



**COLORADO**

**Department of Transportation**

Fuels Impact Enterprise

## **Fuels Impact Enterprise 2025 Annual Report**

Reporting Period: January 1, 2025 to December 31, 2025

## Background

Senate Bill 23-280 established the Fuels Impact Enterprise (FIE) as a government-owned business within the Colorado Department of Transportation (CDOT) upon the Governor signing the bill into law on June 6, 2023. The FIE officially commenced operations on August 8, 2023, to improve the safe transportation of fuel and hazardous materials throughout the state while addressing the impacts on Colorado’s freight corridors. The current statute authorizes the Enterprise to operate through January 1, 2030. The Enterprise serves its business purpose by administering the Fuels Impact Reduction Grant Program and providing services to mitigate environmental and safety impacts in communities hosting critical fuel infrastructure. To fund these initiatives, the Enterprise collects a Fuels Impact Reduction Fee of \$0.006125 per gallon of fuel delivered for sale or use in the state and deposits the resulting revenue into the Fuels Impact Enterprise Cash Fund.

The Enterprise distributes \$10 million in annual allotments to specific political subdivisions hosting fuel loading racks to support hazardous mitigation corridors. The Enterprise allocates these mandatory annual distributions as follows:

- Adams County (\$6,400,000),
- City of Aurora (\$2,000,000),
- El Paso County (\$1,300,000),
- Mesa County (\$240,000), and
- Otero County (\$60,000)

Furthermore, any remaining revenue beyond the specific amounts to local governments and for administration expenses is allocated for state government projects and key commercial freight corridors. The Enterprise dedicates these state-level funds to supporting projects related to emergency responses, environmental mitigation, and infrastructure improvements that enhance the safety of the movement of freight and hazardous materials on state highways.

## Calendar Year 2025 Summary

### Board Meetings

The Transportation Commission of Colorado serves as the Enterprise Board of Directors (“the Board”) and oversees the business affairs of the Enterprise. To fulfill its legislative mandate, the Board collaborated with Enterprise staff throughout the year to identify strategic funding opportunities and approve the necessary budgets for state-level initiatives. The Board convened five times this year to evaluate and authorize funding for projects that improve safety and infrastructure along Colorado’s freight corridors.

### January 2025

The FIE Board of Directors did not meet in January.

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### February 2025

The FIE Board of Directors did not meet in February.

### March 2025

The FIE Board of Directors met on March 20th to review informational presentations and discussion on the following topic(s):

- Approval to adopt the final FIE FY2025-26 budget

### April 2025

The FIE Board of Directors did not meet in April.

### May 2025

The Board of Directors met on May 15th to review informational presentations and discussion on the following topic(s):

- Approval to adopt PD703 as the FIE fiscal rules; and
- Approval to provide funding for state freight projects

### June 2025

The FIE Board of Directors met on June 18th to review informational presentations and discussion on the following topic(s):

- Approval to adopt the elected TC Commissioners as the FIE Board Members for FY25-26

### July 2025

The FIE Board of Directors did not meet in July.

### August 2025

The Board of Directors met on August 21st to review informational presentations and discussion on the following topic(s):

- Approval to adopt automatic roll forward of all FIE funds

### September 2025

The FIE Board of Directors did not meet in September.

### October 2025

The FIE Board of Directors did not meet in October.

### November 2025

The Board of Directors met on November 20th to review informational presentations and discussion on the following topic(s):

- Approval to fund freight route projects in Region 3 (\$8 million)

- Approval to fund freight route projects in Region 4 and Region 5; and
- Approval of the draft FY2026-27 FIE budget

December 2025

The FIE Board of Directors did not meet in December.

### Community Outreach

Throughout Fiscal Year 2024-25, the Fuels Impact Enterprise dedicated itself to building strong partnerships with the five political subdivisions through a series of one-on-one meetings. These sessions served as a vital space to align on the Enterprise's business purposes and the Fuels Impact Reduction Grant Program while exploring the transformative projects and programs this funding can achieve. Simultaneously, Enterprise staff collaborated closely with all five CDOT Regions to pinpoint the most effective ways to utilize state-allocated funds. The Enterprise's driving goal for the initial two rounds of state funding was to deliver immediate, meaningful improvements to the essential freight corridors that serve as the backbone of our state. These conversations and local insights allowed Enterprise staff to present a robust portfolio of high-impact projects from every corner of Colorado to the Board of Directors for consideration.

### Funding

During the spring and summer of 2025, Enterprise staff administered \$39,206,000 in combined grant funding for Fiscal Years 2024-25 and 2025-26. This investment supports critical infrastructure and safety improvements across the following five political subdivisions and statewide initiatives:

- Adams County - \$12,800,000,
- City of Aurora - \$4,000,000,
- El Paso County - \$2,600,000,
- Mesa County - \$480,000,
- Otero County - \$120,000, and
- State Freight Route Projects - \$19,206,000

Adams County Board of County Commissioners, Adams County staff, and local stakeholders collaborated to identify 11 candidate projects using a balanced, criteria-driven approach to investing Fuel Impact Reduction Grant funds. This method ensures the funds support projects that improve safety, reduce risk, and address the regional impacts of fuel and freight movement across Adams County. Each project aims to meaningfully address the impacts of fuel distribution, hazardous material transportation, and freight movement within Adams County. These candidate projects focus on freight movement, fuel transportation, safety, emergency response, and/or environmental impact mitigation. The Adams County Board of County Commissioners will hold a session on January 21, 2026, to review and finalize the project list and program direction.

