

STATE OF COLORADO

Colorado Water Conservation Board

Department of Natural Resources

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John W. Hickenlooper
Governor

Mike King
DNR Executive Director

James Eklund
CWCB Director

TO: Colorado Water Conservation Board Members

FROM: Anna Mauss, P.E., Project Manager
Kirk Russell, P.E., Chief
Finance and Administration Section

DATE: November 8, 2013

SUBJECT: **Consent Agenda Item 1a, November 19-20, 2013 Board Meeting**
Finance – Loan Deauthorization
Two Rivers Water Company – Arkansas Storage Facility Project

Background

The Two Rivers Water Company loan request for the Arkansas Storage Facility Project was approved at the May 2013 Board meeting. Two Rivers intended to build 25,000 acre-feet (AF) of gravel pit storage through a multi-phase project. The first phase was to be the development of 4,110 AF of storage located adjacent to the Arkansas River 10 miles east of Pueblo. Due to lack of commitment from additional funding partners, the project was abandoned by Two Rivers. See attached letter from Wayne Harding, CFO, Two Rivers Water Company, dated October 2, 2013.

Staff Recommendation

Staff recommends that the Board deauthorize the following loans:

	Borrower	Project	Approval Amount	Approval Date	Account	Contract Number
a)	Two Rivers Water Company	Arkansas Storage Facility Project	\$9,999,000	May 14, 2013	Construction Fund	C150355



Date: October 2, 2013

Anna Mauss
Project Manager
Colorado Water Conservation Board
1313 Sherman Street, Room 721
Denver, CO 80203

Dear Ms. Mauss:

On May 3, 2013 Two Rivers Water and Farming Company applied for a loan for the Arkansas Storage Facility, which was approved by the CWCB Board at its May 2013 meeting. We are writing to inform you that due to timing issues outside of our control, it is in Two Rivers best interest to deauthorize this loan.

Sincerely,

A handwritten signature in blue ink, reading "Wayne Harding".

Wayne Harding
CFO