

**OKLAHOMA AERONAUTICS
COMMISSION**

**CITY OF
TAHLEQUAH, OKLAHOMA**

**ACCOUNTANT'S REPORT
WITH RESPECT TO
MANAGEMENT'S ASSERTION**

**JUNE 8, 2006 THROUGH
MARCH 27, 2008**

EXAMINATION ENGAGEMENT



Jeff A. McMahan

**Oklahoma State Auditor
& Inspector**

**Oklahoma Aeronautics Commission
City of Tahlequah, Oklahoma**

**Accountant's Report with Respect to
Management's Assertion**

**State Project Number: TQH-06-F
Project Period- June 8, 2006 through March 27, 2008**

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STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

Jeff A. McMahan
State Auditor and Inspector

Independent Accountant's Report

Oklahoma Aeronautics Commission
Oklahoma City, Oklahoma

We have examined management's assertion that the City of Tahlequah, Oklahoma (the City) expended funds solely for the purpose(s) described in the airport construction grant agreement, Project Number TQH-06-F between the Oklahoma Aeronautics Commission (OAC) and the City. Management of the City is responsible for the assertion. Our responsibility is to express an opinion on the assertion based on our examination.

Our examination was conducted in accordance with standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence supporting management's assertion and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, management's assertion referred to above is fairly stated, in all material respects, based on the purposes described in OAC Project Number TQH-06-F.

The Listing of Cash Basis Disbursements and Detail Schedule of Construction and Project Improvement Cost have been included for the information and use by OAC management. These two items were not audited or reviewed by us and, accordingly, we do not express an opinion or any other form of assurance on them.

This report is intended solely for the information and use of management of the OAC and should not be used for any other purpose. This report is also 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.

Michelle R. Day

Michelle R. Day, Esq.
Deputy State Auditor and Inspector

May 6, 2008

City of Tahlequah, Oklahoma
Listing of Cash Basis Disbursements
State Project Number: TQH-06-F
Project Period – June 8, 2006 through March 27, 2008
Unaudited

Disbursements

Advertising	\$ 385
Engineering/Inspection	186,400
Testing	16,729
Update Airport Plan	16,000
Construction	<u>1,762,286</u>
Total Disbursements	<u><u>\$1,981,800</u></u>

	Budget	Actual
Federal Portion - 95%	\$1,928,500	\$1,882,710
State Portion - 2.5%	50,750	49,545
Local Portion - 2.5%	<u>50,750</u>	<u>49,545</u>
	<u><u>\$2,030,000</u></u>	<u><u>\$1,981,800</u></u>

See independent accountant's report

City of Tahlequah, Oklahoma
Listing of Cash Basis Disbursements
State Project Number: TQH-06-F
Project Period – June 8, 2006 through March 27, 2008
Unaudited

<u>Construction Costs</u>	Bid Quantity	Per Unit Bid	Bid Price	Actual Quantity	Per Unit Actual	Actual Cost	Variance on Quantity	Variance on Cost
<u>Base Bid</u>								
Crack Filling	20,000	\$ 1.50	\$ 30,000.00	23,460.00	\$ 1.50	\$ 35,190.00	(3,460.00)	\$ (5,190.00)
Milling	700	5.00	3,500.00	700.00	5.00	3,500.00	-	-
Clearing and Grubbing	1	70,000.00	70,000.00	1.11	70,000.00	77,490.00	(0.11)	(7,490.00)
Unclassified Excavation	60,000	2.25	135,000.00	65,466.00	2.25	147,298.50	(5,466.00)	(12,298.50)
Embankment	60,500	0.50	30,250.00	65,967.00	0.50	32,983.50	(5,467.00)	(2,733.50)
Pavement Removal	275	4.00	1,100.00	1,529.20	4.00	6,116.80	(1,254.20)	(5,016.80)
Cement Base Course	15,500	5.25	81,375.00	16,583.60	5.25	87,063.90	(1,083.60)	(5,688.90)
4" Bituminous Surface Course	3,700	74.00	273,800.00	4,562.22	74.00	337,604.28	(862.22)	(63,804.28)
Bituminous Leveling Course	2,500	71.50	178,750.00	1,332.35	71.50	95,263.03	1,167.65	83,486.98
Bituminous Prime Coat	3,100	5.25	16,275.00	3,731.00	5.25	19,587.75	(631.00)	(3,312.75)
Runway and Taxiway Painting	25,000	2.00	50,000.00	26,922.00	2.00	53,844.00	(1,922.00)	(3,844.00)
72" CMP	404	88.00	35,552.00	404.00	88.00	35,552.00	-	-
Concrete Slopewalls for 72" CMP	4	3,500.00	14,000.00	4.00	3,500.00	14,000.00	-	-
Sprigging	21	1,100.00	23,100.00	98.41	1,100.00	108,254.30	(77.41)	(85,154.30)
Sodding	43,000	1.50	64,500.00	9,255.60	1.50	13,883.40	33,744.40	50,616.60
L-824 Underground Cable	4,500	2.80	12,600.00	6,340.00	2.80	17,752.00	(1,840.00)	(5,152.00)
Underground Cable1/C #8 AWG Counterpoise	3,300	0.75	2,475.00	-	0.75	-	3,300.00	2,475.00
Ground Rod	4	35.50	142.00	-	35.50	-	4.00	142.00
Two Way 2" PVC Duct	55	28.40	1,562.00	55.00	28.40	1,562.00	-	-
L-867 Splice Can	5	660.00	3,300.00	4.00	660.00	2,640.00	1.00	660.00
Furnish and Install Runway Edge Lights	11	300.00	3,300.00	10.00	300.00	3,000.00	1.00	300.00
Furnish and Install Taxiway Edge Lights	4	300.00	1,200.00	4.00	300.00	1,200.00	-	-
Furnish and Install Runway Threshold Lights	8	310.00	2,480.00	8.00	310.00	2,480.00	-	-
Taxiway Guidance System	2	3,200.00	6,400.00	2.00	3,200.00	6,400.00	-	-
Rolocate 4 Box PAPI System	1	10,000.00	10,000.00	1.00	10,000.00	10,000.00	-	-
Furnish and Install Taxiway Reflectors	52	70.00	3,640.00	54.00	70.00	3,780.00	(2.00)	(140.00)
Change Taxiway Guidance Sign Face	1	100.00	100.00	1.00	100.00	100.00	-	-
Adjust Runway Edge Lights	8	\$ 30.00	240.00	-	30.00	-	8.00	240.00
			\$ 1,054,641.00			\$ 1,116,545.46		\$ (61,904.46)

