

**OKLAHOMA  
AERONAUTICS  
COMMISSION**

**CITY OF BARTLESVILLE  
PROJECT NUMBER BVO-06-F  
RUNWAY IMPROVEMENTS  
PHASE IV**

**FOR THE PERIOD  
JUNE 8, 2006 THROUGH  
JUNE 11, 2010**

**OPERATIONAL AUDIT**



Oklahoma State Auditor  
& Inspector

**Audit Report of the  
Oklahoma Aeronautics Commission  
City of Bartlesville - Project Number BVO-06-F  
Runway Improvements - Phase IV**

**For the period  
June 8, 2006 through June 11, 2010**

# 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)

November 22, 2010

## **TO THE OKLAHOMA AERONAUTICS COMMISSION**

Pursuant to your request, this is the audit report for the Oklahoma Aeronautics Commission - City of Bartlesville (state project number BVO-06-F) for the period of June 8, 2006 through June 11, 2010. 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**

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**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:

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

The City of Bartlesville (the Sponsor) applied for assistance from the Commission to conduct runway improvements including grading, drainage, paving for the runway-taxiway extension, installation of lighting and marking. The Commission committed \$46,500 to this \$1,860,000 project. The Sponsor also pledged \$46,500, the difference being federally funded.

**Purpose and Scope**

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

The audit period covered was June 8, 2006 through June 11, 2010.

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 whether expenditures paid to the City of Bartlesville (state project number BVO-06-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 Bartlesville were in accordance with “Exhibit B-1 – Program Narrative” and “Exhibit B-2 – Project Costs” of the airport construction agreement.

**Methodology<sup>1</sup>**

To accomplish our objective, we performed the following:

- Reviewed the airport construction agreement;
- Interviewed members of the airport staff and the project engineer;
- Reviewed the bids submitted by contractors for the project;
- Reviewed all invoices submitted by the contractors to the engineer and Sponsor;
- Reviewed all requests for reimbursement submitted by the Sponsor;

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<sup>1</sup> Internal controls were not considered significant to this objective because 100% of the project related invoices were reviewed.

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- Documented the expenditure process related to the construction project; and
- Observed the completed project.

There were no exceptions as a result of these procedures.

## 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 Bartlesville (state project number BVO-06-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 Orders	Adjusted Budget	Actual	Variance
Advertising	\$ 418.00			\$ 536.06	\$ (118.06)
Engineering	46,150.00			46,150.00	-
Testing	39,000.00			39,000.00	-
Inspection	91,600.00			91,600.00	-
Field Survey	12,625.00			12,625.00	-
DBE Program	7,400.00			7,400.00	-
Update Airport Layout Plan	20,000.00			20,000.00	-
Construction	1,510,468.00	\$ (126,298.41)	\$ 1,384,169.59	1,384,169.59	-
Federal Aviation Administration Reimbursables	132,339.00			26,535.18	105,803.82
Total Eligible Project Cost	<u>\$ 1,860,000.00</u>	<u>\$ (126,298.41)</u>	<u>\$ 1,733,701.59</u>	<u>\$ 1,628,015.83</u>	<u>\$ 105,685.76</u>

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Appendix – Project Costs (unaudited) and  
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Construction Costs	Bid Qty	Per Unit Bid	Bid Price	Actual Quantity	Per Unit Actual	Actual Cost	Variance on Qty	Variance on Cost
<i>Paving Base Bid</i>								
Mobilization and Bonds	1	\$ 50,000.00	\$ 50,000.00	1	\$ 50,000.00	\$ 50,000.00	0.00	\$ -
Construction Staking	1	45,000.00	45,000.00	1	45,000.00	45,000.00	0.00	-
Unclassified Excavation	53,000	0.10	5,300.00	630	0.10	63.00	52,370.00	5,237.00
Embankment	80,000	0.10	8,000.00	21,894	0.10	2,189.40	58,106.00	5,810.60
6" Topsoil Remove and Replace	3,500	5.10	17,850.00	3,825	5.10	19,507.50	-325.00	(1,657.50)
Erosion Control	1	30,000.00	30,000.00	1	30,000.00	30,000.00	0.00	-
Fly Ash	540	50.00	27,000.00	484.33	50.00	24,216.50	55.67	2,783.50
6" Fly Ash Modified Subgrade	17,500	3.50	61,250.00	15,835.76	3.50	55,425.16	1,664.24	5,824.84
5" Econcrete	17,100	20.00	342,000.00	15,548.16	20.00	310,963.20	1,551.84	31,036.80
7" PC Concrete Pavement	17,100	34.00	581,400.00	15,548.16	34.00	528,637.44	1,551.84	52,762.56
Prime Coat	90	4.40	396.00	0	4.40	-	90.00	396.00
Tack Coat	60	4.40	264.00	20.70	4.40	91.08	39.30	172.92
Type "B" Asphalt Pavement	400	88.00	35,200.00	71.06	88.00	6,253.28	328.94	28,946.72
24" CGMP (with concrete headwalls)	116	75.00	8,700.00	116	75.00	8,700.00	0.00	-
18" CGMP (with metal end sections)	20	65.00	1,300.00	20	65.00	1,300.00	0.00	-
Seeding and Watering	19	800.00	15,200.00	19	800.00	15,200.00	0.00	-
Solid Slab Sod and Watering	1,900	3.00	5,700.00	1,900	3.00	5,700.00	0.00	-
Removal of Concrete Pavement	2	35.00	70.00	30.33	35.00	1,061.55	-28.33	(991.55)
Removal of Asphalt Pavement	1,230	4.00	4,920.00	0	4.00	-	1,230.00	4,920.00
Install and Remove Temp. Threshold	1	20,000.00	20,000.00	1	20,000.00	20,000.00	0.00	-
Install, Relocate and Remove Close Crosses	1	20,000.00	20,000.00	1	20,000.00	20,000.00	0.00	-
Remove Existing Marking	27,300	0.60	16,380.00	56,230.65	0.60	33,738.39	-28,930.65	(17,358.39)
Runway and Taxiway Marking w/Beads	79,000	0.40	31,600.00	38,130	0.40	15,252.00	40,870.00	16,348.00
Runway and Taxiway Marking w/o Beads	21,000	0.30	6,300.00	5,016	0.30	1,504.80	15,984.00	4,795.20
6" Gravel Roadway Base	298	\$ 18.00	\$ 5,364.00	414.90	\$ 18.00	\$ 7,468.20	-116.90	\$ (2,104.20)

