

**COLORADO**Colorado Water
Conservation Board

Department of Natural Resources

Colorado Water Conservation Board

Water Plan**Water Project Summary**

Name of Applicant	Ouray Ice Park, Inc
Name of Water Project	Our Water Our Future
Grant Request Amount	\$195,772.00
Primary Category	\$195,772.00
<i>Watershed Health & Recreation</i>	
Total Applicant Match	\$120,000.00
<i>Applicant Cash Match</i>	\$110,000.00
<i>Applicant In-Kind Match</i>	\$10,000.00
Total Other Sources of Funding	\$682,000.00
<i>City of Ouray</i>	\$30,000.00
<i>GOCO</i>	\$25,000.00
<i>Telluride Foundation</i>	\$25,000.00
<i>Summit Sealants</i>	\$5,000.00
<i>John Bereen</i>	\$2,000.00
<i>Peter Simon</i>	\$10,000.00
<i>Peter O'Neil & Kim Reynolds</i>	\$5,000.00
<i>Eric Jacobson</i>	\$400,000.00
<i>Ouray Silver Mines</i>	\$100,000.00
<i>Brownstein Hyatt Farber Schreck</i>	\$50,000.00
<i>Frank & Jeanie Robinson</i>	\$10,000.00
<i>Jay and Jackie Lauderdale</i>	\$10,000.00
<i>Mark & Monique O'Neil</i>	\$10,000.00
Total Project Cost	\$997,772.00

Applicant & Grantee Information

Name of Grantee: Ouray Ice Park, Inc
Mailing Address: 807 Main Street, Ste #4
PO Box 1058 Ouray CO 81427

Organization Contact: Peter O'Neil
Position/Title: Executive Director
Phone: 303-748-7548

Email: peteroneil@ourayicepark.com

Description of Grantee/Applicant

Ouray Ice Park, Inc. (OIPI) is a 501(c)(3) non-profit organization. We build, operate and maintain the Ouray Ice Park under a long-term management agreement with the City of Ouray. The Ice Park is a free city park.

Type of Eligible Entity☐

- ☒ Public (Government)
- ☐ Public (District)
- ☐ Public (Municipality)
- ☐ Ditch Company
- ☐ Private Incorporated
- ☐ Private Individual, Partnership, or Sole Proprietor
- ☒ Non-governmental Organization
- ☐ Covered Entity
- ☐ Other

Category of Water Project

- ☐ Agricultural Projects
Developing communications materials that specifically work with and educate the agricultural community on headwater restoration, identifying the state of the science of this type of work to assist agricultural users among others.
- ☐ Conservation & Land Use Planning
Activities and projects that implement long-term strategies for conservation, land use, and drought planning.
- ☐ Engagement & Innovation Activities
Activities and projects that support water education, outreach, and innovation efforts. Please fill out the Supplemental Application on the website.
- ☒ Watershed Restoration & Recreation
Projects that promote watershed health, environmental health, and recreation.
- ☐ Water Storage & Supply
Projects that facilitate the development of additional storage, artificial aquifer recharge, and dredging existing reservoirs to restore the reservoirs' full decreed capacity and Multi-beneficial projects and those projects identified in basin implementation plans to address the water supply and demand gap.

Location of Water Project

Latitude 38.019720
 Longitude -107.676560
 Lat Long Flag
 Water Source Canyon Creek and Uncompahgre River
 Basins Gunnison
 Counties Ouray
 Districts

Water Project Overview

Major Water Use Type Municipal
 Type of Water Project Design & Construction
 Scheduled Start Date - Design
 Scheduled Start Date - Construction 10/15/2025
 Description
 At the launch of OWOFF, the Ouray Silver Mine provided an in-kind contribution valued at \$100,000 and transferred 4 of their conditional water rights to the Ice Park and the City of Ouray, to be used during the months of November to March. As part of this in-kind contribution, the Ouray Silver Mines also provided all of the legal and engineering services necessary to have these water rights adjudicated by the Colorado Water Court. In addition, the Silver Mine worked with the Executive Director of the Ice Park to complete the permitting application

that was required by the Army Corp of Engineers to excavate the wet well in Canyon Creek. The water rights that were provided by the Silver Mine are non-consumptive water rights, and the water can only be used to farm ice during the winter.

In 2023, Eric Jacobson, the owner of the Ouray Hydroelectric Power Plant donated 7 1/2 acres of his property to the City of Ouray. This in-kind donation of land was valued at more than \$400,000. And in order to initiate this transfer of land, the Denver law firm of Brownstein Hyatt Farber Schreck donated \$50,000 of pro bono legal services. More than 50% of the most iconic ice climbing routes in the Park were on Eric Jacobson's property. This land donation secured the future of the terrain that Ice Park uses to farm ice. A copy of the article from the Ouray County Plaindealer, dated 12/21/2023, describing this collaborative transaction, is attached.

