

MANAGERIAL REVIEW OF THE

Oregon Department of Transportation (ODOT)

Prepared for
THE OREGON LEGISLATIVE ASSEMBLY



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EXECUTIVE SUMMARY

The AtkinsRéalis and Horrocks team was engaged to conduct a managerial review of the Oregon Department of Transportation (ODOT), with a focus on its delivery of major capital projects and its organizational structure. ODOT plays a critical role in shaping the future of Oregon’s transportation infrastructure. In recent years, however, the agency

has faced increasing demands and growing projects complexity. This has revealed areas where ODOT’s current practices and organizational structure could benefit from improvement; particularly in how it manages large-scale projects, coordinates internally, and communicates with external stakeholders.

To support the Legislature in its oversight and policy role, the team conducted an independent and in-depth assessment of ODOT’s management practices. This included stakeholder interviews and high-level review of organizational structure and major projects delivery processes. Accordingly, a set of actionable recommendations were developed to

strengthen ODOT’s project delivery capacity, enhance internal efficiency, and improve transparency and accountability. These recommendations were divided into **short-term** and **long-term priorities** shown below recognizing the need to balance immediate improvements with broader, systemic reform.

CATEGORY	SHORT TERM	LONG TERM	CHALLENGES ADDRESSED
Organizational Structure and Governance	Reform the UMO into a Major Projects Group Redefine Reporting Structures for the Group Transfer the Alternate Delivery Team under the Major Projects Group Expand the Role of the Chief Engineer to Include Project Delivery Influence	Staff the Major Projects Group with Key Technical Expertise Assign CAU Contracting Support to the Major Projects Group Clarify Roles Between Regional Teams and Major Projects Group Formalize a Project Transition Protocol between the Major Projects Group and Regional Teams Designate Regional Liaisons to the Major Projects Group Create a Collaborative Policy Review Structure with Regions	   
Project Planning and Pre-Development	Codify Project Readiness Thresholds Prior to Funding Commitments Establish a Risk-Based Prioritization Framework for Scoping Investments Shorten the Timeline Between Project Programming and Construction	Integrate Cost Estimating and Scheduling into Early Planning Activities Invest in Site Investigations and Early Scoping Activities	  
Delegated Authority and Decision-Making	Clarify and Document Decision-Making Authority at All Levels Shift to a Risk-based Approval Model for Project Decisions Institutionalize a Project-Specific RACI Model for Major Projects Establish Change Order Escalation Triggers Use Experienced Consultants to Supplement Internal Staff Where Needed	Delegate Routine Approvals (such as low-risk design changes) to Project Teams Establish Clearer Project-Level Accountability for Delivery Outcomes Train Staff on Delegated Decision Protocols	   
Contract Management and Administration	Standardize Contract Templates and Terms and Conditions Establish Consistent Payment Processing Timelines	Streamline Contracting and Amendment Processes through Dedicated CAU Resources Develop Dispute Resolution Procedures that are Proactive and Tiered	 
Workforce Development and Capacity Building	Strengthen Blended Teams (Consultants + DOT) with Knowledge-Sharing Expectations Implement Urban Pay Differential Policies	Establish Project Management Training and Credentialing (PMI-PMP) Institutionalize a Career Pathway for Project Managers and Technical Staff	
Data, Systems, and Financial Tools	Replace the Legacy Accounting COBOL-based Forecasting Model with a Modern, Integrated Financial System Standardize Parametric Cost Estimating for Major Projects at Conceptual Phase Establish a Centralized Major Projects Dashboard for Transparency and Consistency	Implement and Standardize a Document Control System for Major Projects	 
Legislative Engagement and Transparency		Establish a Major Projects Committee with Quarterly Major Project Updates Develop and Standardize Quarterly Report KPIs Formalize the Submission of an Annual Report to the Joint Committee on Transportation	

 = Organizational Structure Challenges

 = Cost Estimation and Financial Management

 = Contract Administration Issues

 = Risk Management Limitations

 = Major Projects Decision-Making

BACKGROUND AND CONTEXT

ODOT is responsible for delivering critical transportation infrastructure that connects communities, supports commerce, and stimulates economic development across Oregon. Over the past decade, the scope and complexity of this responsibility have grown considerably—driven in part by expanded revenue through House Bill 2017, increased public demand for accountability, and new mandates for regional and multimodal coordination. As a result, the Department is tasked with delivering major projects, with larger budgets and tighter timelines, while also meeting the expectations of a broader and more diverse group of stakeholders.

The structural and operational environment within ODOT has not always kept pace with these changes. Major projects such as the Interstate Bridge Replacement (IBR) Program, Rose Quarter, and I-205 Improvements Project (Abernethy), have frequently encountered delivery challenges, including cost overruns, schedule slippage, scope uncertainty, and bureaucracy between regional execution and central oversight. Some of these issues have stemmed from funding allocations made prior to adequate scoping or readiness assessments were completed. Others are tied to internal organizational complexity—such as overlapping responsibilities between Headquarters (HQ) divisions and region offices, fragmented reporting structures, and uneven application of delivery standards across regions.

