Operational Audit

Oklahoma Aeronautics Commission
City of Claremore
Project Number GCM-11-F
Obstruction Removal

For the period September 8, 2011 through October 26, 2012

Independently serving the citizens of Oklahoma by promoting the accountability and fiscal integrity of governmental funds.

Oklahoma State Auditor & Inspector
Gary A. Jones, CPA, CFE
Audit Report of the
Oklahoma Aeronautics Commission
City of Claremore - Project Number GCM-11-F
Obstruction Removal

For the period
September 8, 2011 through October 26, 2012
June 11, 2013

TO THE OKLAHOMA AERONAUTICS COMMISSION

At management’s request, we have conducted an audit of the Oklahoma Aeronautics Commission (OAC) – City of Claremore (state project number GCM-11-F) for the period September 8, 2011 through October 26, 2012. The objective of the audit was to determine whether expenditures paid to the City of Claremore for state project GCM-11-F were in accordance with Exhibit B-1 – Program Narrative and Exhibit B-2 – Project Costs of the airport construction agreement.

According to Exhibits B-1 and B-2, the project was to remove an obstruction within the runway safety area at the Claremore Regional Airport. The project was budgeted at $513,000. The OAC committed $12,795 to the project while the City of Claremore pledged $13,995 and the Federal Aviation Administration (FAA) pledged $486,210.

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.

Our audit procedures included inquiries of appropriate OAC personnel, the project engineer and the airport manager; inspection of all invoices and supporting documentation related to project reimbursements; and a physical inspection of the completed project conducted on April 30, 2013. These procedures indicated that costs paid to the City of Claremore by the OAC appeared to be in accordance with the Program Narrative and the Project Costs.

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.

Sincerely,

GARY A. JONES, CPA, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR
APPENDIX
The following information has been presented at the request of management. Therefore, we did not verify the data presented in the following schedules.

<table>
<thead>
<tr>
<th>Category</th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>$431,904.56</td>
<td>$431,904.56</td>
<td>$-</td>
</tr>
<tr>
<td>Advertising/Administration</td>
<td>425.44</td>
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<td>425.44</td>
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<tr>
<td>Testing</td>
<td>20,000.00</td>
<td>4,669.00</td>
<td>15,331.00</td>
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<tr>
<td>Inspection</td>
<td>50,390.00</td>
<td>64,862.44</td>
<td>(14,472.44)</td>
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<tr>
<td>Bidding</td>
<td>5,830.00</td>
<td>5,830.00</td>
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<tr>
<td>Grant Admin. and Closeout</td>
<td>4,450.00</td>
<td>4,450.00</td>
<td>-</td>
</tr>
<tr>
<td>Project Cost</td>
<td>$513,000.00</td>
<td>$511,716.00</td>
<td>$1,284.00</td>
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</tbody>
</table>

Eligible for FAA & OCA Reimbursement $511,800.00

<table>
<thead>
<tr>
<th>Grant Amount</th>
<th>Actual</th>
<th>Variance</th>
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</thead>
<tbody>
<tr>
<td>City Share 2.48%</td>
<td>$13,995.00</td>
<td>$12,711.00</td>
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<tr>
<td>OAC Share 2.50%</td>
<td>12,795.00</td>
<td>12,795.00</td>
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<tr>
<td>FAA Share 95.02%</td>
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<td></td>
<td>$513,000.00</td>
<td>$511,716.00</td>
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<tr>
<td>Item No.</td>
<td>Description</td>
<td>Bid Unit</td>
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<tr>
<td>-----------</td>
<td>--------------------------------------------------</td>
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</tr>
<tr>
<td>SC-04-2</td>
<td>THIRD PARTY INSURANCE</td>
<td>L.S.</td>
</tr>
<tr>
<td>SS-120-3.1</td>
<td>SITE PREPARATION</td>
<td>L.S.</td>
</tr>
<tr>
<td>SS-1-5.1</td>
<td>LAID-UP RIPRAP</td>
<td>S.Y.</td>
</tr>
<tr>
<td>P-151-4.1</td>
<td>CLEARING AND GRUBBING</td>
<td>L.S.</td>
</tr>
<tr>
<td>P-152-4.1</td>
<td>UNCLASSIFIED EXCAVATION</td>
<td>C.Y.</td>
</tr>
<tr>
<td>P-156-4.1</td>
<td>TEMPORARY SILATION BARRIER</td>
<td>L.F.</td>
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<tr>
<td>P-156-4.2</td>
<td>TEMPORARY BALE BARRIERS</td>
<td>L.F.</td>
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<tr>
<td>D-701-5.1</td>
<td>24&quot; CLASS III REINFORCED CONCRETE PIPE</td>
<td>L.F.</td>
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<tr>
<td>D-701-5.2</td>
<td>24&quot; REINFORCED CONCRETE PIPE FLARED END SECTION</td>
<td>EA.</td>
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<tr>
<td>D-751-5.1</td>
<td>MANHOLE</td>
<td>EA.</td>
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<tr>
<td>D-751-5.2</td>
<td>INLET</td>
<td>EA.</td>
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<td>T-901-5.1</td>
<td>SEEDING</td>
<td>ACRE</td>
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<tr>
<td>T-905-5.1</td>
<td>TOP SOILING</td>
<td>C.Y.</td>
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<tr>
<td>Add Alternate No.1</td>
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<td></td>
</tr>
<tr>
<td>P-151-4.1</td>
<td>CLEARING AND GRUBBING</td>
<td>L.S.</td>
</tr>
</tbody>
</table>

