



# Chapter 7. Implementation Plan

## Transportation Funding

There are 4,438 lane miles of roads maintained by El Paso County. Of those, roughly 2,349 lane miles are paved, and 2,089 lane miles are gravel. To put that in context, the distance, as the crow flies, between Canada and Mexico is 1,200 miles. The County’s responsibility also includes bridges, drainage ditches, drainage pipes, guardrails, traffic control signs, traffic signals, and more than 22,000 acres of right-of-way. Since 1980, almost 400 centerline miles of road have been added for the county to maintain and the number of paved lane miles has more than doubled.

The roadway system in El Paso County represents a substantial public investment to accommodate motor vehicles and non-motorized travel. Likewise, improvements shown on the 2045 MTCP Roadway Plan maps will require significant resources to implement. To present a plan that is realistic, an analysis of costs associated with roadway improvement and resources available to fund them is necessary.

In Chapter 5, the MTCP program includes eight project types. **Table 12** shows the estimated costs total more than \$2.5 billion.

In El Paso County maintained roads are typically funded through three sources – development exactions/ impact fees, local sales and property taxes, and Highway Users Tax Fund (HUTF), which comes from the state gas tax and registration fees. The County has adopted a Countywide Road Impact Fee Program that will fund a significant portion of the future county

road capacity needs in the County. The Road Impact Fee program helps the County to ensure that new development pays its own way.

The local and neighborhood streets in the County, including collector streets, are often funded and constructed by the developer when a subdivision is developed. However, after a few years, the County must take over maintenance for these developer constructed roads. Most roads are maintained by the County while some are private roads maintained by a local metropolitan/special district or a homeowners’ association.

For the Department of Public Works (DPW), the largest sources of revenue for transportation are HUTF (the gas tax), specific ownership tax, and the property tax. In addition to these funding sources, the PPRTA collects a sales tax increment that funds multi-modal transportation projects across the County, including roads in the unincorporated parts of the County.

### Federal Transportation Funding

The County receives gas taxes in two ways: from federal and state levels. The federal gas tax is funded by an 18.4¢/gallon tax that has not changed since 1993. Federal gas tax funding is distributed through PPACG in the MPO area only in the form of grants that generally require a 20 percent local match. These are competitive grants, not disbursements based on population or road miles.

Table 12. MTCP Program Estimated Costs

Project Type	Total Cost
Rural County Road Upgrade	\$846,400,000
Urban County Road Upgrade	\$63,000,000
Gravel Road Upgrade	\$195,100,000
County Road Widening	\$210,300,000
New Road Connection	\$1,216,800,000
	\$2,531,600,000



## Federal Transportation Funding (continued)

The use of federal funds presents some challenges for the County:

- DPW must fund 100 percent of the project upfront and then 80 percent is refunded later. This can pose cash flow issues for the County.
- Due to regulations and requirements, federal projects are often more expensive than the same project funded with local dollars.
- Federal projects often take longer to implement.

## State Transportation Funding

The HUTF consists of multiple funding streams:

- the state gas tax of 22¢/gallon
- motor vehicle fees such as license and registration fees
- an electric vehicle fee
- delivery vehicle fee

About 75 percent of the HUTF funds come from the state gas tax, which has not increased since 1991. More than 65 percent of the HUTF funding goes to CDOT to construct and maintain state roads such as I-25, US 24, and State Highways 21, 94 and 115. The remaining funds are split

among all other cities, towns and counties in the state. The HUTF payments represent the return of gas and diesel taxes and other fees to the local communities (e.g., El Paso County) and residents that paid them, but only 20 percent of funds paid by residents is returned to the County. Over the past ten years, from 2013 to 2022, the County received an average of 13.4 million per year from the HUTF.

### State Budget Updates

One way the State distributes transportation funds is through formula programs, as shown in **Table 13**.

## Pikes Peak Rural Transportation Authority

In response to the need for additional transportation funding, voters in El Paso County, Colorado Springs, Manitou Springs, and Green Mountain Falls approved the creation of the [PPRTA](#). PPRTA is funded by a 1-percent sales and use tax that was originally approved to start January 1, 2005. Fifty-five percent of funds collected pay for a voter approved list of capital projects with a 10-year sunset on these funds. The remaining 45 percent goes to transportation maintenance (35 percent) and to transit services (10 percent) without being subject to sunset provisions. The Town of Ramah joined in 2009, and the Town of Calhan joined in 2022.

