

OPERATIONAL AUDIT

OKLAHOMA AERONAUTICS COMMISSION CITY OF KINGFISHER – PROJECT NUMBER F92-12-S CONSTRUCTION OF ASPHALT RUNWAY

For the period September 8, 2011 through October 29, 2013



*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 Kingfisher - Project Number F92-12-S
Construction of Asphalt Runway**

**For the Period
September 8, 2011 through October 29, 2013**



Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

November 21, 2013

TO THE OKLAHOMA AERONAUTICS COMMISSION

At management's request, we have conducted an audit of the Oklahoma Aeronautics Commission (Commission) – City of Kingfisher (state project number F92-12-S) for the period September 8, 2011 through October 29, 2013. The objective of the audit was to determine whether expenditures paid to the City of Kingfisher were in accordance with *Exhibit B-1 – Program Narrative* and *Exhibit B-2 – Project Costs* of the airport construction agreement.

According to Exhibit B-1 and Exhibit B-2, the project was to replace a turf runway with an asphalt runway. The project was budgeted at \$927,376. The Commission's share of the budget was \$400,000 and the City of Kingfisher's share was \$527,376.

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 objective.

Our audit procedures included inquiries of appropriate Commission personnel, the project engineer, the Kingfisher City Manager, Kingfisher Accounts Payable, 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 November 7, 2013. **These procedures indicated that costs paid to the City of Kingfisher by the Commission 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,

A handwritten signature in blue ink, appearing to read "Gary A. Jones".

GARY A. JONES, CPA, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

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. Therefore, we did not verify the data presented in the following schedules.

Category	Budget	Change Order	Adjusted Budget	Actual	Variance
Construction	\$ 927,376.00	\$ 193,232.65	\$ 1,120,608.65	\$ 1,115,559.33	\$ 5,049.32
Project Cost	<u>\$ 927,376.00</u>			<u>\$ 1,115,559.33</u>	<u>\$ 5,049.32</u>

	Budget Amount	Budget Amount Including Change Orders	Actual	Variance
City's Share (64.14%)	\$ 527,376.00	\$ 720,608.65	\$ 715,559.33	\$ 5,049.32
Commission's Share (35.86%)	<u>400,000.00</u>	<u>400,000.00</u>	<u>400,000.00</u>	<u>-</u>
	<u>\$ 927,376.00</u>	<u>\$ 1,120,608.65</u>	<u>\$ 1,115,559.33</u>	<u>\$ 5,049.32</u>

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

Line NO.	Description	Bid Unit	Bid Quantity	Unit Price Bid	Bid Amount	Actual Quantity	Actual Cost	Quantity Variance	Cost Variance
1	Mobilization	L.S.	1.00	\$ 5,000.00	\$ 5,000.00	1.00	\$ 5,000.00	0.00	\$ -
2	Low-Profile Flag and Flasher Barricades	L.S.	1.00	800.00	800.00	0.00	-	1.00	800.00
3	Closed Runway Crosses	L.S.	1.00	1,400.00	1,400.00	1.00	1,400.00	0.00	-
4	Construction Staking	L.S.	1.00	15,000.00	15,000.00	1.00	15,000.00	0.00	-
5	Erosion Control	L.S.	1.00	11,642.00	11,642.00	1.00	11,642.00	0.00	-
6	Remove and Replace Topsoil	L.S.	1.00	60,792.00	60,792.00	1.00	60,792.00	0.00	-
7	Clearing and Grubbing	A.C.	1.25	8,000.00	10,000.00	0.00	-	1.25	10,000.00
8	Unclassified Excavation	L.S.	1.00	65,829.00	65,829.00	1.00	65,829.00	0.00	-
9	22 1/2 x 36 1/4 RCPA with PCES	L.F.	200.00	139.25	27,850.00	200.00	27,850.00	0.00	-
10	Triaxial Geogrid	S.Y.	21,650.00	4.64	100,456.00	0.00	-	21650.00	100,456.00
11	Crushed Aggregate	S.Y.	21,650.00	13.00	281,450.00	0.00	-	21650.00	281,450.00
12	Prime Coat	Gal	10,830.00	3.56	38,554.80	0.00	-	10830.00	38,554.80
13	3" Asphalt Surface Course	T.N.	3,520.00	78.90	277,728.00	0.00	-	3520.00	277,728.00
14	Reflective Marking	S.F.	4,800.00	1.13	5,424.00	4055.00	4,582.15	745.00	841.85
15	Solid Slab Sodding & Watering Until Established	S.Y.	6,780.00	2.50	16,950.00	6780.00	16,950.00	0.00	-
16	Sprigging	Acre	7.00	1,200.00	8,400.00	7.00	8,400.00	0.00	-
17	Third Party Insurance	L.S.	1.00	\$ 100.00	100.00	1.00	100.00	0.00	-
Total for Base Bid A					\$ 927,375.80		\$ 217,545.15		\$ 709,830.65

