

Uninvited Testimony

“ODOT Accountability Review”

Joseph Cortright, City Observatory

To the Joint Committee on Transportation Reinvestment

May 27, 2025

Oregon’s highway department has a problem with chronic cost overruns. The report from AtkinsRéalis-Horrocks purports to address this problem, but actually offers more the same. These consultants have failed to clearly diagnose the underlying problem, have significant conflicts of interest, have their own long history of cost overruns and excessive spending, and are offering slightly recycled versions of measures that have failed to control costs for the past decade.

Summary

The authors of the management review—two senior sales executives at consulting firms hoping to expand in Oregon—have conflicts of interest that are not disclosed or addressed.

In their time working in the Utah and Colorado, their respective state highway departments racked up massive cost overruns on major highway projects (Utah), and were found to have spent excessively on consultants and violated state laws regarding contract bidding (Colorado).

One firm, AtkinsRéalis, just acquired David Evans & Associates (DEA), with \$35 million in contracts for ODOT’s I-5 Rose Quarter project. A decade ago, DEA that was the largest consultant to the failed Columbia River Crossing, and which Washington state auditors found had \$17 million in questionable billings.

The AtkinsRéalis-Horrocks report provides an extremely limited analysis of ODOT’s management problems. It cites no statistics on project spending or cost overruns, and relies heavily on interviews with un-named ODOT staff and stakeholders as the basis for its conclusions. This is despite the fact that billions in cost overruns have been documented for a series of projects, stemming from design bloat (independent engineers say ODOT designed the Rose Quarter at least 40 feet too wide), and consistent failures in geotechnical analysis (which have led to huge cost increases for the Abernathy, Center Street and Hood River bridge projects).

The AtkinsRéalis-Horrocks report recommendations largely duplicate previous recommendations or measures Oregon has already implemented, with minor changes.

- AtkinsRéalis/Horrocks recommend creating a “major projects office” to centralize management of large projects; in 2019, ODOT created the “Office of Urban Mobility and Megaproject Delivery” to do much the same.
- AtkinsRéalis/Horrocks recommended creating a “major projects dashboard.” ODOT, since 2022 has maintained, and claims to update daily a “Transportation Project Tracker” that covers most of the same information.
- AtkinsRéalis/Horrocks recommends creating a joint executive/legislative/stakeholder “major projects committee,” to oversee large projects. The 2017 Legislature created two such entities: A “Task Force on Transportation Mega Projects,” and a Continuous Improvement Advisory Committee, with essentially the same missions and similar membership.
- AtkinsRéalis/Horrocks recommends that ODOT employ a management tool called “RACI” short for responsibility, accountability, consultation and information to define decision-making processes. That same recommendation was made to ODOT by McKinsey in 2017, and ODOT already maintains elaborate RACI checklists for its contracting processes.

AtkinsRéalis/Horrocks recommends that ODOT hire more consultants to augment its expertise and “mentor” its staff, and specifically recommends consultants with “substantial public sector expertise as state DOT leaders”—i.e. people like Mr. Marshall and Mr. Laipply, and their firms.

Another ODOT Management Review

Consultant reports like this one submitted by AtkinsRéalis-Horrocks have become a routine feature of the “accountability theatre” that is staged when a multi-billion dollar transportation package is being debated. In March, we pointed out the flawed and self-serving “strategic review” prepared by WSP, ODOT largest consultant on its largest construction project, the Interstate Bridge Replacement, which largely ignored or papered over the problem of cost-overruns. In 2016, just prior to the last major transportation package, ODOT spent \$1 million to hire McKinsey and Company for a report that downplayed management problems and largely covered up cost overruns. The AtkinsRéalis-Horrocks “Managerial Review” is yet another work in this tradition. Just as previous works have had no discernable impact on ODOT’s actual performance, no one should believe that this report will either.

