

OPERATIONAL AUDIT

OKLAHOMA AERONAUTICS COMMISSION

UNIVERSITY OF OKLAHOMA - PROJECT NUMBER OUN-10-S
PRECISION APPROACH PATH INDICATOR SYSTEMS INSTALLATION
AND RUNWAY IMPROVEMENTS

For the period September 10, 2009 through July 27, 2011



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



Oklahoma State
Auditor & Inspector
Gary Jones, CPA, CFE

**Audit Report of the
Oklahoma Aeronautics Commission
University of Oklahoma - Project Number OUN-10-S
Precision Approach Path Indicator Systems Installation and
Runway Improvements**

**For the period
September 10, 2009 through July 27, 2011**



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, 2011

TO THE OKLAHOMA AERONAUTICS COMMISSION

Pursuant to your request, this is the audit report for the Oklahoma Aeronautics Commission – University of Oklahoma (state project number OUN-10-S) for the period of September 10, 2009 through July 27, 2011. The goal of the State Auditor and Inspector is to promote accountability and fiscal integrity in state and local government. Maintaining our independence as we provide this service to the taxpayers of Oklahoma is of utmost importance.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during our engagement.

Sincerely,

A handwritten signature in blue ink that reads "Gary A. Jones". The signature is fluid and cursive, with a long horizontal stroke at the end.

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

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:

- Rick Armstrong..... Chairman
- Dr. David Conway Vice-Chairman
- Joe Harris Secretary
- Wes Stucky Member
- Dave Amis Member
- Michael Ray..... Member
- Tom Stephenson. Member

The University of Oklahoma (the Sponsor) applied for assistance from the Commission to install PAPI (precision approach path indicator) systems to runways 17-35 and 3-21, a wind cone for runway 17 and a segmented circle marker around the airport’s primary wind cone. The Commission committed \$333,920 to this \$379,883 project, while the Sponsor pledged the difference.

Purpose and Scope

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

The audit period covered was September 10, 2009 through July 27, 2011.

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 - Determine whether expenditures paid to the University of Oklahoma (state project number OUN-10-S) 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 University of Oklahoma were in accordance with “Exhibit B-1 – Program Narrative” and “Exhibit B-2 – Project Costs” of the airport construction agreement.

Methodology

To accomplish our objective, we performed the following:

- Reviewed the airport construction agreement;
- Interviewed the airport manager and the engineer;

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- Reviewed the bids submitted by the construction 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;
- Observed the completed project.

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

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. Our objective was to determine whether expenditures paid to the University of Oklahoma (state project number OUN-10-S) 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	Change	Adj. Budget	Actual	Variance
Advertising	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 182.99	\$ 1,317.01
Engineering	43,710.00	-	43,710.00	43,597.35	112.65
Testing	8,000.00	-	8,000.00	-	8,000.00
Inspection	52,000.00	-	52,000.00	52,000.00	-
Other: Administrative	12,000.00	-	12,000.00	10,152.03	1,847.97
Construction	253,811.54	8,861.39	262,672.93	262,672.93	-
Total Eligible Project Cost	\$ 371,021.54	\$ 8,861.39	\$ 379,882.93	\$ 368,605.30	\$ 11,277.63

The funding for this project was:

	Grant Amt	Actual	Variance
Commission's Share - 88%	\$ 333,920.00	\$ 333,920.00	\$ -
Sponsor's Share - 12%	45,962.93	34,685.30	11,277.63
Total	\$ 379,882.93	\$ 368,605.30	\$ 11,277.63

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

Construction Costs	Bid Qty	Per Unit Bid	Bid Price	Actual Qty	Per Unit Actual	Actual Cost	Variance on Qty	Variance on Cost
1 Mobilization	1	\$ 3,500.00	\$ 3,500.00	1	\$ 3,500.00	\$ 3,500.00	0	\$ -
2 Temporary Marking, Lighting, and Barricades	1	4,400.00	4,400.00	1	4,400.00	4,400.00	0	-
3 Removal of Existing VASI Systems	1	4,400.00	4,400.00	1	4,400.00	4,400.00	0	-
4 No. 6 AWG L-824C Cable, Installed in Conduit	21882	1.40	30,634.80	20248	1.40	28,347.20	1634	2,287.60
5 No. 6 AWG L-824C Cable, Installed in Existing Duct	9112	1.13	10,296.56	10080	1.13	11,390.40	-968	(1,093.84)
6 No. 6 AWG Insulated Equipment Ground Conductor	12323	1.33	16,389.59	10481	1.33	13,939.73	1842	2,449.86
7 Trenching for Cable, in Conduit	10941	2.74	29,978.34	7528	2.74	20,626.72	3413	9,351.62
8 2" PVC Conduit Type L-867 Electrical Junction	10941	1.40	15,317.40	7528	1.40	10,539.20	3413	4,778.20
9 Structure Box	17	800.00	13,600.00	17	800.00	13,600.00	0	-
10 Precision Approach Path Indicator (PAPI) System	4	25,300.00	101,200.00	4	25,300.00	101,200.00	0	-
Add Alternate No. 1								-
11 8-Foot Supplemental Wind Cone	1	4,921.35	4,921.35	1	4,921.35	4,921.35	0	-
12 No. 6 AWG L-824C Cable, Installed in Conduit	420	1.67	701.40	85	1.67	141.95	335	559.45
13 Bare Conterpoise Wire, Installed in Trench	210	1.21	254.10	85	1.21	102.85	125	151.25
14 Splice into Existing Underground Circuit	1	294.00	294.00	1	294.00	294.00	0	-
15 Trenching for Cable, in Conduit	200	2.74	548.00	82	2.74	224.68	118	323.32
16 2" PVC Conduit	200	\$ 1.88	\$ 376.00	82	\$ 1.88	\$ 154.16	118	\$ 221.84

