



**COLORADO**

**Colorado Water  
Conservation Board**

Department of Natural Resources

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**TO:** Colorado Water Conservation Board Members

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

**DATE:** September 15-16, 2021, Board Meeting

**AGENDA ITEM:** 7. Loan Delinquency Action  
Two Rivers Water & Farming Company, and Two Rivers Farms F-2, Inc.

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**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.

Update as of September 3, 2021:

- On August 12, 2021, Two Rivers Water and Farming Company made a payment of \$161,057.55 to the CWCB. This included \$3,800.34 for the late fee; \$5,211.98 for late loan payment interest; \$31,081.87 for loan interest and \$120,963.36 in principal.
- The remaining loan balance is \$500,674.14.
- This brings the Borrower into compliance with the loan contract. The Promissory Note and Loan Contract define 'default' to include a cure period. That cure period was set to end around August 12, 2021.

Foreclosure Preparation:

Staff and the AG's Office will suspend the foreclosure activities.

In the event future payments are not made on time, a complaint is ready to file with minimal adjustments for any factual changes (such as the total amount owed). The process will be:

- The next annual payment is due on March 1, 2022.
- Policy #3 guides staff regarding late or non-payment. This Policy allows for a 60 day grace period prior to the Notice of Default and allows a late fee of 5% of the annual payment to be assessed.
- After 60 days, a Notice of Default providing a 30-day cure period.
- If the cure is not received within a reasonable period after the 30-day period (to allow for mail delays etc.), the Board will direct staff to ask the AGs to file the complaint.
- The AGs will update the complaint to match current circumstances and move forward with filing and serving the Complaint.