

**OKLAHOMA  
AERONAUTICS  
COMMISSION**

**CITY OF  
SAND SPRINGS**

**FOR THE PERIOD  
JUNE 14, 2007 THROUGH  
FEBRUARY 18, 2009**

**OPERATIONAL AUDIT**



Oklahoma State Auditor  
& Inspector

**Audit Report of the  
Oklahoma Aeronautics Commission -  
City of Sand Springs - Project Number OWP-07-F**

**For the Period  
June 14, 2007 through February 18, 2009**

# STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA  
State Auditor

MICHELLE R. DAY, ESQ.  
Chief Deputy



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April 6, 2009

## TO THE OKLAHOMA AERONAUTICS COMMISSION

Pursuant to your request, transmitted herewith is the audit report for the Oklahoma Aeronautics Commission for the period June 14, 2007 through February 18, 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". The signature is written in a cursive, flowing style.

STEVE BURRAGE, CPA  
STATE AUDITOR & INSPECTOR

**Mission Statement**

The Oklahoma Aeronautics Commission’s mission is to promote aviation, which includes fostering the growth of the aerospace industry and ensuring that the needs of commerce and communities across Oklahoma are met by the state’s 114 public airports that comprise the state’s air transportation system.

**Commission Members**

Joe Harris..... Chair  
Kenneth Adams ..... Vice-Chair  
Wes Stucky..... Secretary  
Dave Amis ..... Member  
Rick Armstrong ..... Member  
Tom Stephenson ..... Member  
Mel Stubbings..... Member

**Key Staff**

Victor Bird.....Executive Director  
Elaine Spell..... Chief Operations Officer  
Vivek Khanna, PhD., P.E. .... Airport Engineer

**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.

The City of Sand Springs, Oklahoma (the Sponsor) applied for assistance from the Commission to replace its existing, deteriorated lighting system with a more efficient LED lighting system that would decrease costs and require less maintenance. The Commission committed \$15,571 to this \$622,865 project. The difference was pledged by the Sponsor (\$15,572) and the Federal Aviation Administration (\$591,722).

**Authority, Purpose, and Scope**

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

The audit period covered was June 14, 2007 through February 18, 2009.

**Objective 1 - Determine if expenditures paid to the City of Sand Springs (state project number OWP-07-F) 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 Sand Springs 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 supervisor of the Sand Springs Pogue Airport;
- Interviewed the project administrator for the City of Sand Springs;
- Interviewed the aviation engineer and senior project manager from Garver Engineers;
- Reviewed the bids submitted by contractors for the project;
- Reviewed all invoices submitted by the contractor to the Sponsor;
- Reviewed all requests for reimbursement submitted by the Sponsor to the Commission;
- Documented internal controls related to the construction project;
- Observed the completed project.

## APPENDIX

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

The following information has been presented at the request of management. Our objective was to determine if expenditures paid to the City of Sand Springs (state project number OWP-07-F) 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.

**Disbursements**

	<b>Budget</b>	<b>Change Order</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>Variance</b>
Construction	\$ 483,465	\$ (18,547)	\$ 464,918	\$ 464,918	\$ 0
Engineering	72,900			72,900	-
Testing	200			-	200
Inspection	64,900			60,568	4,332
Other	<u>1,400</u>			<u>270</u>	<u>1,130</u>
Total	<u>\$ 622,865</u>	<u>\$ (18,547)</u>	<u>\$ 604,318</u>	<u>\$ 598,656</u>	<u>\$ 5,662</u>