(continued on next page)



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Construction Costs	Bid Qty	Per Unit Bid	Bid Price	Actual Quantity	Per Unit Actual	Actual Cost	Variance on Qty	Variance on Cost
Geotextile Soil Stabilization	298	\$ 4.00	\$ 1,192.00	414.90	\$ 4.00	\$ 1,659.60	-116.90	\$ (467.60)
Soil Sterilant	323	3.00	969.00	448.23	3.00	1,344.69	-125.23	(375.69)
<b>Electrical Bid</b>								
<i>Alternate B-1</i>								
Remove Lights/Sign/Reils/Reflectors	1	2,500.00	2,500.00	1	2,500.00	2,500.00	0.00	-
Install double 2" PVC Duct w/encasement	60	19.20	1,152.00	60	19.20	1,152.00	0.00	-
Furnish/Install Duct Marker	2	150.00	300.00	2	150.00	300.00	0.00	-
No. 8 Cable, Stranded, 1/C Type C	2,100	0.91	1,911.00	2100	0.91	1,911.00	0.00	-
Trenching & Backfilling	2,000	2.10	4,200.00	2000	2.10	4,200.00	0.00	-
Concrete Foundation for MALS Fixtures	70	300.00	21,000.00	70	300.00	21,000.00	0.00	-
Install FAA Furnished MALS Lights	1	20,800.00	20,800.00	1	20,800.00	20,800.00	0.00	-
Furnish/Install MIRL, Stake Mounted	6	440.00	2,640.00	6	440.00	2,640.00	0.00	-
Furnish/Install Taxiway Reflectors	26	60.00	1,560.00	26	60.00	1,560.00	0.00	-
Furnish/Install MITHL Fixtures	16	650.00	10,400.00	16	650.00	10,400.00	0.00	-
Furnish/Install Splice Box	2	400.00	800.00	2	400.00	800.00	0.00	-
Furnish/Install Single Module Size 1 Sign	2	2,200.00	4,400.00	2	2,200.00	4,400.00	0.00	-
Furnish/Install Double Module Size 1 Sign	1	3,450.00	3,450.00	1	3,450.00	3,450.00	0.00	-
Furnish/Install Base Mounted REIL	1	22,300.00	22,300.00	1	22,300.00	22,300.00	0.00	-
<i>Alternate B-3</i>								
Install FAA Furnished PAPI	1	51,000.00	51,000.00	1	51,000.00	51,000.00	0.00	-
Install 4" Concrete Sidewalk	400	48.00	19,200.00	400	48.00	19,200.00	0.00	-
Install 3/4" Crushed Rock 4" Thick	7	100.00	700.00	7	100.00	700.00	0.00	-
Remove Existing N and S VASI	1	800.00	800.00	1	800.00	800.00	0.00	-
Change Order No. 2 (Power Sources)	0	\$ -	-	1	\$ 9,780.80	9,780.80	-1.00	(9,780.80)
Total Construction Costs			<b>\$ 1,510,468.00</b>			<b>\$ 1,384,169.59</b>		<b>\$ 126,298.41</b>

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Appendix- Project Costs (unaudited) and  
Close Out Documentation

**FINAL INSPECTION REPORT**

Date: 03-12-07 , Project NO: BVO-6-F , Airport: Bartlesville Municipal.

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

FROM: Terry S. Leard, P.E.  
Project Engineer  
Cobb Engineering Company  
4516 N.W. 36th Street  
Address  
Oklahoma City, OK 73122  
405-230-2131  
City/Town and Zip Code  
  
Area Code and Phone Number

Final inspection on the above project was made by Terry S. Leard, P.E.  
(Project Engineer, Mayor, City Manager)

on March 9, 2007 at Bartlesville Municipal Airport  
(Date) (Location)

Personnel attending inspection:

name-title-organization	name-title-organization
Terry Lauritsen, City of BVO	Neil DeVoe, FAA, Tulsa SSC
Phil Bates, Airport Manager	Jim Corzette, Insprctor - Cobb
Dennis Bruelr, Libra Electric	Terry Leard, Engineer - Cobb
Willie Brown, TTK Construction	

The project was found acceptable with the following exceptions: None

Anticipated completion date for above exceptions: Project complete

Terry S. Leard  
Signature of above named person

Director, Airport Planning & Design  
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: March 12, 2007  
Project Number: BVO-6-F  
Airport: Bartlesville Municipal

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

FROM: Terry S. Leard, P.E.  
Project Engineer  
Cobb Engineering Company  
4516 N.W. 36th Street  
Address  
Oklahoma City, Oklahoma 73122  
City/Town and Zip Code  
405-230-2131  
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 Terry Lauritsen, P.E.  
(Project Engineer, Mayor, City Manager)

ON March 9, 2007 At Bartlesville Municipal Airport  
(Date) (Location)

Terry S. Leard Director, Airport Planning & Design  
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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