In addition, **leadership turnover** and the absence of standardized professional development pathways for **Project Managers/Directors** have further strained internal capacity. The agency's use of outdated **financial software**—originally built in the 1990s—has also contributed to significant forecasting discrepancies, undermining legislative confidence and limiting the ability to effectively plan and manage cash flow.

This report responds to these challenges. It draws upon internal findings and input gathered from ODOT leaders, operational staff, consultants and contractors, and external partners, with the goal of establishing clear, actionable strategies and recommendations for improving how projects are developed, funded, and delivered. The objective is to create a more agile, accountable, and transparent project delivery environment that is capable of meeting both legislative expectations and the needs of Oregon's communities.

METHODOLOGY

This review was designed to assess ODOT's current organizational structure and major projects delivery practices. The methodology was structured in a phased approach to undertake a thorough evaluation and develop actionable recommendations.

Legislative and Documentation Review

The initial phase involved an extensive review of relevant documentation to establish a foundational understanding of ODOT's project delivery environment. This included:

- **Legislative Hearings:** Review of the transportation legislative sessions provided insights into the legislature expectations, funding allocations, and oversight mechanisms influencing ODOT's project delivery.
- **2024 ODOT Strategic Review:** Examination of the strategic review conducted by WSP offered an assessment of ODOT's internal processes, organizational structure, and project management practices.
- **Additional Reports and Data:** Review of relevant reports and organizational structure documentation to identify project delivery challenges.

Stakeholder Interviews

Building upon the documentation review, the second phase comprised structured interviews with a diverse group of stakeholders to capture a wide range of perspectives on ODOT's organizational structure and major projects delivery practices. Stakeholders included:

- **Senior Leadership:** Provided strategic perspectives on organizational goals and challenges.
- **Program and Project Managers:** Shared detailed experiences and operational insights from managing major projects.
- **Technical Experts:** Offered specialized knowledge of technical aspects and potential solutions.
- **External Consultants and Contractors:** Contributed independent assessments and recommendations based on industry needs and experience working with ODOT.
- **Local Government Stakeholders:** Delivered valuable community context and regional priorities that impact project implementation and outcomes.

The interviews focused on identifying structural and operational bottlenecks and opportunities for improvement. Themes explored included decision-making processes, resource allocation, communication effectiveness, and the integration of alternative delivery methods.

Synthesis of Key Findings

The information gathered from the documentation review and stakeholder interviews was systematically analyzed to identify recurring themes and critical issues affecting project delivery. This thorough analysis ensured that the recommendations developed were grounded in both policy context and operational realities. The [Summary of Findings](#) section in this report provides an overview of the common themes and challenges identified.

Development of Recommendations

The final phase focused on formulating targeted recommendations aimed at addressing the identified challenges. This involved:

- Alignment of proposed solutions with legislative objectives and operational capabilities.
- Development of recommendations that are actionable, measurable, and adaptable to various project scales or types.
- Incorporation of subject matter experts' insights to refine strategies and advise on implementation.

The resulting [Key Recommendations](#) are designed to enhance ODOT's project delivery efficiency, accountability, and adaptability, thereby improving outcomes for stakeholders and the public.

SUMMARY OF FINDINGS

The findings summarized in this section reflect a comprehensive analysis of documentation, legislative proceedings, and direct input from stakeholders across the project delivery spectrum. The following findings represent the most recurring and high-impact issues identified through the review process and form the foundation for the recommendations presented in this report.



Organizational Structure Challenges

- ▶ ODOT's recent reorganization has created unclear lines of authority and communication barriers
- ▶ Decision-making is highly centralized at HQ, rather than delegated to the regions, leading to extended approval timelines and reduced agility
- ▶ Multiple review layers have created workflow bottlenecks and accountability challenges
- ▶ High turnover rates and staffing shortages impact project delivery and knowledge retention



Cost Estimation and Financial Management

- ▶ The agency lacks a “single source of truth” for project data and progress reporting
- ▶ Current tools are fragmented and not fully integrated, causing reporting delays, and duplicate data that does not match
- ▶ The transition to managing a Statewide Transportation Improvement Program (STIP) and a Capital Investment Plan (CIP) aims to better separate planning from budgeting
- ▶ Infrastructure projects that receive funding early – before 10-30% of the project is scoped – often face subsequent budgeting challenges



Contract Administration Issues

- ▶ Process from winning a contract to receiving Notice to Proceed can take up to 18 months
- ▶ Scope change order processes are cumbersome and dependent on DOJ review
- ▶ Legal review processes create procedural friction and extend turnaround times
- ▶ Lack of delegated authority prevents timely field-based decision-making



Risk Management Limitations

- ▶ Risk identification is not effectively integrated into cost estimating or contingency management
- ▶ Design exceptions and change orders face lengthy approval chains regardless of actual risk level
- ▶ The agency has limited internal experience managing delivery risks for large projects



Major Projects Decision-Making

- ▶ Major projects require greater delegation and authority at the project level
- ▶ The Urban Mobility Office (UMO) faces constraints due to divided responsibilities between HQ and regional offices
- ▶ There is a general opinion that the agency needs deeper expertise to execute billion-dollar programs
- ▶ Stakeholder engagement requires balancing local desires with budget constraints

KEY RECOMMENDATIONS

The recommendations presented in this section are designed to address the most pressing structural and operational challenges identified through this review. They respond directly to the themes that emerged from the synthesis of stakeholder input, legislative documentation, and prior agency assessments. Each recommendation is intended to be actionable, scalable, and aligned with ODOT's mission to deliver reliable, efficient, and accountable infrastructure programs.

