

OPERATIONAL AUDIT

OKLAHOMA AERONAUTICS COMMISSION CITY OF MUSKOGEE, DAVIS FIELD AIRPORT PROJECT NUMBER MKO-13-S NEW TERMINAL BUILDING CONSTRUCTION

For the Period May 10, 2012 through May 21, 2013



Oklahoma State
Auditor & Inspector
Gary A. Jones, CPA, CFE

**Audit Report of the
Oklahoma Aeronautics Commission
City of Muskogee, Davis Field Airport
Project Number MKO-13-S
New Terminal Building Construction**

**For the period
May 10, 2012 through May 21, 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

June 18, 2013

TO THE OKLAHOMA AERONAUTICS COMMISSION

At management's request, we have conducted an audit of the Oklahoma Aeronautics Commission (Commission) – City of Muskogee (state project number MKO-13-S) for the period May 10, 2012 through May 21, 2013. The objective of the audit was to determine whether expenditures paid to the City of Muskogee were in accordance with *Exhibit B-2 – Project Costs* of the airport construction agreement.

According to Exhibit B-2, the project was to construct a new airport terminal building. The project was budgeted at \$1,135,850. The Commission's share of the budget was \$500,000 and the City of Muskogee's share was \$635,850.

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 architect, the Muskogee Director of Public Works, 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 June 13, 2013. **These procedures indicated that costs paid to the City of Muskogee by the Commission appeared to be in accordance with 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
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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 ¹ | \$ 983,000.00 | \$ (2,136.00) | \$ 980,864.00 | \$ 980,864.00 | \$ - |
| Architect | 54,000.00 | | 54,000.00 | 56,875.00 | (2,875.00) |
| Advertising | 350.00 | | 350.00 | 247.60 | 102.40 |
| Engineering | 17,000.00 | | 17,000.00 | 17,000.00 | 0.00 |
| Testing | 6,000.00 | | 6,000.00 | 2,200.00 | 3,800.00 |
| Inspection ² | 6,000.00 | | 6,000.00 | 0.00 | 6,000.00 |
| Update Airport Layout Plan ³ | 500.00 | | 500.00 | 0.00 | 500.00 |
| Project Cost | \$ 1,066,850.00 | \$ (2,136.00) | \$ 1,064,714.00 | \$ 1,057,186.60 | \$ 7,527.40 |

| | Budget Amount | Budget Amount Including Change Orders | Actual | Variance |
|----------------------------|------------------------|---------------------------------------|------------------------|--------------------|
| City's Share - 52.7% | \$ 566,850.00 | \$ 564,714.00 | \$ 557,186.60 | \$ 9,663.40 |
| Commission's Share - 47.3% | 500,000.00 | 500,000.00 | 500,000.00 | 0.00 |
| | \$ 1,066,850.00 | \$ 1,064,714.00 | \$ 1,057,186.60 | \$ 7,527.40 |

1. Construction Costs only reflect the two bids executed by Muskogee, the Base bid for \$995,000 and Alternate 4 Bid for (\$12,000)
2. Inspections were conducted with internal resources, hence no billable costs
3. As per Airport manager, the update will be completed as part of a different project that is currently in progress

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Construction Costs

| Item NO. | Description | Total Price Bid | Actual Cost | Cost Variance |
|--------------|--------------------------------------------|----------------------|----------------------|--------------------|
| 1 | Bonds & Insurance | \$ 15,174.00 | \$ 15,174.00 | \$ - |
| 2 | Sitework | 57,288.00 | 57,288.00 | - |
| 3 | Ornamental & Chainlink Fencing | 8,677.00 | 8,677.00 | - |
| 4 | Concrete | 73,528.00 | 73,528.00 | - |
| 5 | Masonry | 33,195.00 | 33,195.00 | - |
| 6 | Structural Steel & Metals | 143,634.00 | 143,634.00 | - |
| 7 | Rough Carpentry | 2,240.00 | 2,240.00 | - |
| 8 | Finish Carpentry & Millwork | 20,324.00 | 20,324.00 | - |
| 9 | Roofing & Metal Wall Panels | 133,143.00 | 133,143.00 | - |
| 10 | Joint Sealants & Fluid Applied Membrane | 21,056.00 | 21,056.00 | - |
| 11 | Aluminum Framing, Glazing, & Hardware | 56,682.00 | 56,682.00 | - |
| 12 | Wood & HM Doors, Frames & Hardware | 15,612.00 | 15,612.00 | - |
| 13 | Light Ga. Metal Framing, Ceilings, Drywall | 86,240.00 | 86,240.00 | - |
| 14 | Flooring & Concrete Staining | 29,002.00 | 29,002.00 | - |
| 15 | Painting | 10,192.00 | 10,192.00 | - |
| 16 | Division 10 Specialties | 7,318.00 | 7,318.00 | - |
| 17 | Signage | 7,699.00 | 7,699.00 | - |
| 18 | Roller Shades | 3,416.00 | 3,416.00 | - |
| 19 | Plumbing | 67,340.00 | 67,340.00 | - |
| 20 | Mechanical | 77,000.00 | 77,000.00 | - |
| 21 | Electrical & Fire Alarm | 114,240.00 | 114,240.00 | - |
| 22 | Change Order #01 - OFRD Credit | | (2,136.00) | 2,136.00 |
| Total | | \$ 983,000.00 | \$ 980,864.00 | \$ 2,136.00 |

