

16 February 2016

To whom it may concern:

My name is Seth Klann. Along with my father Brad Klann and brother-in-law Travis Ralls, we farm over 1,000 irrigated acres in Madras, Oregon.

I attended school at Oregon State University to pursue a degree in Agricultural Business Management but graduated with a BFA in Graphic Design. After working in Portland at a design and marketing firm for a short spell, I decided that all along, what I really wanted to do was return home and farm. I married my wife Sally in 2011 and have three boys, Jet, Silas, and Cash. My family has farmed the same ground in Madras since 1905 and my sons are 8th-generation Oregon farmers.

Our family comes from a long, unbroken line of agriculturists, reaching back to the original Luelling family: Quaker plantation owners who were farming in North Carolina before the Revolutionary War. They also happened to be staunch abolitionists and operated several stops on the Underground Railroad, which didn't set well with their slave-owning neighbors.

In 1846, my grandfather Henderson Luelling filled two wagons with charcoal, manure, and earth...along with apples, pears, plums, cherries, quinces, grapes, and other fruits...and with his family, set out on the Oregon Trail. In spite of everyone's advice that he would never make it across the Plains, Luelling transported his plants and trees to The Dalles, Oregon and ferried them down the Columbia River to start a nursery in Oregon City.

Ultimately, Luelling's fruit trees became the parent stock of most of the orchards in Oregon's Willamette Valley. He is considered the father of the Pacific Northwest fruit industry, and along with his brother Seth Luelling, was responsible for grafting the still popular Bing cherry.

Henderson's grandson, named after Seth Luelling, moved from the Oregon City nursery in 1904 to establish a new farm north of Madras as part of the Homestead Act. Seth's wife Cora and their children grubbed out sagebrush by hand, cleared fields of volcanic rock, and hauled water from a local spring in wooden barrels in order to carve out their new home. Life was tough for Madras' first settlers, but the Luellings persevered, raising cattle, wheat, potatoes, and a family of six children.

Early homesteaders to Jefferson County ranched and practiced dry-land farming techniques, with wheat becoming the dominant agricultural commodity in the area by the early 1900s. Despite being one of the most successful dry-land farming areas in Central Oregon, local farmers began to experience a moisture shortage after 1925. Hit hard by the dry-spell, coupled with the arrival of the Great

Depression, many farmers left. Those that remained realized that in order to prosper, they needed a reliable source of irrigation water.

Construction on the North Unit Project began on July 21, 1938, but was stalled due to the arrival of World War II. The North Unit canal was completed in 1946 and water was delivered to 17,000 acres during 1946 and 1947. By the spring of 1949, all 50,000 acres were receiving water, quickly transforming the community into a mecca for specialty crops.

Over the years, we have raised many crops: potatoes, alfalfa hay, radish seed, peppermint for oil, Echinacea, St. John's wort, carrot seed, ryegrass and Kentucky bluegrass seed. Currently, we raise Kentucky bluegrass seed, and alfalfa seed. We also raise dark northern spring wheat, 2-row spring barley, and spring rye for malting.

Malting is a separate process that transforms raw grain into malted grain to be used to produce beer and whiskey. Over the past 4 years we have invested millions of dollars in the construction of an estate malthouse. We grow all of our own grain, malt it on-site, and sell directly to brewers and distillers. This is the very definition of vertical integration and value-added agriculture. With the completion of our new facility this April, we will be the largest estate malthouse in the world.

All of this history leads us up to last week, when rogue environmental groups filed an injunction that if successful, would literally open the gates on our irrigation dams and let our crops turn to dust. To be brutally honest: we have two years worth of our grain in storage that can be malted for local beer and whiskey...If we can no longer irrigate our farm to grow crops, we can no longer produce estate malt.

But it's not just us who will be ruined...so will our family, friends, and neighbors who are also farmers, agronomists, machinery salesmen, and local business owners. Our county, Jefferson County, is completely dependent on specialty agriculture. We are also in the "rain shadow" of the Cascade Mountains and receive only 8" of annual rainfall. With the ability to precisely control our irrigation, this makes us an extremely valuable area for growing unique crops of superior quality.

I've tried to not be dramatic, but the reality is that this effort would effectively render our county a ghost town. As previously discussed, this has happened to our county before when a long drought and the resulting climate change made dry-land farming for us impossible. I can count the original homesteading families who survived through this and that are still here today on one hand.

I think of the hardships our ancestors had to endure as pioneers, clearing the sagebrush and volcanic rock from the desert. I think of the sacrifices they made to stay here when both the Depression and drought took their toll. I think of their efforts and eventual triumph in creating the North Unit Irrigation

District, and along with this precious water, turn our area in a virtual oasis for specialty seed and grain production. I then think of how a couple rogue environmental groups can abuse the Endangered Species Act and try use a frog to deprive us of water.

Just think, all of the money we have spent on water conservation, irrigation efficiency...all the time we have spent in collaboration with environmental and conservation groups...all of the sacrifices our ancestors have made in building an agricultural mecca in the High Desert...will be for nothing.

I think that my sons, the 8th generation of Oregon farmers, might be the last. I think of all of this and it makes me sick.

This won't stop with the devastation of our county, but will continue to plague other farming communities as we continue to placate rogue environmental groups. It's time to draw a line in the sand and stop this abuse...what better place than the volcanic sands of the High Desert?

Thank you for the opportunity to submit this testimony.

Seth R. Klann  
Mecca Grade Estate Malt  
Madras, Oregon