

**OKLAHOMA
AERONAUTICS
COMMISSION**

**CITY OF
WEATHERFORD**

PROJECT NUMBER OJA-08-F

**FOR THE PERIOD
JUNE 12, 2008 THROUGH
AUGUST 17, 2009**

OPERATIONAL AUDIT



Oklahoma State Auditor
& Inspector

**Audit Report of the
Oklahoma Aeronautics Commission -
City of Weatherford - Project Number OJA-08-F

For the Period
June 12, 2008 through August 17, 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

October 5, 2009

TO THE OKLAHOMA AERONAUTICS COMMISSION

Pursuant to your request, this is the audit report for the Oklahoma Aeronautics Commission for the period June 12, 2008 through August 17, 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, reading "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 Weatherford, Oklahoma (the Sponsor) applied for assistance from the Commission to provide terminal ramp space for aircraft parking that is outside the taxiway area of their airport. The Commission committed \$403,777 to this \$1,463,878 project. The Sponsor pledged \$121,000 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 12, 2008 through August 17, 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 Weatherford (state project number OJA- 08-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 Weatherford 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 manager and the city treasurer;
- Interviewed the president of LBR Engineering;
- Reviewed the bids submitted by contractors for the project;
- Reviewed all invoices submitted by the contractors to the Sponsor;

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- Reviewed all invoices submitted by the engineer to the Sponsor;
- Reviewed all requests for reimbursement submitted by the Sponsor to the Commission;
- Documented internal controls related to the construction project; and
- Observed the completed project.

APPENDIX

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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 Weatherford (state project number OJA-08-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.

Category	Budget	Change Order	Revised Budget	Actual	Variance
Advertising	\$ 320.00	\$ -	\$ 320.00	\$ 319.15	\$ 0.85
Engineering	167,035.00		167,035.00	158,683.25	8,351.75
Testing	28,500.00		28,500.00	20,255.50	8,244.50
Inspection	58,125.00		58,125.00	58,125.00	-
Field Survey	2,200.00		2,200.00	4,200.00	(2,000.00)
Construction	1,201,207.00	6,491.05	1,207,698.05	1,151,887.05	55,811.00
Total Eligible Project Costs	\$ 1,457,387.00	\$ 6,491.05	\$ 1,463,878.05	\$ 1,393,469.95	\$ 70,408.10

Note- The change order amount identified in the schedule above will not agree to the change order amount discussed in the construction costs schedule on page 5. This is because the amount noted above as budgeted construction expenditures was presented on exhibit B-2 of the Sponsor’s grant application to the Commission while the amount identified as budgeted construction expenditures by the construction vendor was \$2,000.45 less.

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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
Traffic Maintenance	1	\$ 10,500.00	\$ 10,500.00	1	\$ 10,500.00	\$ 10,500.00	0.00	\$ -
Mobilization, bonds, and temporary erosion control	1	32,676.00	32,676.00	1	32,676.00	32,676.00	0.00	-
Saw cutting - full depth asphalt or concrete	100	5.50	550.00	180	5.50	990.00	(80.00)	(440.00)
Existing pavement breakup and disposal	9,109	4.10	37,346.90	9,139	4.10	37,469.90	(30.00)	(123.00)
Relocate set of eight portable hangar units	1	19,500.00	19,500.00	1	19,500.00	19,500.00	0.00	-
Electrical disconnect/reconnect for portable hangar units	1	2,100.00	2,100.00	1	2,100.00	2,100.00	0.00	-
Construct 10 unit T-Hangar slab	1	129,480.00	129,480.00	1	129,480.00	129,480.00	0.00	-
Disassemble and re-erect 10 unit T-unit w/electric	1	69,524.00	69,524.00	1	69,524.00	69,524.00	0.00	-
Trench 48" deep and backfill	450	4.50	2,025.00	450	4.50	2,025.00	0.00	-
Unclassified excavation - strip 6" of topsoil	1,344	5.50	7,392.00	1,434	5.50	7,887.00	(90.00)	(495.00)
Unclassified excavation - normal to required grades	2,483	3.50	8,690.50	2,583	3.50	9,040.50	(100.00)	(350.00)
Embankment in place-normal	974	4.50	4,383.00	974	4.50	4,383.00	0.00	-
Embankment in place-repalce 6" of topsoil	246	5.50	1,353.00	336	5.50	1,848.00	(90.00)	(495.00)
Surveying	20	300.00	6,000.00	0		-	20.00	6,000.00
Construct 9" crushed aggregate base course	6,542	12.45	81,447.90	6,542	12.45	81,447.90	0.00	-
Construct 8" aggregate base course	9,345	12.45	116,345.25	9,375	12.45	116,718.75	(30.00)	(373.50)
Construct 5" PCC surface course w/ joints	6,420	33.00	211,860.00	6,420	33.00	211,860.00	0.00	-
Construct 6" PCC surface course w/ joints	9,278	35.50	329,369.00	9,308	35.50	330,434.00	(30.00)	(1,065.00)
Install aircraft tie down anchors in new pavement	36	55.00	1,980.00	36	55.00	1,980.00	0.00	-
Install aircraft tie down anchors in existing pavement	18	125.00	2,250.00	23	125.00	2,875.00	(5.00)	(625.00)
Taxiway painting with reflective media	13,200	6.00	79,200.00	4,234.50	6.00	25,407.00	8965.50	53,793.00
Construct 18" RCP storm drain	535	50.00	26,750.00	600	50.00	30,000.00	(65.00)	(3,250.00)
Construct single grate field inlet	2	3,200.00	6,400.00	2	3,200.00	6,400.00	0.00	-
Construct manhole/junction box	1	1,600.00	1,600.00	1	1,600.00	1,600.00	0.00	-
Construct headwall for 18" storm sewer	1	950.00	950.00	3	950.00	2,850.00	(2.00)	(1,900.00)
Seeding with fertilizer and watering	0.3	3,800.00	1,140.00	0.3	3,800.00	1,140.00	0.00	-
Solid slab bermuda with fertilizer and watering	1,532	4.50	6,894.00	2,278	4.50	10,251.00	(746.00)	(3,357.00)
Insurance premium	1	1,500.00	1,500.00	1	1,500.00	1,500.00	0.00	-
			<u>\$ 1,199,206.55</u>			<u>\$ 1,151,887.05</u>		<u>\$ 47,319.50</u>