ORGANIZATIONAL STRUCTURE AND GOVERNANCE

ODOT's current organizational model has evolved incrementally over time, resulting in overlapping responsibilities, inconsistent reporting lines, and a diffusion of accountability—particularly for large infrastructure projects. The recommendations in this section aim to streamline decision-making, improve alignment between delivery functions, and clarify roles to support more effective governance.



Short Term (0-24 Months) Recommendations:

- **Reform the UMO into a Major Projects Group:** UMO should be restructured into a Major Projects Group responsible for the oversight, governance, and technical coordination of ODOT's most complex and politically sensitive infrastructure projects. This group would ensure consistency, reduce risk, and streamline delivery across high-profile major projects. These include:

- Any project over \$99 million
- Any project with significant political visibility or community sensitivity

The role of the Major Projects group is to bring consistency in project clearances, scope discussions/Intergovernmental Agreements with cities and counties, and mitigate risk through best practices for due diligence and contract typology (Design-Bid-Build, Design-Build, Construction Manager At-Risk, etc.) The Major Projects Group should manage no more than five projects at a time to maintain focus and quality.

- **Redefine Reporting Structures for the Group:** The Major Projects Group should report directly to a designated executive – ideally the Assistant Director of Delivery & Operations – to align with broader capital program delivery.
- **Transfer the Alternate Delivery Team under the Major Projects Group:** Move the alternate delivery team (currently within Delivery & Operations) into the new Major Projects Group to co-locate expertise in Design-Build, CM/GC, and progressive contract models. This will allow for better integration of contract strategy and risk mitigation under one governance umbrella.

- **Expand the Role of the Chief Engineer to Include Project Delivery Influence:** Currently focused primarily on technical standards, the Chief Engineer should be assigned shared responsibility for elements of project delivery—particularly those affected by design policy, constructability, and engineering efficiency. This alignment will not only evaluate standards and procedures for their technical compliance but also for practical impact on schedule, cost, and constructability. The additional responsibilities may necessitate moving the Chief Engineer up in the organizational structure.



Long-Term (24+ Months) Recommendations:

- **Staff the Major Projects Group with Key Technical Expertise:** Recruit or reassign technical experts with experience in the following areas:
 - Primavera P6 (or equivalent) resource-loaded schedules with dependencies
 - NEPA documentation and early-stage clearances
 - Pre-construction risk mitigation including site investigation, right-of-way acquisition, and hazardous materials screening

This dedicated expertise will assist with major projects scoping and sequencing using industry-standard tools and practices, significantly reducing downstream risk.

- **Assign CAU Contracting Support to the Major Projects Group:** Assign one primary and one secondary representative from the Contract Administration Unit (CAU) to the Major Projects Group. This enables consistency in contract administration and expedites change management and procurement processes for major projects. Timely processing by the CAU is critical, both for creating contracts and amending or revising contracts. Appropriate timeframes should be established, tracked and reported.
- **Clarify Roles Between Regional Teams and Major Projects Group:** Establish a region-supported delivery model led by the Major Projects Group. The regional staff will contribute expertise including survey, Right of Way, Utilities, and Environmental services, etc. Once the contract is executed and construction begins, regional personnel continue to support delivery under the Major Projects Group's leadership.
- **Formalize a Project Transition Protocol between the Major Projects Group and Regional Teams:** Establish a consistent, documented process for transitioning project phases or specific activities between centralized groups (e.g., Major Projects Group) and regional delivery teams. This should include clear criteria for when support shifts to regional staff, responsibilities for ongoing technical support, and communication handoff protocols.
- **Designate Regional Liaisons to the Major Projects Group:** To ensure communication and transparency, assign specific staff within each region as designated liaisons to the Major Projects Group. These individuals would serve as points of contact for coordination, alignment of shared services, and knowledge exchange throughout a major project's lifecycle.
- **Create a Collaborative Policy Review Structure with Regions:** The Chief Engineer should actively collaborate with regional leadership to review and revise existing engineering policies and procedures. The aim is to work towards standards that are not only safe and sound but also feasible, implementable, and supportive of timely and efficient project delivery. This effort could include rescinding outdated guidance or streamlining duplicative requirements.

