

**OKLAHOMA
AERONAUTICS
COMMISSION**

**CITY OF TULSA
PROJECT NUMBER
RVS-07A-FS**

**INCURSION PREVENTION
PROJECT**

**FOR THE PERIOD
JUNE 14, 2007 THROUGH
NOVEMBER 25, 2009**

OPERATIONAL AUDIT



Oklahoma State Auditor
& Inspector

**Audit Report of the
Oklahoma Aeronautics Commission
City of Tulsa - Project Number RVS-07A-FS
Incursion Prevention Project**

**For the Period
June 14, 2007 through November 25, 2009**

STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA
State Auditor

MICHELLE R. DAY, ESQ.
Chief Deputy



2300 N. Lincoln Boulevard State Capitol, Room 100 Oklahoma City, OK 73105-4801 Phone (405) 521-3495 Fax (405) 521-3426 www.sai.ok.gov

February 18, 2010

TO THE OKLAHOMA AERONAUTICS COMMISSION

Pursuant to your request, this is the audit report for the Oklahoma Aeronautics Commission for the period June 14, 2007 through November 25, 2009. The Office of the State Auditor and Inspector is committed to serving the public interest by providing independent oversight and by issuing reports that serve as a management tool to the State. Our goal is to ensure a government that is accountable to the people of the State of Oklahoma.

We wish to take this opportunity to express our appreciation to the agency's staff for the assistance and cooperation extended to our office during the course of our engagement.

Sincerely,

A handwritten signature in blue ink that reads "Steve Burrage".

STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

**Oklahoma Aeronautics Commission
Operational Audit**

Background

The Oklahoma Aeronautics Commission (the Commission) was created to encourage, foster, and assist in the development of aeronautics in Oklahoma and to encourage the establishment and maintenance of public airports. This includes the preservation and improvement of the state’s 114 public airports, which make up the state’s airport system; and the promotion of the aviation industry, one of the top ten employers in Oklahoma, providing 143,700 jobs.

Oversight is provided by seven commission members. They are:

Kenneth Adams	Chair
Wes Stucky	Vice-Chair
Rick Armstrong	Secretary
Dave Amis	Member
Dr. David Conway	Member
Tom Stephenson	Member
Joe Harris	Member

The City of Tulsa (the Sponsor) applied for assistance from the Commission to reduce the risk of airport incursions by visitors by installing new gates, constructing new visitor parking areas, improving the front entrance area, and adding new keypads and gate operators to existing gates. The Commission committed \$3,874 to this \$154,938 project. The Sponsor pledged \$3,875 with the difference paid by the Federal Aviation Administration (FAA).

Purpose and Scope

This audit was conducted in response to the Commission’s request.

The audit period covered was June 14, 2007 through November 25, 2009.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. This report is a public document pursuant to the Oklahoma Open Records Act (51 O.S. § 24A.1 et seq.), and shall be open to any person for inspection and copying.

Objective 1 - Determine if expenditures paid to the City of Tulsa (state project number RVS-07A-FS) were in accordance with “Exhibit B-1 - Program Narrative” and “Exhibit B-2 - Project Costs” of the airport construction agreement.

Conclusion

The expenditures paid to the City of Tulsa were in accordance with “Exhibit B-1 – Program Narrative” and “Exhibit B-2 – Project Costs” of the airport construction agreement.

Methodology

To accomplish our objective, we performed the following:

- Reviewed the airport construction agreement;
- Interviewed the airport project engineer;
- Reviewed the bids submitted by contractors for the project;
- Reviewed all invoices submitted by the contractors and vendors to the Sponsor;
- Reviewed all requests for reimbursement submitted by the Sponsor to the FAA and to the Commission;
- Documented the expenditure process related to the construction project; and
- Observed the completed project.

APPENDIX

**Oklahoma Aeronautics Commission
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Appendix – Project Costs (unaudited) and
Close-out Documentation**

The following information has been presented at the request of management. Our objective was to determine whether expenditures paid to the City of Tulsa (state project number RVS-07A-FS) were in accordance with “Exhibit B-1 – Program Narrative” and “Exhibit B-2 – Project Costs” of the airport construction agreement. Therefore, we did not conclude on the following schedules and information.