Commission Portion – 2.5%  
Sponsor Portion – 2.5%  
FAA Portion – 95%

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**Construction Costs**

<b>Base Bid</b>	<b>Bid Quantity</b>	<b>Per Unit Bid</b>	<b>Bid Price</b>	<b>Actual Quantity</b>	<b>Per Unit Actual</b>	<b>Actual Cost</b>	<b>Variance on Qty</b>	<b>Variance on Cost</b>
Site Preparation	1.00	\$ 27,485.00	\$ 27,485.00	1.00	\$ 27,485.00	\$ 27,485.00	-	-
Third Party Insurance	-	-	-	-	-	-	-	-
Trench & Excavation Safety Systems	1.00	475.00	475.00	1.00	475.00	475.00	-	-
Removal of Asphalt Pavement	40.00	37.00	1,480.00	-	-	-	40.00	1,480.00
Removal of Concrete Pavement	40.00	52.00	2,080.00	-	-	-	40.00	2,080.00
Trenching: Dir-Buried Cable/Bare Ctps Wire	14,000.00	0.95	13,300.00	13,222.00	0.95	12,560.90	778.00	739.10
No. 8 AWG, 5kV, L-842C Cable, Installed	20,500.00	1.60	32,800.00	20,493.00	1.60	32,788.80	7.00	11.20
No. 6 AWG Solid, Bare Ctps Wire, Installed	16,250.00	1.35	21,937.50	13,222.00	1.35	17,849.70	3,028.00	4,087.80
No. 6 AWG Std, Insulated Equipment , Installed	16,000.00	0.95	15,200.00	15,962.00	0.95	15,163.90	38.00	36.10
Non-Encased Electrical Conduit, 1-Way 2"C	15,500.00	3.56	55,180.00	14,252.00	3.56	50,737.12	1,248.00	4,442.88
Existing Stake Mounted Edge Light, Removed	155.00	18.50	2,867.50	155.00	18.50	2,867.50	-	-
Existing Base Mtd Guidance Sign, Removed	18.00	137.00	2,466.00	18.00	137.00	2,466.00	-	-
L-858 Base Mtd, 1 Module Guide Sign, Installed	3.00	2,970.00	8,910.00	3.00	2,970.00	8,910.00	-	-
L-858 Base Mtd, 2 Module Guide Sign, Installed	4.00	3,725.00	14,900.00	4.00	3,725.00	14,900.00	-	-
L-858 Base Mtd, 3 Module Guide Sign, Installed	8.00	4,825.00	38,600.00	8.00	4,825.00	38,600.00	-	-
L-858 Sign Panel, Installed	17.00	400.00	6,800.00	17.00	400.00	6,800.00	-	-
L-858 Sign Blank Panel, Installed	17.00	87.00	1,479.00	17.00	87.00	1,479.00	-	-
Temporary Airfield Lighting	1.00	3,590.00	3,590.00	1.00	3,590.00	3,590.00	-	-
No. 8 AWG, 5kV, L-842C Cable, Installed	3,200.00	1.40	4,480.00	-	-	-	3,200.00	4,480.00
No. 6 AWG Solid, Bare Ctps Wire, Installed	1,600.00	1.40	2,240.00	-	-	-	1,600.00	2,240.00
Non-Encased Electrical Conduit, 1-Way 2"C	1,600.00	3.10	4,960.00	-	-	-	1,600.00	4,960.00
Sodding	-	-	-	6,336.00	0.79	4,995.00	(6,336.00)	(4,995.00)
<b>Alternate A [LED Runway Lights]</b>								
Electrical Vault Modifications	1.00	965.00	965.00	1.00	965.00	965.00	-	-
L-861T Base Mtd LED Light, Installed	218.00	1,015.00	221,270.00	219.00	1,015.00	222,285.00	(1.00)	(1,015.00)
			<b>\$ 483,465.00</b>			<b>\$ 464,917.92</b>		<b>\$ 18,547.08</b>

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

Date: Jan. 30, 2008 Project No: 3-40-0084-13-2007 Airport: Sand Springs Pogue (OWP)

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

FROM: Kelly S. Fincannon – Project Engineer

Project Engineer  
Garver Engineers  
10015 E. 51 st Street  
Address  
Tulsa, OK 74146  
City/Town and Zip Code  
918-250-5922  
Area Code and Phone Number

Final inspection on the above project was made by Kelly Fincannon – Project Engineer  
(Project Engineer)  
January 30, 2008 1:00 PM Sand Springs Pogue Airport (OWP)

on \_\_\_\_\_ at \_\_\_\_\_  
(Date) (Location)

**Personnel attending inspection:**

name-title-organization	name-title-organization
Lana Logan-Program Manager-FAA	Ken Madison-Airport Manager-Sand Springs
Vivek Khanna-OAC	Justin Blunt-Libra Electric
Aaron Downing-OAC	Carl Shipman-Libra Electric
TJ Davis-City Admin.- Sand Springs	Charles Gravett-Libra Electric
Kelly Fincannon-Garver Engineers	Greg Kinsey-Garver Engineers

**The project was found acceptable with the following exceptions:**

- Check for 1 ½ to 3 inch drop off from concrete for lights and sign bases .
- Clean taxiway shoulders of rocks and clods

Oklahoma Aeronautics Commission  
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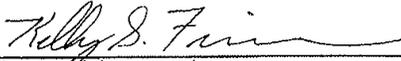
Install tags on lights and signs

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Sod around sign bases to prevent erosion – this will require change order.

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Anticipated completion date for above exceptions: This may require 3-4 weeks to get 3 quotes, prepare change order, order sod and complete work on change order.



Signature of above named person

Senior Project Manager

Title of above named person

**Oklahoma Aeronautics Commission  
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**FINAL ACCEPTANCE NOTICE**

Date: April 4, 2008  
Project Number: 0F8-07-E  
Airport: Sand Springs Pogue (OWP)

TO: Oklahoma Aeronautics Commission  
3800 North Classen, Suite 240  
Oklahoma City, Oklahoma 83118  
(405) 604-6900 – phone  
(405) 604-8919 – fax

FROM: Kelly S. Fincannon – Project Engineer  
\_\_\_\_\_  
Project Engineer, Mayor, City Manager  
Garver Engineers, 10015 E. 51st Street  
\_\_\_\_\_  
Address  
Tulsa, OK 74146  
\_\_\_\_\_  
City/Town and Zip Code  
918-250-5922  
\_\_\_\_\_  
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 Kelly S. Fincannon Project Engineer  
(Project Engineer, Mayor, City Manager)  
on March 13, 2008 at Sand Springs Pogue (OWP)  
(Date) (Location)

 Senior Project Manager  
Signature of above named person (Date) 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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