PROJECT PLANNING AND PRE-DEVELOPMENT

ODOT's project development phase—particularly pre-construction planning and scoping—has been consistently identified as a root cause of delivery issues. Projects are frequently funded or advanced before adequate scoping is complete, leading to unanticipated scope changes, budget overruns, and schedule delays downstream. Strengthening early project definition, risk mitigation, and inter-agency coordination is critical to improving long-term project outcomes.



Short Term (0-24 Months) Recommendations:

- **Codify Project Readiness Thresholds Prior to Funding Commitments:** Utilize the rolling 10-year CIP to document local, regional, and statewide project priorities without immediate fiscal constraints. Within the CIP, projects should be organized into clearly defined tiers. Highest-priority projects in the top tier should undergo a detailed risk-based scoping process to develop realistic costs and scope definitions. Only after this thorough assessment should projects be considered for funding and transition into the 3-year STIP. This approach aims to improve accuracy in project planning, cost estimation, and overall project readiness. Biannual CIP updates ensure priority projects remain current and well-positioned to compete for available state and federal funding streams.
- **Establish a Risk-Based Prioritization Framework for Scoping Investments:** Rather than treating all projects equally in early development, create and adopt a formal risk-based screening process that flags which projects require more robust early-stage investment (e.g., utility mapping, hazardous materials testing, cultural consultation). This allows ODOT to allocate early scoping resources where risk exposure is highest.
- **Shorten the Timeline Between Project Programming and Construction:** ODOT should utilize the 3-year STIP cycle, as proposed in its own 2024 internal review, to reduce the time between project programming and construction bidding. This tighter cycle will help ensure that estimates are more current, scope assumptions remain valid, and project risks are lower. When projects are moved from the CIP into the STIP, pre-NEPA activities already completed will shorten environmental review timelines, while design and construction cost estimates should be refreshed and adjusted using inflation projections tied to the anticipated year of bid.



Long-Term (24+ Months) Recommendations:

- **Integrate Cost Estimating and Scheduling into Early Planning Activities:** Pre-NEPA top-tier CIP projects should include a formal cost estimate in current-year dollars, developed using ODOT's latest estimating tools, historic bid data, and project-specific risk factors. Particular attention should be paid to high-risk circumstances such as railroad interactions, environmental constraints, hazardous materials, and historic or cultural resource impacts. Each estimate should include a contingency of no less than 30% at the conceptual phase. Additionally, the estimate should include inflated projections for 5- and 10-year outlooks based on a construction cost escalation rate agreed upon by ODOT, the Oregon Transportation Commission, and the contractors' association – typically exceeding the consumer price index. This multi-year estimate helps stakeholders understand long-range affordability and readiness.

- **Invest in Site Investigations and Early Scoping Activities:** Top-tier projects listed in the CIP should initiate early-stage investigations during the pre-NEPA phase to better inform design decisions and avoid costly delays. These investigations may include assessments of historic and cultural resources, utility conflicts, hazardous materials, endangered species, coastal zone implications, and property impacts. Early due diligence can assist the project team in confirming that all viable alternatives are studied. In select cases, the state may choose to fund high-risk investigations – such as utility locates or hazardous materials testing – even if federal reimbursement is uncertain. This targeted investment could mitigate contractor risk premiums and reduce the likelihood of change orders during construction.

DELEGATED AUTHORITY AND DECISION-MAKING

A recurring concern identified across internal assessments and stakeholder interviews is the overly centralized nature of decision-making at ODOT. Field staff, project managers, and contracted consultants are often unable to make timely decisions without frequent approvals from HQ, which slows project progress and increases risk exposure. Additionally, the escalation chain has grown overly complex, with multiple management layers and unclear accountability. These recommendations aim to streamline authority, clarify roles, and restore agility to project delivery.



Short Term (0-24 Months) Recommendations:

- **Clarify and Document Decision-Making Authority at All Levels:** Develop a clear authority matrix identifying who has decision rights across project types, disciplines, and phases (e.g., pre-NEPA scoping, design exceptions, utility agreements, change orders). This should reduce unnecessary escalation and empower staff closest to the work to act within their scope.
- **Shift to a Risk-based Approval Model for Project Decisions:** Current decision-making structures rely heavily on centralized review even for low-risk project adjustments. At ODOT and other DOTs, employees with significant experience and talent have left over the past years. It appears, in order to compensate for lack of experience, additional approvals, checks, and sign-offs have been added to the process. These approvals typically escalate back to ODOT HQ, and often to the Attorney General's Office as well. ODOT should move toward a risk-based approach that delegates low-risk decisions to the project team while reserving high-risk changes for central HQ review. For example, a change order that uses up contingency early on in the project cannot happen at the project level.
- **Institutionalize a Project-Specific RACI Model for Major Projects:** Develop and enforce a RACI (Responsible, Accountable, Consulted, Informed) chart for all major projects. This tool should be completed at the start of project delivery and updated throughout. It ensures role clarity, reduces ambiguity, and helps define where decision authority lies at every phase of the project lifecycle.

