



**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:** November 15-16, 2023 Board Meeting

**AGENDA ITEM:** 15c. Two Rivers Water & Farming Company, and Two Rivers Farms F-2, Inc.  
Loan Delinquency

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**For Information Only - No action required**

**Introduction**

At the July 2023 Board Meeting, staff was directed to issue a Notice of Default to Two Rivers Water & Farming Company (f/n/a Two Rivers Water Company) and Two Rivers Farms F-2, Inc. (f/n/a Two Rivers Farms F-2 LLC) regarding the delinquent 2023 annual loan payment for Loan Contract #C150328A (CT2015-164). The Notice was sent to eleven addresses and contacts that CWCB has on file to assure proper outreach. The Notice reads “Failure to make to make the payment within a thirty-day cure period will result in the entire outstanding loan principal balance, interest and late fees becoming immediately due and payable.”

This action is consistent with CWCB Policy #3 “Loan Delinquency, Loan Restructuring and Collection” regarding loan delinquency.

**Update**

On September 1, 2023, eleven letters were sent via certified US Mail, nine were returned undeliverable and two that were ‘certified received’. The ‘received’ letters were to a residence in Aurora, Colorado and a business address in Scottsdale, Arizona. In addition, two read receipts were returned via email.

Multiple calls to Mr. Greg Harrington, CEO of Two Rivers Water & Farming Company, were not returned.

In October, it was discovered that the annual payment amount that is delinquent was wrong in the Notice of Default Letter. It was recommended by the Attorney General’s Office (AG) that a corrected letter be resent. A corrected letter was sent out on November 1, 2023 which restarted the 30-day cure period.

Staff and the AGO continue to monitor the bankruptcy proceedings of the Orland Reservoir No. 2 Company. Staff and the AGO are also monitoring the stipulation that was reached between the Securities Commissioner of the State of Colorado and Two Rivers Water & Farming Company and other related entities which requires Two Rivers Farms F-2, Inc. to file for bankruptcy, which they are expected to do in the next 30-60 days.

Staff will continue to work with the Colorado AG’s Office to determine the next course of action.

## Supporting Information

This original loan contract for \$1.2M was approved by the Board in November 2011 at 2.5% for 20 years. The loan was primarily used for the rehabilitation of the Orlando Reservoir dam and ditch headgate near Walsenburg, Colorado. The construction was completed and the loan was put into repayment in March 2013. Of the ten annual payments made which have come due since the loan repayment period began, six have been late and assessed a 5% late fee of \$3,800.34 each. The March 1, 2022 was made on time. The March 1, 2023 annual payment of \$76,006.78 is now over 180 days late.