Line NO.	Description	Bid Unit	Change Order Bid Quantity	Change Order Unit Price Bid	Change Order Bid Amount	Actual Quantity	Actual Cost	Quantity Variance	Cost Variance
Change Order #1									
10	Triaxial Geogrid	S.Y.	-21,650.00	\$ 4.64	\$ (100,456.00)	0.00	-	0.00	\$ (100,456.00)
11	Crushed Aggregate	S.Y.	-21,650.00	13.00	(281,450.00)	0.00	-	0.00	(281,450.00)
12	Prime Coat	Gal	-10,830.00	3.56	(38,554.80)	0.00	-	0.00	(38,554.80)
13	3" Asphalt Surface Course	T.N.	-3,520.00	78.90	(277,728.00)	0.00	-	0.00	(277,728.00)
CO1-1	6" Fly Ash Treated Sub-Grade	S.Y.	20,790.00	2.60	54,054.00	20,849.82	54,209.45	-59.82	(155.45)
CO1-2	Fly Ash	Ton	700.00	56.00	39,200.00	700.00	39,200.00	0.00	-
CO1-3	Additional Unclassified Excavation	L.S.	1.00	6,353.00	6,353.00	1.00	6,353.00	0.00	-
CO1-4	6" P.C. Concrete	S.Y.	20,165.00	31.51	635,399.15	20,179.71	635,862.66	-14.71	(463.51)
CO1-5	Non-Reflective Marketing	S.F.	2,400.00	\$ 1.10	2,640.00	1,198.00	1,317.80	1202.00	1,322.20
					\$ 39,457.35		\$ 736,942.91		\$ (697,485.56)
Change Order #2									
2	Low-Profile Flag and Flasher Barricades	L.S.			\$ 920.00		\$ -		\$ 920.00
3	Closed Runway Crosses	L.S.			1,610.00		1,610.00		-
4	Construction Staking	L.S.			5,437.50		5,437.50		-
5	Erosion Control	L.S.			4,492.30		4,492.30		-
6	Remove and Replace Topsoil	L.S.			14,559.40		14,559.40		-
7	Clearing and Grubbing	A.C.			(10,000.00)		-		(10,000.00)
8	Unclassified Excavation	L.S.			34,084.35		34,084.35		-
14	Reflective Marking	S.F.			816.00		689.35		126.65
15	Solid Slab Sodding & Watering Until Established	S.Y.			2,576.40		2,576.40		-
16	Sprigging	Acre			1,260.00		1,260.00		-
CO1-2	Fly Ash	Ton			14,896.00		13,188.75		1,707.25
CO1-4	6" P.C. Concrete	S.Y.			68,359.35		68,409.22		(49.87)
CO2-1	Re-Mobilization	L.F.			5,000.00		5,000.00		-
CO2-2	Strip Vegetation from Original Subgrade	L.F.			8,589.00		8,589.00		-
CO2-3	Clean out Existing Storm Sewer Pipe	Ea			1,175.00		1,175.00		-
					\$ 153,775.30 ²		\$ 161,071.27		\$ (7,295.97)
Total					\$ 1,120,608.45 ¹		\$ 1,115,559.33		\$ 5,049.12 ¹

1 There is a .20 rounding variance between this total and the "adjusted budget" total on page A-1.

2 Due to a time delay in construction caused by a lawsuit against the City, Change Order 2 prices were applied retroactively to the beginning of the project.