ODOT’s Real Problem is Chronic Megaproject Cost Overruns

As we documented in the testimony we provided to legislators, including all of the members of this committee in March, ODOT’s financial problems stem from massive and recurring cost overruns on major construction projects. Aside from two brief mentions of cost overruns—with no dollar figures, and no specific analysis of the extent and causes thereof—the AtkinsRéalis-Horrocks report reveals little about this problem. Here, for the record, is a table of a dozen large ODOT projects undertaken in the past two decades, along with ones that are in the planning stages—and already rising in cost.

ODOT Large Project Cost Overruns Initial Estimate v. Latest Cost (Millions)

 Project	Initial	Year	Latest	Year	Overrun
I-5 Interstate Bridge Replacement	\$4,800	2020	\$7,500	2022	56%
I-5 Rose Quarter	\$450	2017	\$2,080	2025	362%
I-205 Abernethy Bridge	\$248	2018	\$815	2024	229%
Hood River Bridge Replacement	\$512	2021	\$1,120	2024	119%
Salem Center St. Bridge	\$60	2017	\$390	2025	550%
I-205 Stafford Road to West Linn	\$453	2022	\$800	2024	77%
I-5 Boone Bridge	\$550	2022	\$725	2024	32%
Newberg Dundee Bypass (All Phases)	\$222	2002	\$1,148	2024	417%
Grand Avenue Viaduct	\$31	2002	\$92	2009	194%
South Medford Interchange	\$30	1999	\$96	2013	220%
Hwy 20: Pioneer Mountain-Eddyville	\$110	2003	\$360	2016	227%
I-5 Woodburn Interchange	\$25	2006	\$68	2015	172%

We are still very much in the midst of this cost escalation crisis: This month the Rose Quarter jumped over the \$2 billion mark, and one member of the Oregon Transportation Commission who works in construction opined that the cost may go to \$2.5 billion. Ominously, a new higher estimate for the I-5 Bridge Replacement Project has been repeatedly delayed, and now won't be released until "late this year," i.e. well after the Legislature goes home. That next estimate could easily push the total cost of the project to \$9 billion or more.

In the face of this history, and these manifest problems, AtkinsRéalis-Horrocks provides no financial details, no analysis of where things are going wrong, and mostly vague management platitudes about decision-making processes. The AtkinsRéalis-Horrocks report relies chiefly on interviews with ODOT staff and stakeholders, which it does not identify. There is no evidence the AtkinsRéalis-Horrocks examined, for example, the independent engineering work ODOT commissioned on the design of the I-5 Rose Quarter project. According to the globally recognized firm ARUP, the Rose Quarter project's high cost stems chiefly from being oversized: they conclude the roadway is at least 40 feet wider than it needs to be to accomplish ODOT's objective. A recurring problem in major ODOT projects is geotechnical analysis to accurately assess and plan for bridge foundations and supporting structures in seismically sensitive locations. The cost of the Abernathy Bridge (which has more than tripled) has been due to greater than anticipated difficulty in drilled shaft installation. Likewise, the cost estimates for the Hood River and Salem (Center Street) Bridges have doubled and quintupled, respectively, after discoveries that previous ODOT work failed to accurately characterize the difficulty of the geotechnical problems. There are signs that these same problems will likely contribute significantly to higher costs for the Interstate Bridge Replacement: that project's risk assessment has called geotechnical problems a "contractor's pot of gold."

The Atkins-Réalis-Horrocks consultants have their own histories of cost overruns and contracting problems

Unfortunately, the Atkins-Réalis-Horrocks group of consultants has the own history of cost overruns and deep conflicts of interest. These consultants from Utah and Colorado both worked for state DOTs which have—despite their supposedly “model” practices—had cost overruns and contracting irregularities on major highway projects. Both of the report’s authors—Mr. Marshall and Mr. Laipply—are now responsible for marketing tasks within their firms, meaning finding state DOTs who will purchase their services. One consultant is “chief revenue officer” for his firm—i.e. in charge of generating more billings. The other is looking to build “partnerships”—a preferred industry euphemism for getting state DOTs to hire them for large projects.