- **Establish Change Order Escalation Triggers:** Currently, construction change orders are considered a change to the contract and require review by the Attorney General's Office. There is a need to establish clear thresholds for escalation. For example, if the terms and conditions of the contract have not been modified, no review by the Attorney General's Office is required. As initial guidance only, changes to the scope of work that exceed 15% of the project contingency or that expend more than 60% of the project contingency before 50% the project has been completed (measured by work completed, not dollars expended) shall be reviewed by the Major Projects Group and the procurement individuals assigned to them. In addition, any change orders that extend the major project schedule shall be reviewed by the Major Projects Group. Change orders less than previously mentioned and with no modifications to the terms and conditions of the contract can be approved by the project team. Reasonable timeframes should be established for change order processing, tracked and reported.
- **Use Experienced Consultants to Supplement Internal Staff Where Needed:** When in-house expertise is limited, project staff should be supplemented by experienced consultants and subject matter experts to help absorb delegated responsibilities. Scope for consultants should include assisting and mentoring ODOT staff, so that less consultant support is needed in the future.



Long-Term (24+ Months) Recommendations:

- **Delegate Routine Approvals (such as low-risk design changes) to Project Teams:** Establish thresholds under which resident engineers and project managers whether internal or contracted can make operational decisions without higher-level sign-off. Currently, all levels of design changes that deviate from the standards need HQ approval. We recommend that any design change that does not violate the 13 controlling criteria by the Federal Highway Administration (FHWA) should be at the discretion of the project team.
- **Establish Clearer Project-Level Accountability for Delivery Outcomes:** Project Managers/Directors should have specific major project performance tied to their annual performance review. In addition, the Region Director, and the Major Projects Group should also have performance metrics in their annual review for their project(s) during all phases.
- **Train Staff on Delegated Decision Protocols:** Alongside changes to policy, all relevant staff should be trained on the new delegation thresholds and understand their authority. Training should include practical examples, thresholds for escalation, and what types of decisions require headquarters review. This will increase confidence and accountability in decision-making.

CONTRACT MANAGEMENT AND ADMINISTRATION

ODOT's project delivery model relies heavily on external contractors and consultants, yet the current contract administration environment has become cumbersome and inefficient. Stakeholders reported excessive documentation requirements, delayed payments, and overly centralized approval processes. This section offers recommendations that reduce friction, accelerate project execution, and restore balance between oversight and delivery agility.



Short Term (0-24 Months) Recommendations:

- **Standardize Contract Templates and Terms and Conditions:** Terms and Conditions for major projects for the three primary delivery contracts (Design-Bid-Build, Design-Build, and Construction Manager At-Risk) should be pre-developed and in template form for projects. The scope-of-work should be jointly developed by the Major Projects Group and the region project delivery staff.
- **Establish Consistent Payment Processing Timelines:** ODOT already has guidance for project managers to submit pay estimates on the 1st of the month. Major projects should follow the same rule. If there are large items that are partially complete, the DOT should pay for the approximate amount complete. Withholding or delaying payment creates significant challenges for the Contractor's cash flow, and if frequently incurred, will result in contractors increasing their bids to cover the delays and impacts to their cashflow.



Long-Term (24+ Months) Recommendations:

- **Streamline Contracting and Amendment Processes through Dedicated CAU Resources:** Assigning one primary and one secondary individual from the CAU has been included in the Organizational Structure discussion. Major projects typically have unique contracting provisions and certainly unique scopes in the contract. Having consistency will improve both the timeliness but also the quality and consistency of ODOT major projects. Also, it can provide an improvement feedback loop by engaging the same contracting person for changes and claims.
- **Develop Dispute Resolution Procedures that are Proactive and Tiered:** Stakeholders reported an absence of timely and effective resolution mechanisms for disputes. ODOT should develop a structured, tiered process for resolving disagreements at the project level, beginning with facilitated discussions, and escalating only when needed.

WORKFORCE DEVELOPMENT AND CAPACITY BUILDING

ODOT's ability to deliver projects efficiently depends on the strength, consistency, and capability of its workforce. However, the agency continues to face significant staffing challenges, including high turnover, limited project delivery experience, and growing regional imbalances. Workforce shortages in technical and field roles, as well as recruitment and retention challenges in high-cost urban areas, are contributing to project delays, cost increases, and heavy reliance on consultants. These recommendations aim to strengthen ODOT's internal capacity, improve equity in staffing resources, and establish a sustainable talent pipeline for long-term success.



Short Term (0-24 Months) Recommendations:

- **Strengthen Blended Teams (Consultants + DOT) with Knowledge-Sharing Expectations:** Consultants retained to support project delivery should be selected not only for their technical expertise but also for their ability to support strategic decision-making and mentor ODOT staff. Many consultants bring significant public sector experience, including former DOT leaders. Their insight is essential in helping project teams avoid costly errors, such as insufficient site investigations, which can lead to downstream construction claims and delays. In addition to delivering services, consultants should be tasked with actively mentoring assigned ODOT staff throughout the project. This dual role supports knowledge transfer and prepares internal personnel to independently lead future projects, reducing long-term reliance on external resources and improving overall organizational resilience.
- **Implement Urban Pay Differential Policies:** Projects in urban environments have increased complexity in Maintenance of Traffic (MOT), construction phasing, and number of diverse stakeholders. These projects are relatively more complex. In order to draw experienced engineers and managers, pay differentials for major urban projects should be considered. ODOT should review state laws and internal policies to determine the best policy requirements to implement.