The Ice Park is an integral component of The City of Ouray Parks and Trails Master Plan. Page 10 of the Plan, references 200 ice routes. With the additional water provided by OWOF, the Ice Park will be able to farm up to 250 routes. The planning process for the Master Plan engaged the whole community, thus fulfilling the CWCB requirement that multiple stakeholders be involved, and that it be a collaborative process. Under guiding principles of the Master Plan, on page 25, the importance of preservation is stated. "Preserve and enhance the natural character of Ouray's more natural parks, including Cascade Falls Park, Box Canyon Falls, the Ouray Ice Park, the Ouray Via Ferrata, Uncompahgre River Walk, and the Perimeter Trail."

On page 14 of the City's Strategic Plan, a "Strategic Priority" that is identified is obtaining land currently held by public/private parties. And the steps to success required the city to allocate funding for land acquisition. A copy of Ouray Parks and Trails Strategic Plan is included as an attachment. The Executive Director of the Ouray Ice Park, as part of the OWOF campaign, was able to work with the land owner, Eric Jacobson, and have Mr. Jacobson donate 7 1/2 acres of his land to the City for use by the Ice Park. This donation saved the City of Ouray any acquisition cost, and valued by Mr. Jacobson at more than \$400,000.

The Ouray Ice Park's capital project, Our Water Our Future (OWOF), was envisioned to insure a reliable water source and the long-term sustainability of the Ouray Ice Park. The project will guarantee a transformational amount of water for farming ice, for the next generation of climbers. For additional context regarding the history of the Ouray Ice Park, and the importance of this project, please refer to the Ice Park's 10 Year Plan. This plan was developed at the request of the Ouray City Council and was informed by dozens of community members. The link to the 10 Year Plan is here:

https://drive.google.com/file/d/197eXJ21JzXOh7zp4bcOaDPg1EA_eD7yt/view?usp=drivesdk

On page 22 of the Ice Park's 10 Year Plan, water availability is identified as the limiting component of the Park's operation.

As required by CWCB "Criteria and Considerations," Our Water Our Future has been a unique and successful collaboration among a variety of community stakeholders. It is a case study of public-private sector collaboration, of diverse interest groups — a municipality, an extractive mining operation, a private citizen, and a recreational non-profit — working together to address a community's need for a limited resource, WATER. According to the most recent economic impact study, the Ouray Ice Park delivers \$18 million in annual direct and indirect economic value to the community. The Ouray Ice Park is the driver behind 60% of the City's winter economy. The Ice Park is to Ouray as the ski hill is to Telluride. A copy of the Economic Impact Study is attached.

We have raised almost \$1 million in cash and pro bono contributions from a variety of public entities, private foundations, outdoor industry brands, and philanthropic individuals. As we have received these funds, we have spent them to complete various phases of the project. We are NOT asking the CWCB to reimburse us for any of

these expenses! We need to secure an additional \$400,000 to complete the project. (A list of the donors who have contributed to the capital campaign to date is attached to this request, as well as a photo of the donor kiosk, at the entrance to the Ice Park, that recognizes these contributions.)

Water, and cold temperatures, are the life-blood of the Ouray Ice Park. The Ouray Ice Park is one of Colorado's crown jewels. It is one of the States's unique assets. We are requesting that the Colorado Water Conservation Board provide a grant of \$250,000 under the Funding Category, Watershed Health and Recreation Projects, to help close this \$400,000 gap, and complete our campaign.

Completed Project Highlights:

Water rights were secured from the Ouray Silver Mines, and the "point of diversion" was moved down to the confluence of the Uncompahgre River and Canyon Creek. (A map of the water project — produced by LRE Water Engineers — is included as an attachment.)

The transfer of water rights, and the movement of the point of diversion, were adjudicated by the Colorado Water Court.

After two years of back-and-forth, and submittal of all required paperwork, including an environmental impact assessment, the Army Corp of Engineers issued a permit to allow a wet well to be constructed in Canyon Creek, so that the water rights can be put to use, and water can be pumped up into the Ice Park. There were no detrimental environmental impacts identified during the permit application process.

Over the course of the last two seasons, ice farmers and rangers have extended the yelomine water delivery lines, and added additional spray heads. This has expanded the Park's terrain from 150 routes to almost 250 routes. Additional trails, steps, and ladders were constructed to improve access for climbers into the bottom of the Uncompahgre River gorge. Increasing the accessibility and capacity of the Ice Park has allowed us to serve more climbers and to reduce crowding in the Park.

The road bed of Box Canyon Road has been excavated between Canyon Creek and the Powder House, and a 6" HDPE water main, as well as fiber optic conduit, has been installed.

The remainder of the 6" HDPE water main was installed between the Powder House and Dick's Chalet. New electrical lines and a continuation of the fiber optic conduit are buried in the same trench. A permit was issued by Ouray County Road and Bridge to bury the pipe and conduit under County Road 361. A total of 2,450 feet of 6" HDPE pipe was installed as the main supply line.