The authors of the report, Shane Marshall of Horrocks and [Joshua Laipply](#) of AtkinsRéalis both have recently left state highway departments to go to work for their respective consulting firms, chiefly to sell their new employers services to agencies like ODOT. When it comes to cost overruns, they both have deep experience, because their former employers have chalked up impressive cost overruns and excessive spending on megaprojects in both Colorado and Utah.

Shane Marshall, Horrocks (ex-UtahDOT)

Shane Marshall worked as a key engineer for the Utah Department of Transportation for more than two decades, rising to the level of Deputy Director. In Utah, the cost of a 17-mile expansion of I-15 through Salt Lake City has more than doubled in 2023—after the Legislature approved funding for the project. The Salt Lake Tribune reported:

The project, to expand the freeway between Salt Lake City and Farmington, would cost more than double what the Legislature has already allocated . . . UDOT estimated the cost for the project might now be \$3.7 billion — more than double the \$1.7 billion the department initially estimated, for which the Utah Legislature has already allocated funding.

Marshall is now "Chief Revenue Officer" for Horrocks, a Utah-based engineering consulting firm, that is part of the Trilon Group. Horrocks is the firm that did substantial consulting work on the [I-15 expansion project](#), including the traffic projections used to justify the project. As the company's [website](#) makes this clear Marshall leads the firm's "StateDOT expansion strategy." Marshall’s job responsibility—including overseeing the marketing department and forming solid industry partnerships—is generating revenue for his firm by selling their services to state agencies like ODOT. Marshall has a direct financial interest in creating a demand for Horrocks services, a conflict that is neither acknowledged nor addressed in the report.



Shane Marshall, PE
Chief Revenue Officer

Shane has 32 years of experience in the transportation industry, including 25 years at the Utah Department of Transportation (UDOT). As Chief Revenue Officer, he manages business development and growth market operations. This includes playing a pivotal role in major pursuits and overseeing the Marketing Department. Shane also leads Trilon's State DOT expansion strategy and federal business development. He has excellent leadership skills, has a thorough understanding of DOT policies and procedures, and understands how to form solid industry relationships, which helps propel Horrocks in state transportation projects throughout the western U.S.

Joshua Laipply, AtkinsRéalis (ex-Colorado DOT)



[Joshua Laipply](#) worked for the for the Colorado Department of Transportation (CDOT) from 2012 to 2019, ascending to Chief Engineer. During his tenure, independent reviews found that CDOT had higher than average expenses, and had ignored state contracting law, leading to excessive spending. According to the Colorado Springs *Gazette*, Colorado spent more than twice as much as peer states per lane mile on consulting services. It reported:

A Legislative Council study found that Colorado spent \$211 million on consulting engineers in 2016, far more than other states included in the study. Over four years, roughly one-third of CDOT construction expenditures ended up going to consultant services.

A 2023 [state audit](#) also found that ColoradoDOT used alternative delivery methods to ignore low bids without following law:

Since 2012, the Colorado Department of Transportation spent \$4.1 billion on construction projects that bypassed strict low-bid practices, but while doing so the state agency lacked sound policies guiding such spending, which resulted in statutory violations and payments above fair market value, a Colorado state auditor report concluded.

Laipply recently started working for consulting firm, AtkinsRéalis, where he is in charge of marketing the firm's services: Atkins Réalis provides construction engineering services for highway expansion projects around the US, including Texas, Washington, Idaho and Colorado.

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We are pleased to welcome [Joshua Laipply](#), P.E., as [AtkinsRéalis](#)' new US Senior Director of Regional Partnerships & Programs.

Josh brings nearly 30 years of infrastructure industry expertise, including his role as Chief Projects Officer for the [City and County of Denver](#), overseeing major transformational projects. His leadership will drive strategic growth and partnerships across the US, enhancing our ability to deliver innovative and sustainable solutions.