Long-Term (24+ Months) Recommendations:

- **Establish Project Management Training and Credentialing (PMI-PMP):** Major project managers/directors need to have the skills and the training to deliver. This can come from experience on projects in lesser roles and it can come through training. Moving forward ODOT should implement project management training for project managers, these project managers, with training and experience could someday lead a major project.
- **Institutionalize a Career Pathway for Project Managers and Technical Staff:** A technical expert is often a different career than a project manager. Project Managers ideally have breadth of knowledge but do not necessarily need depth. Major projects should have technical tasks leads to leverage expertise. Identifying these separate skill sets and rewarding them equitably, is a challenge for DOTs and consulting firms but it is critical to the organization. ODOT should establish career paths for technical and project management expertise.

DATA, SYSTEMS, AND FINANCIAL TOOLS

Reliable data and forecasting systems are essential to the effective delivery of transportation infrastructure. ODOT's current platforms and models—many of which rely on outdated technology or siloed inputs—limit the agency's ability to manage projects proactively, make informed investment decisions, and communicate clearly with external stakeholders. Improvements in data integration, system modernization, and forecasting methodology are necessary to ensure accuracy, transparency, and efficiency in project planning and execution.



Short Term (0-24 Months) Recommendations:

- **Replace the Legacy Accounting COBOL-based Forecasting Model with a Modern, Integrated Financial System:** Good revenue projections and tools to track expenditures and “colors” of money are critical to top functioning DOTs. The current financial tools that ODOT are utilizing for projected revenues and budgeting are antiquated and are not transparent with their assumptions and calculations. ODOT should invest in a software tool that is “off the shelf” with minimal customizations. It is also recommended to utilize a software integration tool such as MuleSoft, or equivalent. These tools allow the finance department to utilize software specific to their needs, and project managers utilize software specific to their needs, then the software integration tool will allow data to be shared between the programs. This also makes software changes or updates to be made without affecting the entire Department.
- **Standardize Parametric Cost Estimating for Major Projects at Conceptual Phase:** Consider utilizing an outside cost estimating group for major projects at 60% and 90% design if the contract is not design-build. There are companies that specialize in this service and have relationships with suppliers to obtain accurate information. For conceptual phase cost estimating on a major project, parametric estimates from previous jobs, or pricing the top 10 items, then using percentages for costs like MOT should be performed. The methodology should be documented and standardized for all major projects so improvements may be tracked, and consistency is obtained.
- **Establish a Centralized Major Projects Dashboard for Transparency and Consistency:** The Major Projects Group should develop and maintain a centralized, publicly accessible webpage that serves as the “one source of truth” for all major capital projects. This platform should present regularly updated, easy-to-understand summaries of each project's budget, schedule, current phase, and projected completion cost and timeline. Visual tools such as graphs and progress indicators should be used for clarity. To eliminate confusion and promote consistency, all divisions should align reporting to this platform. In addition to core project metrics, the site should host information about upcoming closures or detours, and serve as a repository for key materials such as committee agendas, minutes, and performance indicators tied to the Major Projects Committee (see the [Legislative Engagement and Transparency](#) section for this recommendation). This centralized resource will promote transparency, reduce internal discrepancies, and build external trust in project reporting.



Long-Term (24+ Months) Recommendations:

- **Implement and Standardize a Document Control System for Major Projects:** Effective document control systems are essential for tracking submittals, ensuring contractual compliance, managing RFIs, and reducing delays caused by untimely or inconsistent communication. For existing projects, if the contractor is using a document management platform (e.g., Aconex, Procor) but ODOT does not have direct access, contract provisions should be amended to grant appropriate access to agency staff. Looking ahead, ODOT should collaborate with key industry stakeholders to select a preferred platform for use on all major projects. Once selected, the platform should be standardized across projects and maintained centrally by the Major Projects Group, including hosting, technical support, and staff training.

LEGISLATIVE ENGAGEMENT AND TRANSPARENCY

ODOT's effectiveness in delivering major transportation investments is closely tied to its ability to engage transparently and constructively with the legislature. In recent years, gaps in communication, fluctuating expectations, and inconsistent project updates have strained the relationship between ODOT and legislative stakeholders. These recommendations aim to improve legislative trust, clarify project development timelines, and create structured opportunities for dialogue and transparent updates.