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Construction Costs	Bid Qty	Per Unit Bid	Bid Price	Actual Qty	Per Unit Actual	Actual Cost	Variance on Qty	Variance on Cost
Add Alternate No. 2								
17 Segmented Circle Marker	1	\$ 17,000.00	\$ 17,000.00	1	\$ 17,000.00	\$ 17,000.00	0	\$ -
Bore and Install 2" PVC Duct	0	-	-	382	20.00	7,640.00	-382	(7,640.00)
Bore and Install 2-2" PVC Duct	0	-	-	0	23.00	-	0	-
Electrical Junction Structure Box	0	-	-	6	300.00	1,800.00	-6	(1,800.00)
Existing Duct Bank Repair	0	-	-	1	5,705.50	5,705.50	-1	(5,705.50)
10' Wide Gravel Access Road	0	-	-	1	2,565.65	2,565.65	-1	(2,565.65)
12' Primary Tip-Down Wind Cone	0	-	-	1	8,190.00	8,190.00	-1	(8,190.00)
Replace Transformers	0	\$ -	-	1	\$ 1,989.54	1,989.54	-1	(1,989.54)
Change Order #1			6,623.59					6,623.59
Change Order #2			3,732.10					3,732.10
Change Order #3			(1,494.30)					(1,494.30)
Total			<u>\$ 262,672.93</u>			<u>\$ 262,672.93</u>		<u>\$ 0.00</u>

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FINAL INSPECTION REPORT

Date: June 7, 2010, Project No: OUN-10-S, Airport: Max Westheimer Airport.

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

FROM: Byron Chavez, Project Engineer
Project Engineer, Mayor, City Manager

510 East Memorial Road, Suite A-1
Address

Oklahoma City, Oklahoma
City/Town and Zip Code

405-748-6651
Area Code and Phone Number

Final inspection on the above project was made by Byron Chavez, Project Engineer.
(Project Engineer, Mayor, City Manager)

on June 07, 2010 at Max Westheimer Airport.
(Date) (Location)

Personnel attending inspection:

name-title-organization	name-title-organization
Byron Chavez	BWR
Steve Harris	BWR
Jim Davidson	Traffic and Lighting
Jim Case	Traffic and Lighting
Walt Strong	University of Oklahoma
Schellon Adkins	University of Oklahoma
Grayson Ardies	OAC
Vivek Khana	OAC
Aaron Bouse	OAC
Byron Labadie	Adobe Inspection Services

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The project was found acceptable with the following exceptions:

Fix all ruts in and around work areas that were caused by Traffic and Lighting construction vehicles. Specifically some ruts were noticed from the turnaround on Taxiway C to the Supplemental Wind Cone for Runway 17.

Inspect all junction boxes installed by Traffic and Lighting and make sure that the soil comes up to the chamfered edge on all concrete encasements.

Inspect all grading areas adjacent to the runways that were disturbed by Traffic and Lighting. Make sure that no edge drop over 2 inches exists.

Additional grading around all PAPI Pad Locations. Make sure that no edge drop exceeds 1 inch as called for in the project plans.

Remove any remaining equipment that is property of Traffic and Lighting out of all work areas, specifically the vault and staging areas.

Remove any debris, trash, excess materials used on the project and dispose of off airport property.

Check all trenches and fix any settling soil that may have occurred since construction and compaction of the trench. Specifically, settlement was noticed on trench to Runway 17 PAPIs on the west side of Runway 17-35.

Provide leveling tool, all O&M Manuals for PAPIs, Wind Cones and electrical equipment to the Max Westheimer Airport.

Anticipated completion date for above exceptions: June 25, 2010.



Signature of above named person

Project Engineer

Title of above named person

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Appendix- Project Costs (unaudited) and
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FINAL ACCEPTANCE NOTICE

Date: June 25, 2010
Project Number: OUN-10-S
Airport: Max Westheimer

TO: Oklahoma Aeronautics Commission
102 North Robinson, Suite 1244W
Oklahoma City, Oklahoma 73102
(405) 604-6900 – phone
(405) 604-6919 – fax

FROM: Byron Chavez
Project Engineer, Mayor, City Manager
510 East Memorial Road, Suite A-1
Address
Oklahoma City, OK
City/Town and Zip Code
405-748-6651
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 Byron Chavez
(Project Engineer, Mayor, City Manager)
on June 25, 2010 at Max Westheimer Airport
(Date) (Location)


Signature of above named person Project Engineer
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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