Table 13. CDOT Transportation Formula Programs

Formula Program	Recipients
Transportation Alternatives Program (TAP)	CDOT Region Distribution
Regional Priority Program (RPP)	Transportation Planning Region (TPR) Distribution
Metro Planning (Metro-PL), Carbon Reduction Program, Surface Transportation Block Grant (STBG) Urban	MPO Distribution
Multimodal Options Fund (MMOF)	CDOT Region Distribution
FASTER Safety	CDOT Region Distribution



### Pikes Peak Rural Transportation Authority (continued)

Twice voters have renewed PPRTA to continue funding transportation and transit improvements. In 2012, nearly 80 percent of voters reauthorized the collection of the sales and use tax, with 55 percent of capital funds for an additional 10-year period from 2015 to 2024, known as PPRTA 2. Again in 2022, nearly 80 percent of voters reauthorized the tax, and the PPRTA 3 list itemizes capital improvement projects for the region for 2025 to 2034.

While El Paso County receives a significant amount of funding from the PPRTA, the amount varies year to year. El Paso County receives approximately 30 percent of revenues collected; the rest goes to incorporated areas, mostly to the City of Colorado Springs. **Figure 41** shows the El Paso County portion of the PPRTA revenue estimates passed by the PPRTA Board for years 2022 through 2034 and assumes a conservative three percent growth in annual revenue.

### Property Tax

El Paso County also receives some property taxes for roads. Since the last MTCP update in 2016, El Paso County experienced an active real estate market and the median home price has increased significantly. According to the Colorado Association of Realtors, the median single family home sales price increased from \$265,000 in September 2016 to \$480,000 in September 2023 ([Colorado Association of Realtors](#)). Property taxes have increased as well. The average home pays about \$8.25 in Road and Bridge property tax. El Paso County roads received an average of \$1.4 million per year from property taxes from 2013 to 2022. **Figure 42** displays the major sources of funding to the County's Road and Bridge account.

