The Elbow Creek Fire closures encompass lands south and east of where Alder Creek intersects with Forest Service Road 62 to the forest boundary. Public entry is prohibited in the areas identified in the closure, which includes lands, roads, trails and recreational facilities.

Visitors planning a trip to areas within the closure should cancel any plans for the next several weeks. These areas remain closed to protect public and firefighter safety as the fire crews continue to actively suppress wildfires, while also responding to new smoke reports.

— EO Media Group

CORRECTIONS: The East Oregonian works hard to be accurate and sincerely regrets any errors. If you notice a mistake in the paper, please call 541-966-0818.

EAST OREGONIAN
— Founded Oct. 16, 1875 —
211 S.E. Byers Ave., Pendleton 541-276-2211
333 E. Main St., Hermiston 541-567-6211
Office hours: Monday through Friday, 8 a.m. to 5 p.m.
Closed major holidays
EastOregonian.com
In the App Store:

East Oregonian (USPS 164-980) is published Tuesday, Thursday and Saturday, by the EO Media Group, 211 S.E. Byers Ave., Pendleton, OR 97801. Periodicals postage paid at Pendleton, OR. Postmaster: send address changes to East Oregonian, 211 S.E. Byers Ave., Pendleton, OR 97801.
Copyright © 2021, EO Media Group

Circulation Dept.
For mail delivery, online access, vacation stops or delivery concerns call 800-781-3214

SUBSCRIPTION RATES

	Local home delivery	Savings (cover price)
EZPay	\$10.75/month	50 percent
52 weeks	\$135	42 percent
26 weeks	\$71	39 percent
13 weeks	\$37	36 percent

Single copy price:
\$1.50 Tuesday, Thursday and Saturday

ADVERTISING

Regional Sales Director (Eastside) EO Media Group:

- Karrine Brogionti
- 541-963-3161 • kbrogionti@eomediagroup.com

Multimedia Consultants:

- 541-564-4531
- Audra Workman
- 541-564-4538 • aworkman@eastoregonian.com

Business Office

- Dayle Stinson
- 541-966-0824 • dstinson@eastoregonian.com

Classified & Legal Advertising

Classified advertising: 541-564-4538
Legal advertising: 541-966-0824
classifieds@eastoregonian.com or legal@eastoregonian.com

NEWS

- To submit news tips and press releases: call 541-966-0818 or email news@eastoregonian.com
- To submit community events, calendar items and Your EO News: email community@eastoregonian.com or call Renee Struthers or Amy Velho at 541-966-0818.
- To submit engagements, weddings and anniversaries: email rstruthers@eastoregonian.com or visit eastoregonian.com/community/announcements
- To submit sports or outdoors information or tips: 541-966-0838 • sports@eastoregonian.com

COMMERCIAL PRINTING

Commercial Print Manager: Holly Rouska
541-617-7839 • hrouska@eomediagroup.com