

**OKLAHOMA  
AERONAUTICS  
COMMISSION**

**CITY OF GUTHRIE**

**FOR THE PERIOD  
MAY 8, 2008 THROUGH  
DECEMBER 19, 2008**

**OPERATIONAL AUDIT**



Oklahoma State Auditor  
& Inspector

**Audit Report of the  
Oklahoma Aeronautics Commission -  
City of Guthrie - Project Number GOK-08-S(A)**

**For the Period  
May 8, 2008 through December 19, 2008**

# 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](http://www.sai.ok.gov)

March 30, 2009

## TO THE OKLAHOMA AERONAUTICS COMMISSION

Pursuant to your request, transmitted herewith is the audit report for the Oklahoma Aeronautics Commission for the period May 8, 2008 through December 19, 2008. 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 Guthrie, Oklahoma (the Sponsor) applied for assistance from the Commission to improve drainage and create erosion protection on a portion of their facility. The Commission committed \$213,509 to this \$389,540 project. The difference was paid by the Sponsor.

**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 May 8, 2008 through December 19, 2008.

**Objective 1 - Determine if expenditures paid to the City of Guthrie (state project number GOK-08-S(A)) 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 Guthrie 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 manager of the Guthrie/Edmond Regional Airport;
- Interviewed the project manager at Myers Engineering;
- 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 Guthrie (state project number GOK-08-S (A)) 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.

	<b>Budget</b>	<b>Change Order</b>	<b>Adj. Budget</b>	<b>Actual</b>	<b>Variance</b>
Engineering	\$ 12,500			\$ 12,095	\$ 405
Testing	2,500			-	2,500
Inspection	11,000			5,170	5,830
Construction					-
Base	181,284	(19,340)	161,944	80,527	81,417
Alternate	182,256			139,194	43,062
<b>Total</b>	<b>\$ 389,540</b>	<b>\$ (19,340)</b>	<b>\$ 370,200</b>	<b>\$ 236,986</b>	<b>\$ 133,214</b>

Commission portion - \$213,509

Sponsor portion - Balance was paid by the Sponsor

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

**Construction Costs**

<b>Base Bid</b>	<b>Bid Quantity</b>	<b>Per Unit Bid</b>	<b>Bid Price</b>	<b>Actual Qty</b>	<b>Per Unit Actual</b>	<b>Actual Cost</b>	<b>Variance on Qty</b>	<b>Variance on Cost</b>
Detention Pond 1	1.00	\$ 79,063.00	\$ 79,063.00	0.0316	\$ 79,063.00	\$ 2,500.00	0.97	\$ 76,563.00
Detention Pond 2	1.00	39,474.00	39,474.00	0.7126	39,474.00	28,132.00	0.29	11,342.00
Replace Grate - Area Drain	3.00	1,967.00	5,901.00	-	1,967.00	-	3.00	5,901.00
Solid Slab Sodding Area 1	5,000.00	2.25	11,250.00	5,000.00	2.25	11,250.00	-	-
Solid Slab Sodding Area 2	3,334.00	2.25	7,501.50	3,334.00	2.25	7,502.00	-	-
Solid Slab Sodding Area 3	9,690.00	2.25	21,802.50	9,690.00	2.25	21,803.00	-	-
Erosion Control	1.00	11,995.00	11,995.00	0.6952	11,995.00	8,340.00	0.30	3,655.00
Watering	3,438.00	1.25	4,297.50	800.00	1.25	1,000.00	2,638.00	3,297.50
Change Order			(19,340.00)				-	(19,340.00)
<b>Alternate 1</b>							-	-
Solid Slab Sodding Area 4	18,092.00	2.25	40,707.00	17,187.11	2.25	38,671.00	904.89	2,036.00
Solid Slab Sodding Area 5	17,346.00	2.25	39,028.50	6,666.67	2.25	15,000.00	10,679.33	24,028.50
Solid Slab Sodding Area 6	21,584.00	2.25	48,564.00	14,029.78	2.25	31,567.00	7,554.22	16,997.00
Rip Rap Zone A	985.00	33.43	32,928.55	987.64	33.34	32,928.00	(2.64)	0.55
Rip Rap Zone B	544.00	33.43	18,185.92	545.47	33.34	18,186.00	(1.47)	(0.08)
Rip Rap Zone C	85.00	33.43	2,841.55	85.24	33.34	2,842.00	(0.24)	(0.45)
Adjustment Due to Rounding							-	(1.00)
<b>Total</b>			<u>\$ 344,200.02</u>			<u>\$ 219,721.00</u>		<u>\$ 124,479.02</u>