Note- A change order for \$8,491.50 was issued and is not reflected in the variance above. See further discussion in note on page 4.

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NOTICE OF FINAL INSPECTION

Date: 9/30/2009

State # OSA-08-F Project Number: 3-40-0106-007-2008

Airport: KOSA WEATHERFORD-THOMAS
STAFFORD AIRPORT

TO: Oklahoma Aeronautics Commission
120 N. Robinson, Suite 1244W
Oklahoma City, Oklahoma 73102
(405) 604-6900 -- phone
(405) 604-6919 -- fax

FROM: CITY OF WEATHERFORD, Mayor Mike D. Brown
Project Engineer, Mayor, City Manager
522 WEST RAINEY
Address
WEATHERFORD, OKLAHOMA 73096
City/Town and Zip Code
580-772-7451
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 10:00 A/M
(Time)

on July 2, 2009 at WEATHERFORD-STAFFORD 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.

Mike D Brown
Signature of above named person

Mayor
Title of above named person

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FINAL INSPECTION REPORT

Date: 9/30/2009 Project No: 3-40-0106-007-2008 Airport: Weatherford - Stafford Airport
State # OSA-08-F

TO: Oklahoma Aeronautics Commission
120 N. Robinson, Suite 1244W
Oklahoma City, OK 73102
(405) 604-6900 -- phone
(405) 604-6919 -- fax

FROM:

City of Weatherford
Project Engineer, Mayor, City Manager
522 West Rainey
Address
Weatherford, OK 73096
City/Town and Zip Code
580-772-7451
Area Code and Phone Number

Final inspection on the above project was made by John Creswell, Airport Manager
(Project Engineer, Mayor, City Manager)
Kevin Reeder, LBR
on July 2, 2009 at WEATHERFORD - STAFFORD Airport
(Date) (Location)

Personnel attending inspection:

name-title-organization	name-title-organization
<u>John Creswell</u>	<u>City of Weatherford</u>
<u>Kevin Reeder</u>	<u>LBR</u>
<u>Vivian</u>	<u>OAC</u>
<u>Aaron</u>	<u>OAC</u>

The project was found acceptable with the following exceptions:

Anticipated completion date for above exceptions: _____

Michael Brown
Signature of above named person

Mayor
Title of above named person

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FINAL ACCEPTANCE NOTICE

Date: 9/30/2009
Project Number: OJA-08-F
Airport: WEATHER FORD - STAFFORD Airport

TO: Oklahoma Aeronautics Commission
120 N. Robinson, Suite 1244W
Oklahoma City, OK 73102
(405) 604-6900 - phone
(405) 604-6919 - fax

FROM: City of Weatherford
Project Engineer, Mayor, City Manager
522 W. Rainey
Address
Weatherford, OK. 73096
City/Town and Zip Code
580-722-7451
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 Mike D. Brown
(Project Engineer, Mayor, City Manager)

on July 10, 2009 at Weatherford - Stafford Airport
(Date) (Location)

Mike D. Brown
Signature of above named person

Mayor
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.

END



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

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