Figure 41. Estimated PPRTA Revenue, El Paso County Portion

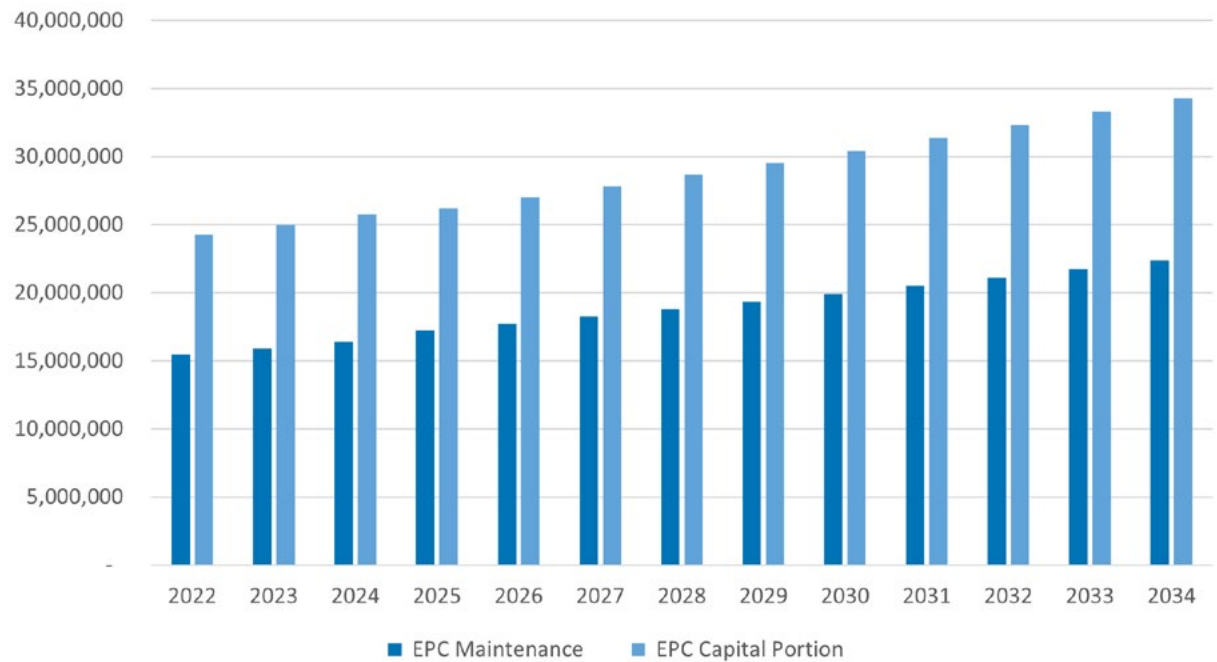
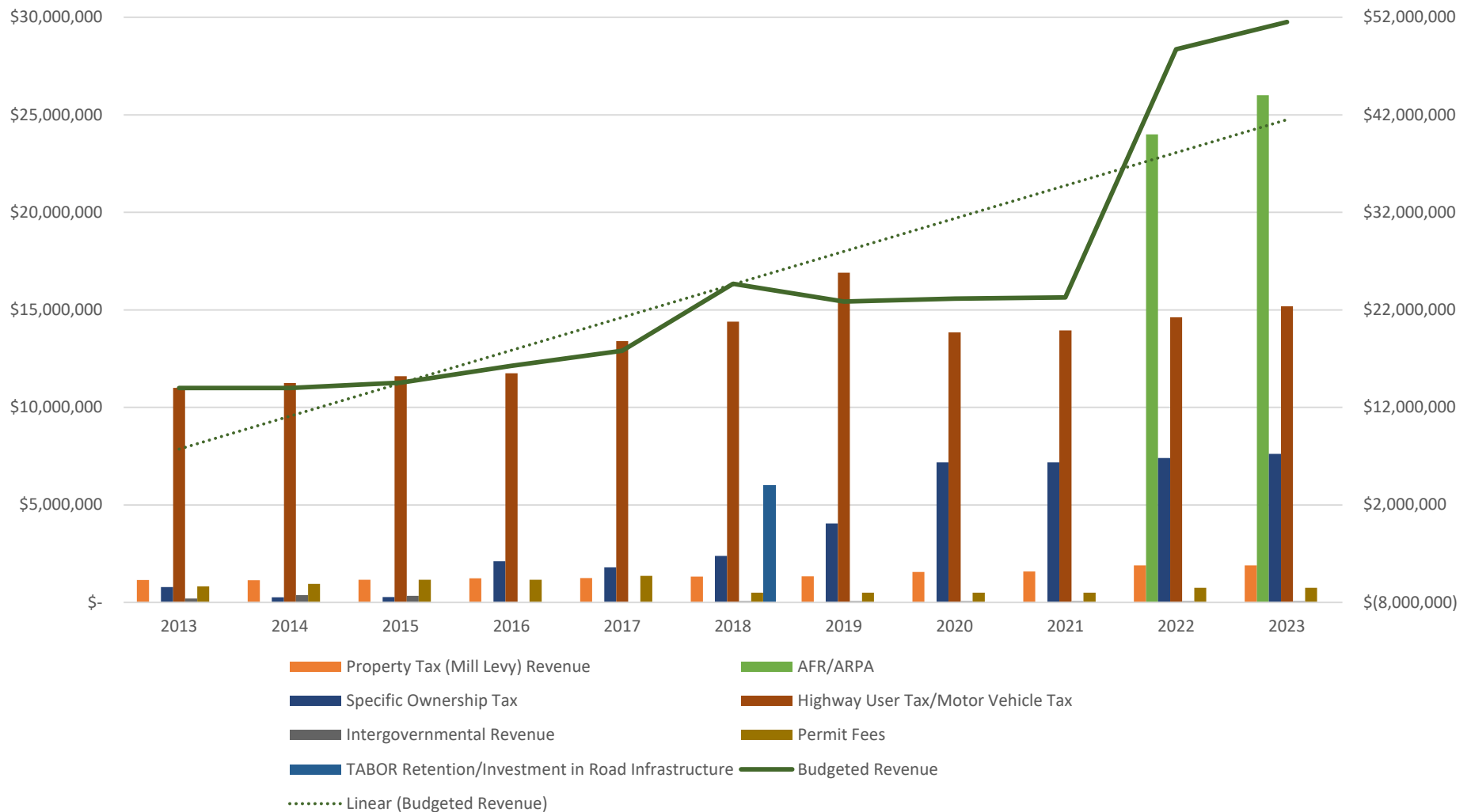




Figure 42. Budgeted DPW Revenue to Fund Roads & Bridges

Major Revenue Sources





For a variety of factors, revenues have not kept up with inflation, which is denoted by the Consumer Price Index (CPI) and shown on **Figure 43**.