The vertical turbine pump has been delivered and stored for the final phase of the project. The electrical transformer for the pump, with a lead time of 12-months, is now staged in the San Miguel Power Association warehouse.

Precast concrete culvert components for construction of the wet well were purchased and delivered. Seven precast segments (and a lid) are now staged behind the Powder House. Each segment weighs 13,500 pounds, is 4 feet tall and 10 feet in diameter. These wet well components can only be inserted into an excavated pit in Canyon Creek within a very short time window, when the creek is not in danger of flooding.

A 10G fiber optic connection now provides the Ice Park, with blazing fast WIFI and the ability to live stream from four ice cameras. Climbers can now log in to the Ice Park website to view real-time ice conditions. The fiber optic

connection will also be used to control the vertical turbine pump.

The City of Ouray has agreed to continue providing overflow water from the old city water tanks, which can supplement the water provided by the new water system. Now with two enormous sources of water becoming available, project engineers have been hired to map all of the existing water infrastructure to optimize the use of the water from two sources simultaneously.

Still on Our To-Do List

This is where we need the help of the Colorado Water Conservation Board, to secure the remainder of our funding to complete the project:

We need to bring electrical service from the 3-phase transformer (down by the old Victorian hotel) up to the panel that will power the vertical turbine pump to be installed in the wet well.

An additional vault needs to be constructed to integrate the City's existing water supply into the new system.

Installing the wet well in Canyon Creek is going to be the most significant remaining part of the project, scheduled for this coming fall when the water level in Canyon Creek is at its lowest.

System start-up, testing, and training of ice farmers, as well as Ouray Public Works employees, is anticipated in the late fall of 2025.

Measurable Results

	New Storage Created (acre-feet)
	New Annual Water Supplies Developed or Conserved (acre-feet), Consumptive or Nonconsumptive
	Existing Storage Preserved or Enhanced (acre-feet)
	New Storage Created (acre-feet)
	Length of Stream Restored or Protected (linear feet)
2,450.00	Length of Pipe, Canal Built or Improved (linear feet)
	Efficiency Savings (dollars/year)
	Efficiency Savings (acre-feet/year)
	Area of Restored or Preserved Habitat (acres)
	Quantity of Water Shared through Alternative Transfer Mechanisms or water sharing agreement (acre-feet)
	Number of Coloradans Impacted by Incorporating Water-Saving Actions into Land Use Planning
10,000	Number of Coloradans Impacted by Engagement Activity
Other	
10,000 Coloradans impacted is based upon the residents of Ouray County as well as as visitors from Colorado, who are counted via our social media, and surveys of visitors	

Water Project Justification

The Ouray Ice Park, Inc. (OIPI) is a 501(c)(3) non-profit organization. We build, operate and maintain the Ouray Ice Park under a long-term management agreement with the City of Ouray. The Park runs for almost 2 miles along the north-facing side of the Uncompahgre River gorge. The Ouray Ice Park is a free city park that just celebrated its 30-year anniversary.

In 2019, the Ice Park board of directors launched a capital campaign — Our Water Our Future (OWOF) — to insure the long-term sustainability of the Park, and to provide a reliable water source for the next generation of climbers. In the winter, the Ice Park is to Ouray, as the ski hill is to Telluride. The Ouray Ice Park is the economic engine that keeps the town vibrant and thriving in the winter months. In 2022, an Economic Impact Study was conducted which indicated that the Ice Park contributes almost \$18 million to the local economy. The future of the Ice Park depends on a reliable source of water.

Our Water Our Future in the language of the CWCB Grant Guidelines is a recreational in-channel diversion project that takes water from Canyon Creek and pumps it up to almost 2 miles of vertical cliffs above the Uncompahgre River, where it is farmed into ice climbing routes during the winter months. The diverted water is therefore stored as ice, and it is released back into the river, when the ice melts in the spring. In this sense, OWOF is also a winter “water storage” project. As outlined in the letter of support from Ouray Mayor Ethan Funk, because of the ongoing drought in southwest Colorado, and the increased visitation to the City of Ouray, the city does not have enough water from its municipal tanks to supply the Ouray Ice Park. An additional water supply is needed to address this water shortage challenge, and to ensure the long-term future of the Ice Park.

Related Studies

Economic Impact Study is attached as a separate PDF file. In addition, a letter of support from Ouray Mayor, Ethan Fund, stating why this water project is important for the City of Ouray is attached. Also, see this link to the City of Ouray Parks and Trails Master Plan:

https://drive.google.com/open?id=16Ljx-WGcEe_LWsUVizbxihro6ooXYFAA

Also please refer to City of Ouray Parks and Trails Strategic Plan. Page numbers for both plans are referenced in the text of our proposal.

https://drive.google.com/open?id=1v210HBj2Tntl_M2TplvSJwPN2E_fHDAf

Taxpayer Bill of Rights

N/A