Category	Budget	Change Orders	Remove Alternate 3	Adjusted Budget	Actual	Variance
Advertising	\$ 751.00			\$ 751.00	\$ 1,303.50	\$ (552.50)
Construction	154,187.13	\$ 50,691.20	\$ (52,980.33)	151,898.00	161,824.53	(9,926.53)
Total Eligible Project Cost	<u>\$ 154,938.13</u>	<u>\$ 50,691.20</u>	<u>\$ (52,980.33)</u>	<u>\$ 152,649.00</u>	<u>\$ 163,128.03</u>	<u>\$ (10,479.03)</u>

Note: An “Alternate 3” section was originally budgeted for this project but was not completed, as plans for front gate improvements were canceled. We have presented the adjusted budget less the value of “Alternate 3” for a more realistic presentation of project cost variance. The difference between the additional funding from change orders and the budgeted value of “Alternate 3” (a difference of \$2,289.13) represents the final variance between budgeted and actual costs in the construction contractor's invoices (see pages four and five of this report for details). The \$9,926.53 variance listed here is due to additional construction expenses for fencing and inspection services not incurred by the construction contractor.

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Appendix – Project Costs (unaudited) and
Close-out Documentation**

Construction Costs	Bid Qty	Per Unit Bid	Bid Price	Actual Qty	Per Unit Actual	Actual Cost	Variance on Qty	Variance on Cost
Electric Gate Opener	7	4,186.00	\$ 29,302.00	7	4,186.00	\$ 29,302.00	-	\$ -
Controller Keypad	6	1,403.00	8,418.00	6	1,403.00	8,418.00	-	-
Pedestrian Gate	2	975.00	1,950.00	2	975.00	1,950.00	-	-
Chain Link Fence w/Barbed Wire	400	27.00	10,800.00	400	27.00	10,800.00	-	-
Electric Operator Controlled 25' Gate	2	12,630.00	25,260.00	2	12,630.00	25,260.00	-	-
Class A Concrete for small structures	2	798.00	1,596.00	2	798.00	1,596.00	-	-
Steel Bollards	6	359.00	2,154.00	6	359.00	2,154.00	-	-
120V, 175W Photo Cell Exterior Lamp	1	1,159.00	1,159.00	1	1,159.00	1,159.00	-	-
Additional Named Insurance	1	1.00	1.00	1	1.00	1.00	-	-
<i>Alternate 1</i>								
Unclassified Excavation	72	21.00	1,512.00	72	21.00	1,512.00	-	-
Separator Fabric	95	1.25	118.75	95	1.25	118.75	-	-
6" Aggregate Base	95	11.00	1,045.00	95	11.00	1,045.00	-	-
Prime Coat	22	15.62	343.64	22	15.62	343.64	-	-
ODOT Type A Asphalt Concrete	20	150.00	3,000.00	20	150.00	3,000.00	-	-
Paint Stripping	38	27.50	1,045.00	38	27.50	1,045.00	-	-
Parking Bumpers	3	108.00	324.00	3	108.00	324.00	-	-
Solid Slab Sodding	30	2.00	60.00	30	2.00	60.00	-	-
<i>Alternate 2</i>								
Unclassified Excavation	120	21.00	2,520.00	120	21.00	2,520.00	-	-
Separator Fabric	175.0	1.25	218.75	175	1.25	218.75	-	-
6" Aggregate Base	175.0	11.00	1,925.00	175	11.00	1,925.00	-	-
Prime Coat	43	15.62	671.66	43	15.62	671.66	-	-
ODOT Type A Asphalt Concrete	40.0	150.00	6,000.00	40	150.00	6,000.00	-	-
Paint Stripping	95.0	11.00	1,045.00	95	11.00	1,045.00	-	-
Parking Bumpers	6.0	108.00	648.00	6	108.00	648.00	-	-
Solid Slab Sodding	45.0	2.00	90.00	45	2.00	90.00	-	-
<i>Alternate 3</i>								
Unclassified Excavation	6	100.00	600.00	0	-	-	6	600.00
Separator Fabric	35.0	1.25	43.75	0	-	-	35	43.75
6" Aggregate Base	35.0	15.00	525.00	0	-	-	35	525.00
Prime Coat	9	15.62	140.58	0	-	-	9	140.58
ODOT Type A Asphalt Concrete	1.0	150.00	150.00	0	-	-	1	150.00
Reinforced Concrete - Small Structures	20.0	485.00	9,700.00	0	-	-	20	9,700.00
Installation of Pre-fab Guard Booth	1.0	1,329.00	1,329.00	0	-	-	1	1,329.00
Pre-fabricated Guard Booth	1.0	30,694.00	30,694.00	0	-	-	1	30,694.00