$431,904.56 $431,904.56 $
NOTICE OF FINAL INSPECTION

Date: March 1, 2012
Project Number: GCM-11-f
Airport: Claremore Regional Airport

TO: Oklahoma Aeronautics Commission
3800 North Classen, Suite 240
Oklahoma City, Oklahoma 73118
(405) 804-6600 – phone
(405) 804-6919 – fax

FROM: Jeremy Statie – Garver
Project Engineer
10015 E. 51st Street
Address
Tulsa, OK 74146
City/Town and Zip Code
918-250-5922
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 am on March 6, 2012 at Terminal Building on-site.

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]
Project Manager
Title of above named person
**FINAL INSPECTION REPORT**

**Date:** March 6, 2012  
**Project No:** GCM-11-f  
**Airport:** Claremore Regional Airport

**TO:**  
Oklahoma Aeronautics Commission  
120 N. Robinson, Suite 1244 W  
Oklahoma City OK 73102  
(405) 604-6805 - phone  
(405) 604-6819 - fax

**FROM:**  
Jeremy Stahle – Project Engineer  
Garver, LLC  
10015 E. 51 St Street  
Tulsa, OK 74146  
City/Town and Zip Code: 918-250-5922

Final inspection on the above project was made by Jeremy Stahle – Project Engineer  
(Project Engineer, Wynn, City Manager) on March 6, 2012  
(Location) at Claremore Regional Airport

Personnel attending inspection:

<table>
<thead>
<tr>
<th>name-title-organization</th>
<th>name-title-organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner: Cary Jaster, CRC Partnership</td>
<td></td>
</tr>
<tr>
<td>Airport: Eric Winn, Airport Manager</td>
<td></td>
</tr>
<tr>
<td>D-Kems Const: Eddie Pulley, Superintendent</td>
<td></td>
</tr>
<tr>
<td>Garver: Jeremy Stahle, Project Manager</td>
<td></td>
</tr>
<tr>
<td>Garver: Greg Kinsey, Construction Observer</td>
<td></td>
</tr>
</tbody>
</table>

The project was found acceptable with the following exceptions:

1. Re-grade construction access road
2. Seed the construction staging area
3. Pick up rock that are 4" dia. or larger that are above the surface in cut/fill areas

4. Construct the perimeter concrete pad for the area inlet
5. Continue broadcasting the fertilizer and seeding with Ryegrass as planned
6. In mid-May, broadcast the Bermuda as planned

Anticipated completion date for above exceptions: mid to late May 2012

[Signature]

Title of above named person
FINAL ACCEPTANCE NOTICE

Date: May 23, 2012
Project Number: GCM-11-f
Airport: Claremore Regional Airport

TO: Oklahoma Aeronautics Commission
120 N. Robinson, Suite 1244 W
Oklahoma City OK 73102
(405) 984-6900 – phone
(405) 694-6919 – fax

FROM: Jeremy Stahle - Project Manager
Project Engineer, Mayor, City Manager

10015 E. 51st Street
Address

Tulsa, OK 74146
City/Town and Zip Code

918-260-5922
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 Jeremy Stahle
(Project Engineer, Mayor, City Manager)
on May 23, 2012 at Claremore Regional Airport
(Date) (Location)

Signature of above named person

NOTE: If no exceptions are found at the Final Inspecton, submit this form at the
same time the Final Inspection is completed, showing acceptance of the
Project.

Project Manager
Title of above named person

END