



COLORADO
Colorado Water Conservation Board
Department of Natural Resources

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Jared Polis, Governor
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TO: Colorado Water Conservation Board Members

FROM: Matthew Stearns, P.E., Project Manager
Kirk Russell, P.E., Finance Section Chief

DATE: July 20-21, 2022 Board Meeting

CONSENT AGENDA: Item 3. New Prequalification Loans

The Finance Section compiles a list of prequalified projects for the Water Project Loan Program. In order to be included on this list, potential borrowers must submit a Loan Application and three years of financial statements to the CWCB staff. In addition, Borrowers must have a defined project, performed preliminary engineering, and have a reasonable estimate of the project costs before being placed on the Prequalification Project List.

Projects on this list fit the initial criteria of the Water Project Loan Program; however, the list does not constitute loan approval. In order to receive a loan, borrowers must additionally submit a completed Loan Feasibility Study for review by CWCB staff. Staff will then prepare a recommendation to the Board for approval at a future CWCB meeting. Projects will remain on this list for one year from the date of the application or until Board approval of a loan.

The application received by July 1, 2022 for this Board meeting was:

- a.) Sustainable Water Augmentation Group, Inc. - Water Rights Purchase

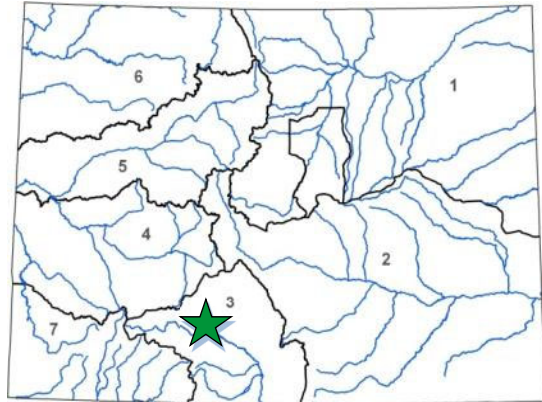


BORROWER	PROJECT NAME	APPLICATION DATE	BASIN	PROJECT DESCRIPTION	LOAN AMOUNT
New Applications					
'Sustainable Water Augmentation Group, Inc.	Water Rights Purchase	July 1, 2022	Rio Grande	The Corporation is purchasing two irrigated farm/ranch properties where 39 center pivot irrigation circles will be retired, and surface water rights will be used to replace stream depletions to the Rio Grande caused by groundwater withdrawals of member wells.	\$39,200,000
				New Applications Subtotal	\$39,200,000

¹ The Corporation was formed in November 2021 and does not have three years of financial statements to provide. It has provided a bank statement of cash reserves date June 17, 2022 and information on monthly cash flow for December 2021 through June 2022.



L O A N D E T A I L S	
Project Cost:	\$39,200,000
Potential CWCB Loan:	\$39,200,000
Loan Term and Interest Rate:	TBD
Funding Source:	TBD
B O R R O W E R T Y P E	
Agriculture	Municipal Commercial
100%	0% Low - 0% Mid - 0% High 0%
P R O J E C T D E T A I L S	
Project Type:	Water Rights Purchase



Sustainable Water Augmentation Group, LLC. (Corporation) was formed in 2021 to obtain, operate and manage a decreed plan for augmentation that allows members to continue pumping their groundwater wells. It has 20 members who irrigate 17,317 acres of farmland by means of wells in the unconfined aquifer of the Closed Basin. Some of those acres receive supplemental water from the Farmers Union or the Rio Grande Canal.

L O C A T I O N	
County:	Saguache, Alamosa, Rio Grande
Water Source:	Groundwater, Rio Grande
Drainage Basin:	Rio Grande
Division:	3 District: 20, 26, 27

The project will include the purchase of 39 center pivot irrigation circles, which the Corporation is currently under a lease agreement to use. Those circles will be retired to meet its proportional obligation of achieving and maintaining a Sustainable Water Supply of groundwater. Additionally the project includes the purchase of an irrigated ranch west of Del Norte with senior surface water rights. This water will be used to replace depletions to the Rio Grande caused by member well pumping.