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Construction Costs	Bid Qty	Per Unit Bid	Bid Price	Actual Qty	Per Unit Actual	Actual Cost	Variance on Qty	Variance on Cost
Install Electric Service (Booth & Sign)	1	1,708.00	1,708.00	0	-	-	1	1,708.00
Paint Stripping	300.0	3.50	1,050.00	0	-	-	300	1,050.00
Parking Bumpers	2.0	108.00	216.00	0	-	-	2	216.00
Demo Existing Info Canopy/Install Sign	1.0	1,859.00	1,859.00	0	-	-	1	1,859.00
New Information Sign	1.0	4,965.00	4,965.00	0	-	-	1	4,965.00
<u>Change Order No. 1</u>								
Install Hydraulic Traffic Barrier	0.0	-	-	1	9,172.00	9,172.00	(1)	(9,172.00)
<u>Change Order No. 2</u>								
Fence Removal	0.0	-	-	190	8.83	1,677.70	(190)	(1,677.70)
Install CMP Culvert	0.0	-	-	1	4,250.00	4,250.00	(1)	(4,250.00)
<u>Change of Quantities No. 1</u>								
Increase Parking Bumpers	0.0	-	-	4	108.00	432.00	(4)	(432.00)
Decrease 25' Vehicle Gate	0.0	-	-	-1	12,630.00	(12,630.00)	1	12,630.00
Decrease Controller Keypad	0.0	-	-	-1	1,403.00	(1,403.00)	1	1,403.00
Decrease Electric Gate Opener	0.0	-	-	-1	4,186.00	(4,186.00)	1	4,186.00
Increase Bollards	0.0	-	-	1	359.00	359.00	(1)	(359.00)
<u>Change of Quantities No. 2</u>								
Increase Perimeter Fencing of P.A. B	0.0	-	-	162	27.00	4,374.00	(162)	(4,374.00)
<u>Change of Quantities No. 3</u>								
Electric Gate Opener	0.0	-	-	1	4,186.00	4,186.00	(1)	(4,186.00)
Controller Keypad	0.0	-	-	1	1,403.00	1,403.00	(1)	(1,403.00)
Manually Controlled 3' Pedestrian Gate	0.0	-	-	1	975.00	975.00	(1)	(975.00)
6' Chain Link Fence	0.0	-	-	150	27.00	4,050.00	(150)	(4,050.00)
Electric Operator Controlled 25' Gate	0.0	-	-	1	12,630.00	12,630.00	(1)	(12,630.00)
Class A Concrete	0.0	-	-	1	798.00	798.00	(1)	(798.00)
Steel Bollards	0.0	-	-	3	359.00	1,077.00	(3)	(1,077.00)
120v, 175W Photo Cell	0.0	-	-	1	1,159.00	1,159.00	(1)	(1,159.00)
Unclassified Excavation	0.0	-	-	60	21.00	1,260.00	(60)	(1,260.00)
Separator Fabric	0.0	-	-	1.25	290.00	362.50	(1.25)	(362.50)
6" Aggregate Base	0.0	-	-	313	15.00	4,695.00	(313)	(4,695.00)
Prime Coat	0.0	-	-	75	15.62	1,171.50	(75)	(1,171.50)
Asphalt Concrete	0.0	-	-	98	150.00	14,700.00	(98)	(14,700.00)
Paint Striping (Yellow)	0.0	-	-	3.5	51.00	178.50	(3.5)	(178.50)
Total Construction Costs			\$ 154,187.13			\$ 151,898.00		\$ 2,289.13