Long-Term (24+ Months) Recommendations:

- **Establish a Major Projects Committee with Quarterly Major Project Updates:** A quarterly major projects update should be delivered to a Major Projects Committee. The committee should consist of two members of the Joint Committee on Transportation, one member of the Oregon Contractor's Association, one member of the American Council of Engineering Consultants, one member of the Transportation Commission, one member of the Association of Oregon Counties, the ODOT executive director, and the manager of the Major Projects Group. These stakeholders are critical for the delivery of major projects and should work together for the best project outcomes.
- **Develop and Standardize Quarterly Report KPIs:** The quarterly reports should include Key Performance Indicators (KPIs) for major projects in design and construction. The KPIs should include key baselines and parameters such as original STIP schedule and budget, current scope and schedule, contractual budget and schedule, any scope revisions with their associated impact, and other KPIs as determined by the committee.
- **Formalize the Submission of an Annual Report to the Joint Committee on Transportation:** An annual report should be presented to the Joint Committee on Transportation, ideally near the beginning of the legislative session. The annual reporting should include the KPIs from quarterly meetings as well as the top-tier fiscally unconstrained projects with their pre-NEPA progress and conceptual level cost estimates at completion of pre-NEPA. It should also note any improvements to delivery or process that will be implemented or any legislative requests.




















IMPLEMENTATION ROADMAP

Implementing the recommendations in this report will require deliberate sequencing, coordination across divisions, and a strong commitment











to change management. ODOT should adopt a phased approach as shown in the tables below, that prioritizes near-term actions with clear

ownership and measurable outcomes, while laying the groundwork for structural reforms that require additional time or legislative support.

ORGANIZATIONAL STRUCTURE AND GOVERNANCE

RECOMMENDATION	TIME FRAME	PREREQUISITES	CHALLENGES ADDRESSED
Reform the UMO into a Major Projects Group	 Short-term	Leadership Support, HR and Budget Support, Clarified Roles and Responsibilities	  Organizational Structure Challenges, Major Projects Decision-Making
Redefine Reporting Structures for the Group	 Short-term	Updated Organizational Structure, Updated Communication Protocols	  Organizational Structure Challenges, Major Projects Decision-Making
Transfer the Alternate Delivery Team under the Major Projects Group	 Short-term	Major Projects Group Formation, Updated Processes and Reporting Structures	  Organizational Structure Challenges, Risk Management Limitations
Expand the Role of the Chief Engineer to Include Project Delivery Influence	 Short-term	Leadership and Legislative Support, HR Support	 Organizational Structure Challenges
Staff the Major Projects Group with Key Technical Expertise	 Long-term	Major Projects Group Formation, Clarified Roles and Responsibilities, Updated Processes and Reporting Structures	  Organizational Structure Challenges, Risk Management Limitations
Assign CAU Contracting Support to the Major Projects Group	 Long-term	Major Projects Group Formation, Availability of Staff, Expertise, and Resources	  Risk Management Limitations, Contract Administration Issues
Clarify Roles Between Regional Teams and Major Projects Group	 Long-term	Major Projects Group Formation, Clarified Roles and Responsibilities, Updated Processes and Reporting Structures	 Organizational Structure Challenges
Formalize a Project Transition Protocol between the Major Projects Group and Regional Teams	 Long-term	Major Projects Group Formation, Clarified Roles and Responsibilities	  Organizational Structure Challenges, Risk Management Limitations
Designate Regional Liaisons to the Major Projects Group	 Long-term	Major Projects Group Formation, Clarified Roles and Responsibilities, Updated Processes and Reporting Structures	 Risk Management Limitations
Create a Collaborative Policy Review Structure with Regions	 Long-term	Expanded Chief Engineer Role, Updated Processes and Reporting Structures	  Contract Administration Issues, Major Projects Decision-Making





PROJECT PLANNING AND PRE-DEVELOPMENT

RECOMMENDATION	TIMEFRAME	PREREQUISITES	CHALLENGES ADDRESSED
Codify Project Readiness Thresholds Prior to Funding Commitments	 Short-term	Development of CIP, Updated Budgeting and Forecasting Processes	 Cost Estimation and Financial Management
Establish a Risk-Based Prioritization Framework for Scoping Investments	 Short-term	Availability of Staff, Expertise, and Resources	 Cost Estimation and Financial Management
Shorten the Timeline Between Project Programming and Construction	 Short-term	Established 3-year STIP Cycle	 Contract Administration Issue
Integrate Cost Estimating and Scheduling into Early Planning Activities	 Long-term	Availability of Staff, Expertise, and Resources	 Risk Management Limitations
Invest in Site Investigations and Early Scoping Activities	 Long-term	Availability of Staff, Expertise, and Resources	 Risk Management Limitations