“Strategic growth and partnerships” is an industry euphemism for getting consulting contracts to work for state transportation departments like OODT. Laipply clearly has a direct financial interest in pitching his firm’s services to Oregon. This conflict of interest is not acknowledged or addressed in the report.

Atkins Réalis buys into the Oregon market

In February, Laipply's firm, Atkins Réalis [agreed to acquire Portland-based engineering firm David Evans and Associates, for \\$300 million](#). Atkins Réalis is hardly a disinterested party: they have a strong proprietary interest in landing future business with Oregon's department of transportation.

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Mergers & Acquisitions

AtkinsRéalis Buys Majority Stake in David Evans Enterprises in \$300M Deal

Montreal-based firm gains 70% majority share in US engineer with intent to acquire full ownership at a later date

By Emmet D. Adolphus, Debra K. Rubin



DAVID EVANS
AND ASSOCIATES INC.

David Evans and Associates (DEA) has profited handsomely of ODOT spending over the past two decades. DEA is the second largest contractor for the I-5 Rose Quarter project, with \$35 million in contracts through June of 2023.

DEA was also the lead contractor for the failed Columbia River Crossing Project, and billing \$44 million--the largest share of the [\\$200 million](#) spent on planning and designing the CRC from 2004 to 2013. The [Washington State Auditor](#) determined that \$17 million of the amounts paid to DEA were "questionable" because 30 subcontractors "did not submit proper overhead and profit markup documentation to the general contractor, David Evans and Associates."

Columbia River Crossing audit finds \$17 million in questionable spending

Updated: Apr. 17, 2014, 12:21 a.m. | Published: Apr. 16, 2014, 11:21 p.m.



By [Jeff Manning](#) | For The Oregonian/OregonLive

crc.JPG

A Washington state audit found \$17 million in questionable spending for the \$188 million abandoned Columbia River Crossing project to build a new Interstate 5 bridge to Vancouver.

(The Associated Press)

The [Washington State Auditor's Office](#) has found more than \$17 million in questionable and excessive payments among the \$188 million paid for the aborted Columbia River Crossing.

Most of that \$17 million -- about \$12.3 million -- was listed as questionable because the approximately 30 subcontractors that collected the payments did not submit proper overhead and profit markup documentation to the general contractor, David Evans and Associates.

Jeff Manning, The Oregonian, April 16, 2014

The audit determined the CRC spent another \$1.45 million it deemed "excessive" to David Evans, its Portland-based general contractor.

One of David Evans sub-consultants was Patricia McCaig, who billed more than \$400,000 to lobby for the Columbia River Crossing Project, as *Willamette Week* wrote:

Patricia McCaig occupies one of the most unusual positions in power in Oregon political history: carrying the title of aide to the governor while being paid \$417,000 since 2009 by a major consultant on the state's biggest public-works project ever.

Andrea Damewood, "The Woman Behind the Bridge, The force behind Oregon's massive freeway project works for the governor—and a private company that wants it built." [Willamette Week](#), February 26, 2013.

Warmed over recommendations

The AtkinsRéalis/Horrocks report has a series of recommendations that are eerily similar to actions taken over the past decade to supposedly improve management at ODOT. In several cases, ODOT already carries out the practices that the consultants recommend; to date, they haven't proven effective in preventing cost overruns.

Rename the Urban Mobility Office as the "Major Projects Group." AtkinsRéalis/ Horrocks very first recommendation is re-christening the existing Urban Mobility Office as a "Major Projects Group."

- **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

It's hard to tell how the changing the name would change the responsibility or management of this team. Established in 2019, the office was [originally named](#) the "Office of Urban Mobility and Mega Project Delivery." It was pitched as doing almost exactly what AtkinsRéalis/Horrocks recommended. [Press accounts](#) published [sweeping claims](#) that the office would address stakeholder feedback, and a implement a comprehensive approach that would deliver innovative solutions.