Oklahoma Aeronautics Commission
Operational Audit
Appendix- Project Costs (unaudited) and
Close Out Documentation

NOTICE OF FINAL INSPECTION

Date: August 25, 2008
Project Number: RVS-07A-FS
Airport: R.L. Jones Jr. (RVS)

TO: Oklahoma Aeronautics Commission
3800 North Classen, Suite 240
Oklahoma City, Oklahoma 83118
(405) 604-6900 – phone
(405) 604-6919 – fax

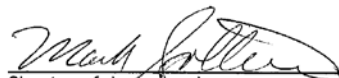
FROM: Mark Soltero
Project Engineer, Mayor, City Manager
P.O. Box 581838
Address
Tulsa, OK 74158-1838
City/Town and Zip Code
918-838-5063
Area Code and Phone Number

This is to advise you that the above referenced project is complete and ready for final

inspection. The final inspection is scheduled to begin at 1:00 PM
(Time)

on August 27 2008 at R.L Jones Jr. Airport
(Date) (Location)

Prior to making this request, I have carefully gone over this project and have found there to be no known plan omissions and that the work is complete and in reasonably close conformity with approved plans and specifications.


Signature of above named person

Airports Facilities Engineer
Title of above named person

**Oklahoma Aeronautics Commission
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Appendix- Project Costs (unaudited) and
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FINAL INSPECTION REPORT

Date: 27 Aug 08 Project No: RVS-07A-FS Airport: R.L. Jones Jr

TO: Oklahoma Aeronautics Commission
3800 North Classen, Suite 240
Oklahoma City, Oklahoma 83118
(405) 604-6900 – phone
(405) 604-6919 – fax

FROM: Mark Soltero
Project Engineer, Mayor, City Manager

P.O. Box 581838
Address

Tulsa, OK 74158-1838
City/Town and Zip Code

918-838-5063
Area Code and Phone Number

Final inspection on the above project was made by: Mark Soltero
(Project Engineer, Mayor, City Manager)

on 27 Aug 2008 at R.L Jones Jr. Airport
(Date) (Location)

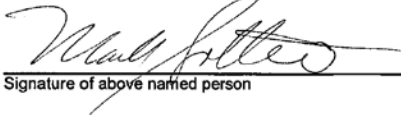
Personnel attending inspection:

name-title-organization	name-title-organization
Bruce Carpenter-Superintendent-Magnum	
Mark Soltero TAA PM	

The project was found acceptable with the following exceptions:

No exceptions

Anticipated completion date for above exceptions: N/A


Signature of above named person

Airports Facilities Engineer
Title of above named person

**Oklahoma Aeronautics Commission
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Appendix- Project Costs (unaudited) and
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FINAL ACCEPTANCE NOTICE

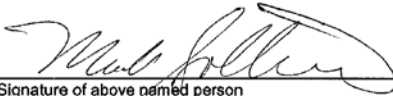
Date: 27 August 2008
Project Number: RVS-07A-FS
Airport: R.L. Jones Jr. (RVS)

TO: Oklahoma Aeronautics Commission
3800 North Classen, Suite 240
Oklahoma City, Oklahoma 83118
(405) 604-6900 – phone
(405) 604-6919 – fax

FROM: Mark Soltero
Project Engineer, Mayor, City Manager
P.O. Box 581838
Address
Tulsa, OK 74158-1838
City/Town and Zip Code
918-838-5063
Area Code and Phone Number

This is to advise you that the exceptions found at the final inspection have been completed or corrected. The project is accepted by Project Engineer
(Project Engineer, Mayor, City Manager)

on 13 Nov 2008 at Tulsa International Airport
(Date) (Location)

 Airport Facilities Engineer
Signature of above named person Title of above named person

NOTE: If no exceptions are found at the Final Inspection, submit this form at the same time the Final Inspection is completed, showing acceptance of the Project.



**OFFICE OF THE STATE AUDITOR AND INSPECTOR
2300 N. LINCOLN BOULEVARD, ROOM 100
OKLAHOMA CITY, OK 73105-4896**

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