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

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NOTICE OF FINAL INSPECTION

Date: September 19, 2008  
Project Number: GOK-08-S(A)  
Airport: Guthrie-Edmond Regional

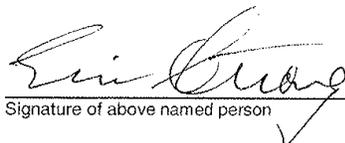
TO: Oklahoma Aeronautics Commission  
3800 North Classen, Suite 240  
Oklahoma City, Oklahoma 83118  
(405) 604-6900 – phone  
(405) 604-6919 – fax

FROM: Eric Strong, P.E., Myers Engineering  
Project Engineer, Mayor, City Manager  
13911 Quail Pointe Drive  
Address  
Oklahoma City, OK 73134  
City/Town and Zip Code  
405/755-5325  
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 am.  
(Time)

on September 23, 2008 at Guthrie-Edmond Regional Airport, Airport  
(Date) (Location)  
Manager's office.

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

Principal Engineer  
\_\_\_\_\_  
Title of above named person

**Oklahoma Aeronautics Commission  
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**FINAL INSPECTION REPORT**

Date: September 23, 2008, Project No: GOK-08-S(A), Airport: Guthrie-Edmond Regional.

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

FROM: Eric Strong, P.E., Myers Engineering  
Project Engineer, Mayor, City Manager

13911 Quail Pointe Drive  
Address

Oklahoma City, OK 73134  
City/Town and Zip Code

405/755-5325  
Area Code and Phone Number

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

on September 23, 2008 at Guthrie-Edmond Regional Airport  
(Date) (Location)

Personnel attending inspection:

name-title-organization	name-title-organization
(See attached sign-in sheet)	

The project was found acceptable with the following exceptions:

(See Punch List notes attached)

Anticipated completion date for above exceptions: October 3, 2008

  
Signature of above named person

Principal Engineer  
Title of above named person

Oklahoma Aeronautics Commission  
Operational Audit  
Appendix - Project Costs (unaudited) and  
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9-23-08

26186

Guthrie/Edmond Regional Airport  
EMSION Repair Project - FINAL INSPECTION

<u>Name</u>	<u>Company</u>
ERIC STANG	Myers Engineering
WES WILLIAMS	W.S. BOWLWARE
PHILL HOLLAND	W.S. BOWLWARE
Melvin Semler	MUSTANG TURF
TERRY JESSOP	GERA
MAXINE KLUITT	City of Guthrie
VIVEK KHANNA	<u>Vivek Khanna</u> O.A.C.
Aaron Bousse	O.A.C.



9-23-08  
26186

Entire/Edmond Regional Airport  
Erosion Repair Project - FINAL INSPECTION  
Punch List

1. North end of Runway, West side
    - dress up riprap channel
    - pickup rocks along slope
    - Place topsoil around NE corner to eliminate drop off.
    - Topsoil north end of Runway to eliminate drop off.
    - Remove metal bar laying across
  2. Pond 2
    - Cut holes in inlet pipes for flow
    - Repair nuts and sod damage
    - sod west end of Dam.
    - Place excess riprap along west side of pond
  3. North west Gate
    - remove sandbags and tires
    - GPK to take plywood.
    - Remove surveying stakes
- 2 Forms (Located in back of grant app.)  
\* Need acceptance form and
4. General
    - Remove trash
    - cleanup entrance from Airport road

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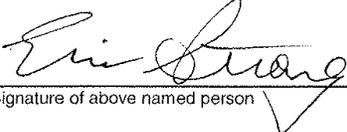
**FINAL ACCEPTANCE NOTICE**

Date: October 24, 2008  
Project Number: GOK-08-S(A)  
Airport: Guthrie-Edmond Regional

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

FROM: Eric Strong, P.E., Myers Engineering  
Project Engineer, Mayor, City Manager  
13911 Quail Pointe Drive  
Address  
Oklahoma City, OK 73134  
City/Town and Zip Code  
405/755-5325  
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 October 24, 2008 at Guthrie-Edmond Regional Airport  
(Date) (Location)

  
\_\_\_\_\_  
Signature of above named person

Principal Engineer  
\_\_\_\_\_  
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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