Schedule continued on next page
See independent accountant's report

City of Tahlequah, Oklahoma
Listing of Cash Basis Disbursements
State Project Number: TQH-06-F
Project Period – June 8, 2006 through March 27, 2008
Unaudited

Construction Costs - continued

<u>Alternate 1</u>	Bid Quantity	Per Unit Bid	Bid Price	Actual Quantity	Per Unit Actual	Actual Cost	Variance on Quantity	Variance on Cost
Crack Filling	12,000	\$ 1.35	\$ 16,200.00	15,500.00	\$ 1.35	\$ 20,925.00	(3,500.00)	\$ (4,725.00)
Embankment in Place	1,000	3.30	3,300.00	1,000.00	3.30	3,300.00	-	-
2" Bituminous Surface Course	7,500	75.00	562,500.00	4,919.84	75.00	368,988.00	2,580.16	193,512.00
Runway and Taxiway Painting	5,500	1.80	9,900.00	5,500.00	1.80	9,900.00	-	-
Geotextile	59,300	1.50	88,950.00	44,540.00	1.50	66,810.00	14,760.00	22,140.00
Furnish and Install Taxiway Reflectors	61	70.00	4,270.00	121.00	70.00	8,470.00	(60.00)	(4,200.00)
			<u>685,120.00</u>			<u>478,393.00</u>		206,727.00
 <u>Alternate 2</u>								
Crack Sealer	12,000	1.50	18,000.00	7,125	1.50	10,687.50	4,875.00	7,312.50
Runway and Taxiway Painting	3,400	1.80	6,120.00	3,400	1.80	6,120.00	-	-
Seal Crack/Rejuvenator	23,000	1.25	28,750.00	13,700	1.25	17,125.00	9,300.00	11,625.00
			<u>52,870.00</u>			<u>33,932.50</u>		18,937.50
 <u>Change Order 1</u>								
8" Lime Stabilization	0	-	<u>-</u>	16,583.60	2.58	<u>42,785.69</u>	(16,583.60)	(42,785.69)
 <u>Change Order 2</u>								
L-824 Underground Cable 1/C #8 AWG	0	-	-	9,800	1.20	11,760.00	(9,800.00)	(11,760.00)
Underground Cable 1/C #6 AWG Counterpoise	0	-	-	12,000	0.77	9,240.00	(12,000.00)	(9,240.00)
Ground Rod	0	-	-	16	25.46	407.36	(16.00)	(407.36)
Trenching for Counterpoise	0	-	-	10,800	1.70	18,360.00	(10,800.00)	(18,360.00)
Trenching for Underground Cable	0	-	-	9,100	2.60	23,660.00	(9,100.00)	(23,660.00)
Furnish and Install Runway Edge Lights	0	-	-	38	421.42	16,013.96	(38.00)	(16,013.96)
Furnish and Install Runway Threshold Lights	0	-	-	8	428.00	3,424.00	(8.00)	(3,424.00)
			<u>-</u>			<u>82,865.32</u>		(82,865.32)
 <u>Change Order 4</u>								
Inlet Repair	0	-	<u>-</u>	1	4,025.00	<u>4,025.00</u>	(1.00)	(4,025.00)
 <u>Supplemental Agreement 1</u>								
Unit Price Adjustment	0	\$ -	<u>\$ -</u>	1	\$ 3,738.55	<u>\$ 3,738.55</u>	(1.00)	\$ (3,738.55)

