



COLORADO

**Colorado Water
Conservation Board**

Department of Natural Resources

1313 Sherman Street, Room 718
Denver, CO 80203

P (303) 866-3441
F (303) 866-4474

Jared Polis, Governor

Dan Gibbs, DNR Executive Director

Rebecca Mitchell, CWCB Director

TO: Colorado Water Conservation Board Members

FROM: Kirk Russell, P.E., Finance Section Chief

DATE: July 20-21, 2021, Board Meeting

AGENDA ITEM: 10. Loan Delinquency Action
Two Rivers Water & Farming Company, and Two Rivers Farms F-2, Inc.

This is an Information Only Item:

Staff will update the Board regarding the current status of the delinquency action against Two Rivers Water Company, TRWC, Inc., and Two Rivers Farms F-2, LLC, as approved at the September 2020 CWCB Board meeting.

Update as of July 9, 2021:

- After a thorough review by the Attorney General's Office, several additional "Notice of Default" letters have been mailed to the multiple addresses found on record for the Borrower to assure official notification of the "cure deadline".
- The Borrower's loan obligation has been updated based on this new notification schedule. The current amount due within 30 days is \$161,057.55, which includes late fees. If not cured within the 30 day timeframe the full loan balance of \$661,731.70 is immediately due (including all outstanding principal, late fees, and accrued interest) followed by the filing of foreclosure documents.
- Indirectly related news: The Great Plains Irrigation Company (GPIC) has purchased most of the Huerfano Cucharas Irrigation Company, which owns the Cucharas Dam/Reservoir. GPIC has also paid DWR/CWCB back for the costs of removing the dam and associated fines. This money will be returned to the CWCB Construction Fund.

Recent Communications:

- Between June 25 and June 30 staff exchanged voice mail communication with Greg Harrington. Mr. Harrington noted the Company's settlement agreement with Great Plains Partners and its progress towards a settlement in the GrowCo bankruptcy case. Mr. Harrington continues to show confidence in curing this loan repayment. The Growco bankruptcy case has since been dismissed.

Foreclosure Preparation:

Staff and the AG's Office continue to review the documents supporting the collateral and uncover the Borrower's complicated organizational structure and transactions over the years. The AG's staff have prepared the list of individuals requiring notification of the foreclosure complaint and are ready to act

upon a failure to cure the default. AGs have prepared the foreclosure complaint and are ready to file the necessary documents and notify the affected junior lien holders.