The City of Aurora (“the City”) identified projects for intersection improvements on Smith Road at Airport Boulevard and Tower Road. At the intersection of Smith Road and Chambers Road sits the City’s primary fuel distribution facility; therefore, Smith Road, Tower Road, Chambers Road, and Airport Boulevard function as hazardous mitigation corridors. The improvements at both intersections will include new traffic signals with updated timing to coordinate with the adjacent rail line timing, reconstructed curbs to better accommodate large trucks, updated signage and lane markings to clarify lane usage, and the addition of a northbound right turn lane.

El Paso County will apply grant funding toward repairs on Bradley Road between Hancock Expressway and Grinnell Boulevard. This roadway serves as an ancillary route for fuel and truck traffic while providing the primary east-to-west connection for Security and Widefield residents. The project aims to meaningfully improve intersection safety and multimodal routing for residents, as well as update stop controls to assist turning motions during emergencies for the Security Fire Station No. 3, located approximately a half-mile from the intersection of Bradley Road and Hancock Expressway.

Mesa County identified a project (Mesa Q-6.8) to complete repairs on an existing bridge on Old US Highway 6 & 50 over West Salt Creek that serves as the secondary hazardous material route for the county. Mesa County encumbered two fiscal years of FIE funds for repairs that include replacing the existing deck and bridge railing, as well as improvements to the grading, paving guardrail, drainage, signing, and striping. They anticipate construction will begin Fall 2026.

Otero County Administration, Otero County Public Works, and Otero County Emergency Management are collaborating to identify and prioritize project locations. Otero County anticipates completing the corridor evaluation and prioritization framework by Spring 2026 and plans to select the initial project location by the end of FY2025-26.

The Enterprise allocated \$19,206,000 in state funding across CDOT Regions 1, 2, 3, 4, and 5 to support the following hazardous material and freight corridor projects.

Region 1 utilized \$7,000,000 for I-70 structures at Deer Trail. I-70 is a critical corridor for freight movement and fuel distribution for eastern Colorado. This project represents a collaborative funding solution with FIE and Bridge and Tunnel Enterprise (BTE), enabling Region 1 to make critical repairs on the four structures (Structures F-20-BJ, F-20-BL, F-20-BB, F-20-BA) on I-70 near Deer Trail. Crews began work in 2025, making significant progress, and expect to finish during the 2026 construction season.

Region 2 is developing a project to repair and replace concrete slabs on Highway 287 using their \$1,250,000 award. Highway 287 serves as part of the Ports to Plains Corridor, a key north-south freight corridor running from Canada to Mexico. This project addresses damaged concrete panels on this critical route.

Region 3 secured \$9,250,000 in funding from the Fuels Impact Reduction Grant. Region 3 is using \$8,000,000 for the I-70 Horizon Paving Project in Grand Junction, Mesa County, Colorado. This paving project will resurface six miles of I-70 in Grand Junction (MM 31.0 to 36.98) including a 2" Mill and Overlay on both travel lanes, and two sets of exit ramps to address low drivability life pavement; construction is anticipated to start in spring of 2026. This project will appear in the next CDOT 10 year plan and will require funds from both FIE statewide funds and CDOT 10 Year Plan strategic funds. Region 3 applied the remaining \$1,250,000 to complete several maintenance surface treatment projects on key freight routes throughout the region. These locations include the following:

- Hwy 6: MM 214.9 - 216
- Hwy 50: MM 113 - 114.1, and MM 36.2 - 42.2
- Hwy 139: MM 31 - 32.5
- Hwy 91: MM 19.5 - 20.6
- I-70: MM 108.9 - 109.1, MM 110.05 - 110.23, MM 111.3 - 111.44, MM 116.7- 116.6, MM 116.4 - 116.5, MM 117.7 - 118.8, MM 118.2 - 118, MM 118.5 - 118.4, MM 119-119.4, and MM 119.8 - 119.9.

Region 4 and Region 5 funding allocations were approved on November 20, 2025. Region 4 secured \$1,250,000 and Region 5 secured \$456,000. Both regions are actively developing strategic pavement resurfacing plans that specifically target high-priority projects that strengthen the safety and long-term reliability of vital regional freight corridors used for the transportation of fuel throughout the state.

## Enterprise Budget

### Fiscal Year 2024-25

The Board of Directors adopted the Fiscal Year 2024-25 Budget in February 2024, allocating \$31,461,310 in revenue for the fiscal year. This amount represents the total funds available for the Enterprise, including revenue roll-forward from Fiscal Year 2023-24, to allocate to the communities and state-funded projects for Fiscal Year 2024-25.

## Fiscal Year 2025-26

The Board of Directors adopted the Fiscal Year 2025-26 Budget in February 2025, allocating \$15,204,500 in revenue for the fiscal year. This amount represents the total funds available for the Enterprise to allocate to the subdivisions and state-funded projects for Fiscal Year 2025-26.

## Fiscal Year 2026-27

The Fuels Impact Reduction Fee established by statute is an ongoing revenue stream for the Enterprise. The Board reviewed and approved an updated draft budget for fiscal year 2026-27 in November 2025, allocating \$15 million in revenue. The Board plans to finalize the fiscal year 2026-2027 budget in February 2026.

## Upcoming Activities

In 2026, the Fuels Impact Enterprise will prioritize finalizing the Fiscal Year 2026-27 budget and administering the Fiscal Year 2025-26 subdivision allotments. The Enterprise will work tirelessly with local partners and CDOT to identify state freight corridor projects that advance its core mission.

The year ahead offers a productive path forward, and the Enterprise eagerly anticipates partnering with the communities across Colorado, Fuels Impact Enterprise Board of Directors, and CDOT. Together, we will deliver critical infrastructure improvements that safeguard Colorado residents by improving emergency response and mitigating the environmental impacts of fuel transportation on our state's most vital corridors.