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

NOTICE OF FINAL INSPECTION

Date: 6-13-13
Project Number: F92-12-S
Airport: Kingfisher Municipal Airport (F92)

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

FROM: Toby J. Baker, P.E.
Project Engineer

4516 NW 36th Street
Address

Oklahoma City, OK 73122
City/Town and Zip Code

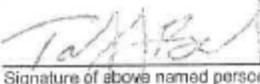
405-415-9400
Area Code and Phone Number

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 10:00am.
(Time)

on 6-17-13 at Kingfisher Municipal 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.



Signature of above named person

Engineering Manager

Title of above named person

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



COBB ENGINEERING
COMPANY EST. 1921

June 24, 2013

Honorable Mayor and City Council
City of Kingfisher
301 North Main
Kingfisher, Oklahoma 73750

RE: Recommendation of Project Acceptance
Construct and Light Runway 18-36, F92-12-S
Kingfisher Municipal Airport

Honorable Mayor and City Council:

The final inspection for referenced project was held on Tuesday, June 13, 2013. The following parties were in attendance:

Dave Slezcicky, City of Kingfisher
Richard Reynolds, Kingfisher Citizen
Vivek Khanna, Oklahoma Aeronautics Commission
Niranjan Desai, Oklahoma Aeronautics Commission
Mike Mecklenburg, TMC Construction Company, Inc.
Toby Baker, Cobb Engineering Company

The project was found to be complete in accordance with the plans and specifications, and we recommend that it be accepted.

We greatly appreciate the opportunity of serving you on this important development for your airport.

Respectfully submitted,

COBB ENGINEERING COMPANY

Toby J. Baker, P.E.
Engineering Manager
Airport Planning and Design

RECEIVED

JUN 25 2013



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

FINAL INSPECTION REPORT

Date: 6-24-13, Project No: F92-12-S, Airport: Kingfisher Municipal Airport (F92)

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

FROM: Toby J. Baker, P.E.
Project Engineer
4516 NW 36th Street
Address
Oklahoma City, OK 73122
City/Town and Zip Code
405-415-9400
Area Code and Phone Number

Final inspection on the above project was made by Toby J. Baker, P.E.
(Project Engineer)

on June 13, 2013 at Kingfisher Municipal Airport (F92)

Personnel attending inspection:

name-title-organization	name-title-organization
Dave Slezickey, City Manager, City of Kingfisher	Mike Mecklenburg, Owner of TMC Construction Company, Inc.
Richard Reynolds, Former City Manager, City of Kingfisher	Toby Baker, Project Engineer, Cobb Engineering Company
Vivek Khanna, Engineering Division Manager, Oklahoma Aeronautics Commission	
Niranjan Desai, Airport Engineer, Oklahoma Aeronautics Commission	

The project was found acceptable with the following exceptions: No discrepancies were noted at the final inspection.

Anticipated completion date for above exceptions: N/A



Signature of above named person

PROJECT ENGINEER

Title of above named person

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

FINAL ACCEPTANCE NOTICE

Date: 6-24-13
Project Number: F92-12-S
Airport: Kingfisher Municipal Airport (F92)

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

FROM: Toby J. Baker, P.E.
Project Engineer
4516 NW 36th Street
Address
Oklahoma City, OK 73122
City/Town and Zip Code
405-415-9400
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 Toby J. Baker, P.E.
(Project Engineer)
on 6-13-13 at Kingfisher Municipal Airport
(Date) (Location)

 Engineering Manager
Toby J. Baker, P.E. 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 & INSPECTOR
2300 N. LINCOLN BOULEVARD, ROOM 100
OKLAHOMA CITY, OK 73105-4896

WWW.SAI.OK.GOV