This new focus responds to public and stakeholder feedback and aligns with the visions of the Oregon Transportation Commission and ODOT Director Kris Strickler for the future of the transportation system.

ODOT's newly formed Office of Urban Mobility and Mega Project Delivery is a key part of that comprehensive approach. While its work will continue to evolve, the office will immediately focus on developing and delivering innovative solutions for comprehensive congestion relief as directed by the Legislature in HB 1717.

ODOT Director Strickler laid out his vision for the new office.

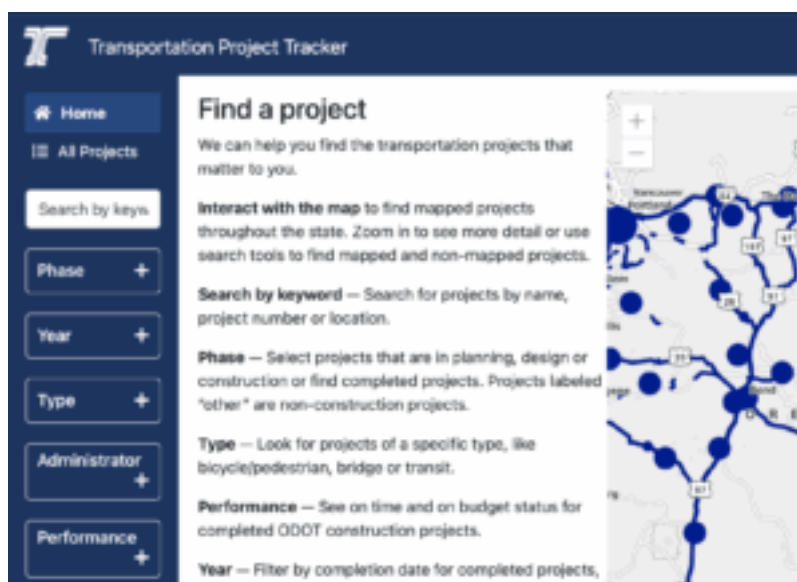
"The creation of this office not only signals ODOT's commitment to addressing congestion on all fronts but signals our new way of doing business.

There's some minor shuffling of staff and decision-making authority, but the scope of the office's responsibility remains the same: projects costing more than about \$100 million.

A dashboard to track major projects. AtkinsRéalis/Horrocks recommends that ODOT establish a single, centralized dashboard for project information.

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

The AtkinsRéalis/Horrocks report, however, doesn't mention that ODOT has such a webpage--the Project Tracker website—and has had since 2022—which contains this information. ODOT says: "The interactive [Transportation Project Tracker](#) shows how and where Oregon's state and federal transportation funds are spent by local, state and federal agencies. You'll find information about the scope, schedule and budget of projects and studies . . ."



Because AtkinsRéalis/Horrocks doesn't acknowledge the existence of ODOT's Tracker, it's hard to know whether there's any substantive difference between what they're proposing and what ODOT already has.

Create an oversight committee. One of AtkinsRéalis/Horrocks's long term recommendations is creating a broad oversight committee with representatives from the legislative and executive branches, local governments, and private sector representatives to monitor large projects.

- **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.

This mirrors a similar oversight group—the Task Force on Mega Transportation Projects—created as part of the 2017 legislative transportation package.

SECTION 121. (1) The Task Force on Mega Transportation Projects is established. For the purposes of this section, a “mega transportation project” includes transportation projects, as defined in ORS 367.010, that cost at least \$360 million to complete, that attract a high level of public attention or political interest because of substantial direct and indirect impacts on the community or environment or that require a high level of attention to manage the project successfully.

That Task Force on Mega Transportation Projects consisted of four legislators, and five other members including Oregon Transportation Commission members and road users appointed by the governor. It was tasked with monitoring projects of \$350 million or more, and was legally required to file a report on its work--which it never did. It met [just twice](#) before it sunsetted in 2018.

