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
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,

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
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

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Change Order</th>
<th>Adjusted Budget</th>
<th>Actual</th>
<th>Variance</th>
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<td>$ (18,547)</td>
<td>$464,918</td>
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<td>Engineering</td>
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<tr>
<td>Testing</td>
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<tr>
<td>Inspection</td>
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<td>Other</td>
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<td>270</td>
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<td>1,130</td>
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<td><strong>Total</strong></td>
<td><strong>$622,865</strong></td>
<td><strong>$ (18,547)</strong></td>
<td><strong>$604,318</strong></td>
<td><strong>$598,656</strong></td>
<td><strong>$5,662</strong></td>
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Commission Portion – 2.5%
Sponsor Portion – 2.5%
FAA Portion – 95%
## Construction Costs

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<thead>
<tr>
<th>Base Bid</th>
<th>Bid Quantity</th>
<th>Per Unit Bid</th>
<th>Bid Price</th>
<th>Actual Quantity</th>
<th>Per Unit Actual</th>
<th>Actual Cost</th>
<th>Variance on Qty</th>
<th>Variance on Cost</th>
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<td>Site Preparation</td>
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<tr>
<td>Trench &amp; Excavation Safety Systems</td>
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<td>475.00</td>
<td>475.00</td>
<td>1.00</td>
<td>475.00</td>
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<td>Removal of Asphalt Pavement</td>
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<td>37.00</td>
<td>1,480.00</td>
<td>40.00</td>
<td>37.00</td>
<td>1,480.00</td>
<td>40.00</td>
<td>1,480.00</td>
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<td>Removal of Concrete Pavement</td>
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<td>Trenching: Dir-Buried Cable/Bare Ctps Wire</td>
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<td>20,493.00</td>
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<td>17,849.70</td>
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<td>55,180.00</td>
<td>15,500.00</td>
<td>3.56</td>
<td>50,737.50</td>
<td>1,248.00</td>
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<td>Existing Base Mtd Guidance Sign, Removed</td>
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<td>137.00</td>
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<td>L-858 Base Mtd, 1 Module Guide Sign, Installed</td>
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<td>L-858 Base Mtd, 3 Module Guide Sign, Installed</td>
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<td>L-858 Sign Panel, Installed</td>
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<td>L-858 Sign Blank Panel, Installed</td>
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<td>Temporary Airfield Lighting</td>
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</tr>
<tr>
<td>No. 8 AWG, 5kV, L-842C Cable, Installed</td>
<td>3,200.00</td>
<td>1.40</td>
<td>4,480.00</td>
<td>3,200.00</td>
<td>1.40</td>
<td>4,480.00</td>
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<tr>
<td>No. 6 AWG Solid, Bare Ctps Wire, Installed</td>
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<tr>
<td>Non-Encased Electrical Conduit, 1-Way 2°C</td>
<td>1,600.00</td>
<td>3.10</td>
<td>4,960.00</td>
<td>1,600.00</td>
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<td>4,960.00</td>
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<tr>
<td>Sodding</td>
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<td>6,336.00</td>
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<td>4,995.00</td>
<td>(6,336.00)</td>
<td>(4,995.00)</td>
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<tr>
<td><strong>Alternate A [LED Runway Lights]</strong></td>
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<td>Electrical Vault Modifications</td>
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<tr>
<td>L-861T Base Mtd LED Light, Installed</td>
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<td>(1,015.00)</td>
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</tbody>
</table>

**Total: $483,465.00**  **$464,917.92**  **$18,547.08**
FINAL INSPECTION REPORT


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

Garver Engineers
10015 E. 51st Street

Tulsa, OK 74146

918-250-5922

Final inspection on the above project was made by __________________________

Project Engineer

January 30, 2008  1:00 PM  Sand Springs Pogue Airport (OWP)

on __________________________ at __________________________

(Personal attending inspection:

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

The project was found acceptable with the following exceptions:

Check for 1½ to 3 inch drop off from concrete for lights and sign bases .

Clean taxiway shoulders of rocks and clods
Install tags on lights and signs

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

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.

Signed by above named person

Senior Project Manager

Title of above named person
FINAL ACCEPTANCE NOTICE

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

TO:          Oklahoma Aeronautics Commission
             3600 North Classen, Suite 240
             Oklahoma City, Oklahoma  83118
             (405) 804-6900 – phone
             (405) 804-8919 – fax

FROM:        Kelly S. Fin cannon – Project Engineer
             Garver Engineers,         10015 E. 51st Street
             Tulsa, OK 74146
             918-250-5922

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. Fin cannon Project Engineer
on March 13, 2008 at Sand Springs Pogue (OWP)

(Senior Project Manager)

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.