Schedule continued on next page
See independent accountant's report

City of Tahlequah, Oklahoma
Listing of Cash Basis Disbursements
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<u>Project Management Costs</u>					
	Budget	Quantity	Actual Cost	Variance	
Advertising	\$ 969.00		\$ 385.28	\$ 583.72	
Engineering/Inspection	180,400.00		186,400.00	(6,000.00)	
Update Airport Layout Plan	16,000.00		16,000.00	-	
Testing	40,000.00				
ASTMD 2922 Density of Soil and Soil Aggregates by Nuclear					
Method per Hour		21	1,113.00		
Trip Charge		24	6,408.00		
Report, Review Test Results		42	840.00		
AASHTO T 99 Moisture Density Relations of Soils		6	720.00		
Extraction and Gradation		1	135.00		
AC Content		1	95.00		
Technician Time		15	630.00		
Extraction, Gradation, Lab Molded Density & VMA (Hveem)		22	6,270.00		
Asphalt Nuclear Densities Test Per Shot		14	490.00		
Running Density on Roadway Cores		2	28.00		
			16,729.00	23,271.00	
Subtotal	237,369.00		219,514.28	17,854.72	
Project Total	<u>\$ 2,030,000.00</u>		<u>\$ 1,981,799.79</u>	<u>\$ 48,200.21</u>	

See independent accountant's report

City of Tahlequah, Oklahoma
Appendix A - Close Out Documents
State Project Number: TQH-06-F
Project Period – June 8, 2006 through March 27, 2008
Unaudited

NOTICE OF FINAL INSPECTION

Date: 9/1/07
Project Number: 3-40-0093-006-2.006
Airport: Tahlequah Municipal

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


FROM: Carl Cannizzaro
Project Engineer,
1414-A East 71st Street
Address
Tulsa, OK 74136
City/Town and Zip Code
918-381-2232
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 9:00 AM
(Time)

on 9/11/07 at Tahlequah 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

President – Horizon Engineering Inc.
Title of above named person

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APR 14 2008



Oklahoma Aeronautics Commission

City of Tahlequah, Oklahoma
Appendix A - Close Out Documents
State Project Number: TQH-06-F
Project Period – June 8, 2006 through March 27, 2008
Unaudited

FINAL INSPECTION REPORT

Date: 9/11/07, Project No: 3-40-0093-006-2006 Airport: Tahlequah Municipal

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

FROM: Carl Cannizzaro
Project Engineer,
1414-A East 71st Street
Address
Tulsa, OK 74136
City/Town and Zip Code
918-663-0870
Area Code and Phone Number

Final inspection on the above project was made by Carl Cannizzaro
Project Engineer

on 9:00 AM at Tahlequah Municipal Airport
(Date) (Location)

Personnel attending inspection:

name-title-organization	name-title-organization
Carl Cannizzaro, Pres, Horizon Eng.	
Sean Brown, Contractor, Paragon Contr.	
Byron Labadie, Insp., Adobe Inspections	
Greg Blish, Airport. Mngr, Tahlequah	

The project was found acceptable with the following exceptions:

Add sod around headwalls and on slope between T/W and R/W.

Clean up materials along taxiway.

Anticipated completion date for above exceptions: 10/1/07

[Signature]
Signature of above named person

President – Horizon Engineering Inc.
Title of above named person

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Oklahoma Aeronautics Commission

City of Tahlequah, Oklahoma
Appendix A - Close Out Documents
State Project Number: TQH-06-F
Project Period – June 8, 2006 through March 27, 2008
Unaudited

FINAL ACCEPTANCE NOTICE

Date: 10/1/07
Project Number: 3-40-0093-006-2006
Airport: Tahlequah Municipal

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

FROM: Carl Cannizzaro
Project Engineer, Mayor, City Manager
1414-A East 71st Street
Address
Tulsa, OK 74136
City/Town and Zip Code
918-663-0870
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 Carl Cannizzaro
Project Engineer

on 10/1/07 at Tahlequah Municipal Airport
(Date) (Location)

 President – Horizon Engineering Inc.
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.

END

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**OFFICE OF THE STATE AUDITOR AND INSPECTOR
2300 N. LINCOLN BOULEVARD, ROOM 100
OKLAHOMA CITY, OK 73105-4896**

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