

**OKLAHOMA
AERONAUTICS
COMMISSION**

**CITY OF GUTHRIE
PROJECT NUMBER
GOK-08-S(B)
TAXI LANE EXTENSIONS**

**FOR THE PERIOD
AUGUST 14, 2008 THROUGH
AUGUST 2, 2010**

OPERATIONAL AUDIT



Oklahoma State Auditor
& Inspector

**Audit Report of the
Oklahoma Aeronautics Commission
City of Guthrie - Project Number GOK-08-S(B)
Taxi Lane Extensions**

**For the period
August 14, 2008 through August 2, 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

December 1, 2010

TO THE OKLAHOMA AERONAUTICS COMMISSION

Pursuant to your request, this is the audit report for the Oklahoma Aeronautics Commission – City of Guthrie (state project number GOK-08-S(B)) for the period of August 14, 2008 through August 2, 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

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 Guthrie (the Sponsor) applied for assistance from the Commission to construct extensions to existing taxi lanes at the west end of taxiway C at the Guthrie-Edmond Regional Airport. The Commission committed \$219,578 to this \$243,975 project. The Sponsor pledged the \$24,397 difference.

Purpose and Scope

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

The audit period covered was August 14, 2008 through August 2, 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 if expenditures paid to the City of Guthrie (state project number GOK-08-S(B)) 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.

Methodology¹

To accomplish our objective, we performed the following:

- Reviewed the airport construction agreement;
- Interviewed the airport manager 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;
- Documented the expenditure process related to the construction project; and
- Observed the completed project.

There were no exceptions noted as a result of these procedures.

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

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 whether expenditures paid to the City of Guthrie (state project number GOK-08-S(B)) 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	Actual	Variance
Engineering	\$ 20,614.00	\$ 20,614.00	\$ -
Testing	2,500.00	4,097.00	(1,597.00)
Inspection	6,635.00	6,635.00	-
Construction Staking	7,500.00	1,500.00	6,000.00
Construction	206,726.00	206,725.50	0.50
Advertising	-	230.58	(230.58)
 Total Eligible Project Cost	 <u>\$ 243,975.00</u>	 <u>\$ 239,802.08</u>	 <u>\$ 4,172.92</u>

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

Construction Costs	Bid Qty	Per Unit Bid	Bid Price	Actual Quantity	Per Unit Actual	Actual Cost	Variance on Qty	Variance on Cost
1 6" Thick Concrete Type P501	1,989.8	\$ 44.36	\$ 88,267.53	1,989.8	\$ 44.36	\$ 88,267.53	0.00	\$ -
2 Embankment	4,000	12.85	51,400.00	4,000	12.85	51,400.00	0.00	-
3 30" CGMP or HDPE	338	39.78	13,445.64	338	39.78	13,445.64	0.00	-
4 Sodding	4,948	3.61	17,862.28	4,948	3.61	17,862.28	0.00	-
5 Marking	955	2.45	2,339.75	955	2.45	2,339.75	0.00	-
6 Flyash Subgrade Modification	2,112.8	9.18	19,395.50	2,112.8	9.18	19,395.50	0.00	-
7 Erosion Control	1	3,304.80	3,304.80	1	3,304.80	3,304.80	0.00	-
8 Manholes	2	2,692.80	5,385.60	2	2,692.80	5,385.60	0.00	-
9 Slope End Section	1	\$ 5,324.40	5,324.40	1	\$ 5,324.40	5,324.40	0.00	-
Total Construction Costs			\$ 206,725.50			\$ 206,725.50		\$ -

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

FINAL INSPECTION REPORT

Date: 9/23/08, Project No: GOK-08-S(b), 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 / Myers Engineering, Consulting Engineers, Inc.
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 Eric Strong
(Project Engineer, Mayor, City Manager)
on September 23, 2008 at Guthrie-Edmond Regional Airport
(Date) (Location)

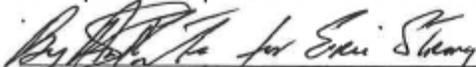
Personnel attending inspection:

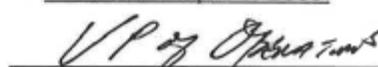
name-title-organization	name-title-organization
Eric Strong, P.E.	Myers Engineering
Vivek Khanna	Oklahoma Aeronautics Commission
Aaron Bouse	Oklahoma Aeronautics Commission
Maxine Pruitt	City of Guthrie
Wade Inman	CP3 Enterprises, Inc.
Mike Peters	CP3 Enterprises, Inc.

The project was found acceptable with the following exceptions:

Sod needs to be installed in the Spring.

Anticipated completion date for above exceptions: March or April of 2009.


Signature of above named person


Title of above named person

Note: Through discussion with engineer Jesse Patchett (who has taken over for Eric Strong at Myers Engineering) and Commission airport engineer Vivek Khanna, we determined that the inspection date on this form is in error. The actual date of final inspection, confirmed by Mr. Khanna's records, was February 4, 2009.

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

FINAL ACCEPTANCE NOTICE

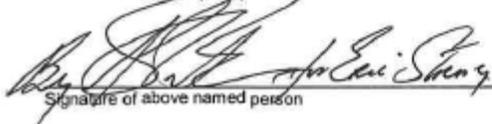
Date: September 1, 2009
Project Number: GOK-08-S(b)
Airport: Guthrie-Edmond Regional Airport

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

FROM: Eric Strong / Myers Engineering, Consulting Engineers, Inc.
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 Eric Strong
(Project Engineer, Mayor, City Manager)

on September 1, 2009 at not applicable
(Date) (Location)


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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