Oklahoma Aeronautics Commission
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Appendix- Project Costs (unaudited) and
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NOTICE OF FINAL INSPECTION

Date: 04/11/2013
Project Number: MKO-12-S
Airport: Davis Field Airport

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

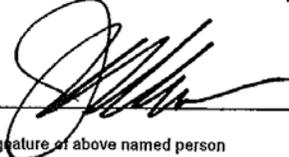
FROM: Bob Coburn, Mayor City of Muskogee
Project Engineer, Mayor, City Manager
P.O. Box 1927
Address
Muskogee, Oklahoma 74401-1927
City/Town and Zip Code
918-684-6201
Area Code and Phone Number

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 a.m.
(Time)

on April 11, 2013 at Davis Field 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

Mayor, City of Muskogee

Title of above named person

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

FINAL INSPECTION REPORT

Date 04/11/2013 Project No: MKO-12-S , Airport: Davis Field Airport .

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

FROM: Bob Coburn, Mayor, City of Muskogee
Project Engineer, Mayor, City Manager

P.O Box 1927
Address

Muskogee, Oklahoma 74402-1927
City/Town and Zip Code

918-684-6201
Area Code and Phone Number

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

on April 11, 2013 at 1201 Sabre Street
(Date) (Location)

Personnel attending inspection: See Attachment

| name-title-organization | name-title-organization |
|-------------------------|-------------------------|
| | |
| | |
| | |
| | |

The project was found acceptable with the following exceptions: See Attachment

Anticipated completion date for above exceptions: April 26, 2013



Signature of above named person

Mayor, City of Muskogee

Title of above named person

Oklahoma Aeronautics Commission
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Davis Field Airport_New Terminal Building
OAC Inspection_ 04/11 /2013

The following list is the result of an inspection of the project by Mass Architects, Inc., City of Muskogee, and Williams Contracting Inc. conducted Thursday, March 11th, 2013. Exclusion of any and all items mentioned herein does not alleviate the Contractor from those requirements set forth in the Contract Documents.

Mike Stewart has requested that a walk-through of the facility be performed within 6 months of the date of this inspection.

Attendees:

| | |
|-----------------|----------------------------|
| Mayor Cobum | City of Muskogee |
| Garry Lynn | City of Muskogee |
| Michael Stewart | City of Muskogee |
| Shane Murray | Mass Architects, Inc. |
| Duane Mass | Mass Architects, Inc. |
| Travis Williams | William's Contracting Inc. |

The following list contains items noted at the inspection that need additional attention.

Control joint at NW of vestibule corner is showing some signs of salt from moisture. This item is to be monitored and re-evaluated at the six month walk-through.

Caulk ends of roof ribs with sealant.

Install sno-gems.

Build up cricket at unit west of roof hatch to provide proper drainage behind RTU.

Remove cedar blocks from under condensate lines and install mirror blocks in accordance with the contract documents.

Adjust door at pilot lounge.

End of Architect's inspection list.



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FINAL ACCEPTANCE NOTICE

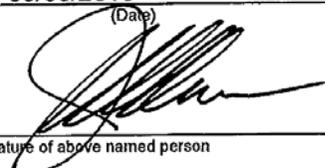
Date: May 3, 2012
Project Number: Mko-12-S
Airport: Davis Field Airport

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

FROM: Bob Coburn, Mayor City of Muskogee
Project Engineer, Mayor, City Manager
P.O. Box 1927
Address
Muskogee, Oklahoma 74401-1927
City/Town and Zip Code
918-684-6201
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 Bob Coburn Mayor
(Project Engineer, Mayor, City Manager)

on 05/03/2013 at 1201 Sabre Street
(Date) (Location)



Signature of above named person

Mayor City of Muskogee

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

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