DELEGATED AUTHORITY AND DECISION-MAKING

RECOMMENDATION	TIMEFRAME	PREREQUISITES	CHALLENGES ADDRESSED
Clarify and Document Decision-Making Authority at All Levels	 Short-term	Major Projects Group Formation, Updated Region-based Roles and Responsibilities	 Major Projects Decision Making
Shift to a Risk-based Approval Model for Project Decisions	 Short-term	Leadership and HQ Support, Updated Roles and Responsibilities	   Major Projects Decision Making, Organizational Structure Challenges, Risk Management Limitations
Institutionalize a Project-Specific RACI Model for Major Projects	 Short-term	Major Projects Group Formation	  Major Projects Decision Making, Organizational Structure Challenges
Establish Change Order Escalation Triggers	 Short-term	Leadership and HQ Support, Major Groups Formation, Updated Roles and Responsibilities	 Major Projects Decision Making
Use Experienced Consultants to Supplement Internal Staff Where Needed	 Short-term	Established Delegated Decision Protocols	 Major Projects Decision Making
Delegate Routine Approvals (such as low-risk design changes) to Project Teams	 Long-term	Established Delegated Decision Protocols, Availability of Staff, Expertise, and Resources	 Major Projects Decision Making
Establish Clearer Project-Level Accountability for Delivery Outcomes	 Long-term	Major Projects Group Formation, Updated Region-based Roles and Responsibilities	  Major Projects Decision Making, Risk Management Limitations
Train Staff on Delegated Decision Protocols	 Long-term	Major Groups Formation, Clarified Roles and Responsibilities, Updated Processes and Reporting Structures	  Major Projects Decision Making, Cost Estimation and Financial Management












CONTRACT MANAGEMENT AND ADMINISTRATION

RECOMMENDATION	TIMEFRAME	PREREQUISITES	CHALLENGES ADDRESSED
Standardize Contract Templates and Terms and Conditions	 Short-term	Major Projects Group Formation	 Contract Administration Issues
Establish Consistent Payment Processing Timelines	 Short-term	Availability of Staff, Expertise, and Resources	 Contract Administration Issues
Streamline Contracting and Amendment Processes through Dedicated CAU Resources	 Long-term	Major Groups Formation, Availability of Staff, Expertise, and Resources	  Contract Administration Issues, Risk Management Limitations
Develop Dispute Resolution Procedures that are Proactive and Tiered	 Long-term	Availability of Staff, Expertise, and Resources	  Contract Administration Issues, Risk Management Limitations







WORKFORCE DEVELOPMENT AND CAPACITY BUILDING

RECOMMENDATION	TIMEFRAME	PREREQUISITES	CHALLENGES ADDRESSED
Strengthen Blended Teams (Consultants + DOT) with Knowledge-Sharing Expectations	 Short-term	Availability of Staff, Expertise, and Resources	 Organizational Structure Challenges
Implement Urban Pay Differential Policies	 Short-term	Leadership and Legislative Support	 Organizational Structure Challenges
Establish Project Management Training and Credentialing (PMI-PMP)	 Long-term	Leadership Support, HR and Budget Support	 Organizational Structure Challenges
Institutionalize a Career Pathway for Project Managers and Technical Staff	 Long-term	Leadership Support, HR and Budget Support	 Organizational Structure Challenges

DATA, SYSTEMS, AND FINANCIAL TOOLS

RECOMMENDATION	TIMEFRAME	PREREQUISITES	CHALLENGES ADDRESSED
Replace the Legacy Accounting COBOL-based Forecasting Model with a Modern, Integrated Financial System	 Short-term	Availability of Staff, Expertise, and Resources	  Cost Estimation and Financial Management, Risk Management Limitations
Standardize Parametric Cost Estimating for Major Projects at Conceptual Phase	 Short-term	Major Projects Group Formation, Availability of Staff, Expertise, Resources, and historical data	  Cost Estimation and Financial Management, Risk Management Limitations
Establish a Centralized Major Projects Dashboard for Transparency and Consistency	 Short-term	Major Projects Group Formation, Major Projects Committee Establishment	  Cost Estimation and Financial Management, Risk Management Limitations
Implement and Standardize a Document Control System for Major Projects	 Long-term	Major Projects Group Formation	  Cost Estimation and Financial Management, Risk Management Limitations

LEGISLATIVE ENGAGEMENT AND TRANSPARENCY

RECOMMENDATION	TIMEFRAME	PREREQUISITES	CHALLENGES ADDRESSED
Establish a Major Projects Committee with Quarterly Major Project Updates	 Long-term	Major Projects Group Formation, Major Projects Committee Establishment, Major Projects KPIs Formalized	 Cost Estimation and Financial Management
Develop and Standardize Quarterly Report KPIs	 Long-term	Major Projects Group Formation, Major Projects Committee Establishment, Major Projects KPIs Formalized	 Cost Estimation and Financial Management
Formalize the Submission of an Annual Report to the Joint Committee on Transportation	 Long-term	Major Projects Group Formation, Major Projects Committee Establishment, Major Projects KPIs Formalized	 Cost Estimation and Financial Management

CONCLUSION

This review has identified potential opportunities for ODOT to strengthen project delivery by aligning internal systems, restoring clarity in roles and responsibilities, enhancing transparency with legislative partners, and rebuilding internal capacity for long-term resilience.

These recommendations are informed by interviews, stakeholder consultations, legislative context, and operational reviews. They are not isolated actions, but interdependent amends intended to elevate ODOT's major projects delivery function. Successful implementation will demand leadership commitment, staff engagement, and a willingness to reimagine built systems and structures.