[HB 2017](#) also directed the Oregon Transportation Commission to create a "Continuous Improvement Advisory Committee." Section 10 of the bill directs the committee to "advise the commission on ways to maximize the efficiency of the department to allow increased investment in the transportation system . . . develop key performance measures, based on desired outcomes . . . report to the commission at least once per year on the status of key performance measures . . . and in each odd-numbered year, the commission shall submit a report . . . to the [Legislature's] Joint Committee on Transportation." The committee focuses on projects costing \$50 million or more and meets about nine times per year. ODOT's [website](#) describes it as follows:

Created by the Oregon Legislature as part of Keep Oregon Moving (HB 2017), the Continuous Improvement Advisory Committee advises the Oregon Transportation Commission on ways to improve the Oregon Department of Transportation.

The committee helps develop key performance measures and reviews projects over \$50 million. Committee recommendations and progress will be reported to the Oregon Legislature.

Management Buzzwords. A popular management buzzword is "RACI" for "responsible, accountable, consulted and informed." The AtkinsRéalis/Horrocks report calls for ODOT to adopt a RACI framework to guide its relations with partners and contractors.

- 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.

AtkinsRéalis/Horrocks, 2025, "ODOT Management Review" page 10

But that should sound familiar. McKinsey made almost exactly the same recommendation in its 2016 report on improving ODOT's management.

Improve role clarity between OTC, ODOT, the Governor's Office, the Oregon Legislature and ACTs across major functional categories such as strategy, governance, and performance management:

- Define roles in a RACI-like framework (assigning parties to be Responsible for the work, Accountable for the result, Consulted on the process, and/or Informed of the result), with particular attention to strategy, governance, and performance management

McKinsey, 2016, ODOT Management Assessment, page 8.

And, in fact, ODOT does use "RACI" to spell out how it manages different construction contracting arrangements, including "Design-Build" and "Construction General Manager Contractor." Here's a sample of the RACI framework from ODOT's website:

CMGC RACI Chart										
STEP	TASK	OPO	ADS	OCR	REG/OR	A&E	PCO	CMGC	CAU	DOI
#1. Base Documents - FFE for Construction Manager/General Contractor (CM/GC)										
1	Draft FFE Order Base Document	A	C		C					C
2	Draft FFE Concurrence Request Cover Memo to ODOT Director Base Document	A	C							C
3	FFE Public Hearing Notice for Advertisement Base Document	A	C		C					C
4	FFE Public Hearing Advertisement Script Base Document	A	C		C					C
5	FFE Public Hearing Sign in Sheet Base Document	A	C							C
6	Final FFE Approval Request Cover Memo to ODOT Director Base Document	A	C		C					C

And despite using the RACI framework, ODOT still has huge cost overruns as documented above.

Hire more consultants. Unsurprisingly, the AtkinsRéalis/Horrocks group thinks that ODOT should do more to hire consultants, both to augment the agency's expertise and to guide and mentor ODOT staff. They say consultants should be selected for their "ability to support strategic-decision-making and mentor ODOT staff." They point out that "many consultants bring significant public sector experience, including former DOT leaders."

- **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

AtkinsRéalis/Horrocks, 2025, "ODOT Management Review" page 14

- **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.

AtkinsRéalis/Horrocks, 2025, "ODOT Management Review" page 11

This is a thinly veiled marketing pitch. Both Laipply and Marshall are “former DOT leaders” and they are claiming that hiring them will “avoid costly errors.” They can also “mentor” ODOT staff.

This is both self-interested, and very much on brand: recall that Laipply’s Colorado Department of Transportation was called out by state auditors for excessive spending on consultants compared to other states. It’s also worth noting that an independent analysis of state road construction costs, published by the Brookings Institution—which isn’t in the business of selling engineering and management services to state transportation departments—concluded that excessive reliance on consultants was one of two major factors driving higher costs.