The Colorado Construction Cost Index (CCI) calculates an index of prices and quantities and shows the trend in the cost of construction materials commonly used in transportation construction project bids: earthwork, hot mix asphalt, concrete pavement, structural concrete, and reinforcing steel (Colorado Construction Cost Index Report). **Figure 44** illustrates the nature of unpredictability in construction costs along with an overall increasing trend line for the period from 2013 through 2022.

Figure 43. Annual Consumer Price Index

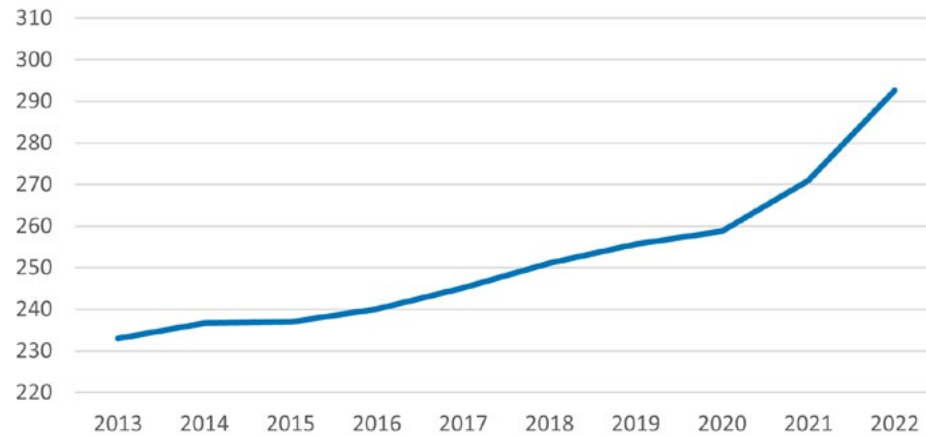


Figure 44. Colorado Construction Cost Index

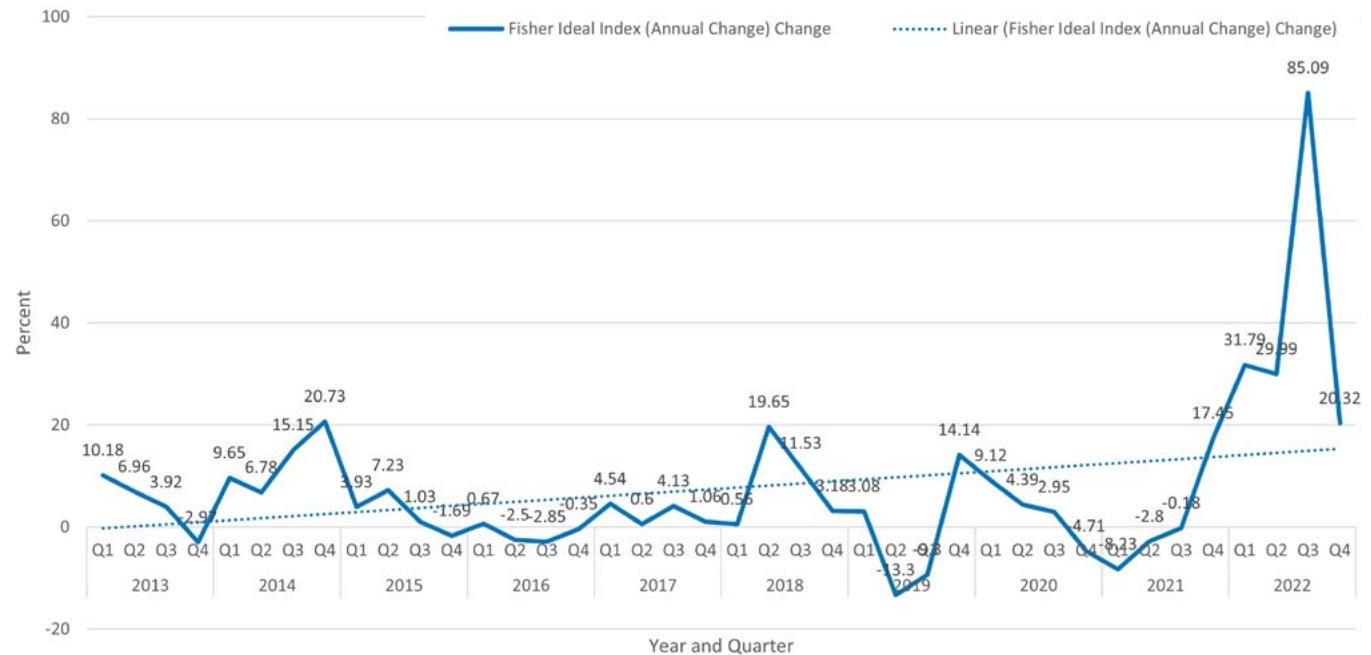
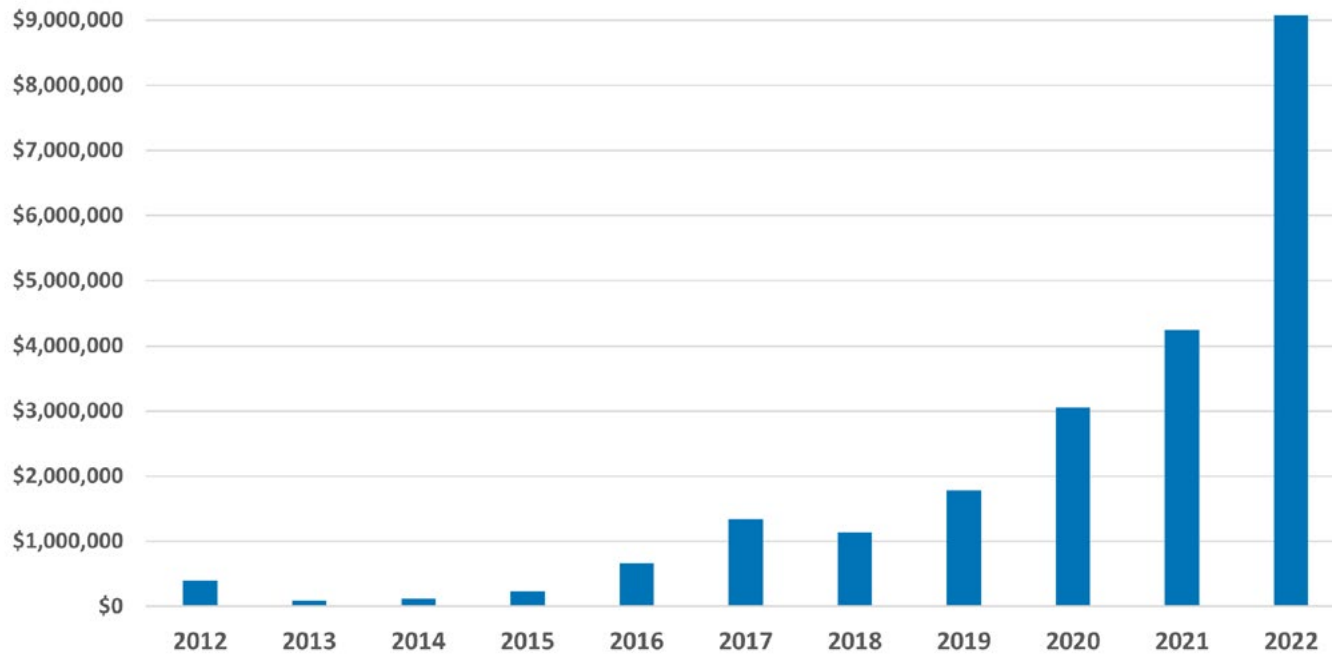




Figure 45. Road Impact Fee Revenue Since 2012



### Road Impact Fee

El Paso County first adopted a road impact fee program in 2012 to create an equitable method of establishing a fair-share contribution from development for transportation improvements needed to accommodate growth. **Figure 45** shows that since 2012, road impact fee revenue has contributed more than \$21 million to transportation capacity projects in the County. A Road Impact Fee Study update is being prepared, in a parallel effort with this MTCP update, to set the impact fee rate per new trip created by new development.

New development is often required to construct projects on the adjacent major roadway system to provide access for that development. These requirements are referred to as development “exactions”. In cases where the cost of these road improvements or exactions exceeds the development’s fair share road impact fee, the County uses impact fee funds to reimburse developers for excess costs.

A significant portion of the roadway system improvement needs on County roads identified in this plan are funded through development impact fees and exactions.