

OPERATIONAL AUDIT

# OKLAHOMA AERONAUTICS COMMISSION

CITY OF TULSA - PROJECT NUMBER RVS-07B-FS  
SOUTHEAST STORM SEWER - PHASE III

For the period June 14, 2007 through August 2, 2010



*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  
City of Tulsa - Project Number RVS-07B-FS  
Southeast Storm Sewer – Phase III**

**For the period  
June 14, 2007 through August 2, 2010**



# Oklahoma State Auditor & Inspector

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

January 13, 2011

## **TO THE OKLAHOMA AERONAUTICS COMMISSION**

Pursuant to your request, this is the audit report for the Oklahoma Aeronautics Commission – City of Tulsa (state project number RVS-07B-FS) for the period of June 14, 2007 through August 2, 2010. The Office of the State Auditor and Inspector is committed to serving the public interest by providing independent oversight and by issuing reports that serve as a management tool to the State. Our goal is to ensure a government that is accountable to the people of the State of Oklahoma.

We wish to take this opportunity to express our appreciation to the agency's staff for the assistance and cooperation extended to our office during the course of our engagement.

Sincerely,

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

Gary Jones, CPA, CFE  
Oklahoma State Auditor and Inspector

# Oklahoma Aeronautics Commission Operational Audit

## 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:

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

The City of Tulsa (the Sponsor) applied for assistance from the Commission to complete the final phase of its drainage improvements to the RL Jones, Jr. Airport, including construction of a concrete channel, reinforced concrete pipe, and reinforced concrete box, as well as concrete junction structures, modification of existing box culverts, and grading. The Commission committed \$49,665 to this \$1,990,094 project. The Sponsor pledged \$53,165, and the \$1,887,264 difference was federally funded.

## Purpose and Scope

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

The audit period covered was June 14, 2007 through August 2, 2010.

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 1 - Determine whether expenditures paid to the City of Tulsa (state project number RVS-07B-FS) 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 City of Tulsa were in accordance with "Exhibit B-1 – Program Narrative" and "Exhibit B-2 – Project Costs" of the airport construction agreement.

## Methodology<sup>1</sup>

To accomplish our objective, we performed the following:

- Reviewed the airport construction agreement;
- Interviewed the airport manager and the project engineer;
- Reviewed the bids submitted by 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; and
- Observed the completed project.

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

<sup>1</sup> Internal controls were not considered significant to this objective because 100% of the project-related invoices were reviewed.

## 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. Our objective was to determine whether expenditures paid to the City of Tulsa (state project number RVS-07B-FS) 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 Orders	Adj. Budget	Actual	Variance
Advertising	\$ 719.00	\$ -	\$ 719.00	\$ 718.90	\$ 0.10
Inspection	200,000.00	-	200,000.00	143,486.35	56,513.65
FAA Flight Certification	20,000.00	-	20,000.00	-	20,000.00
Utility Relocation	-	-	-	77,885.82	(77,885.82)
Construction	1,769,375.00	(7,942.71)	1,761,432.29	1,761,432.29	-
Total Eligible					
Project Cost	<u>\$ 1,990,094.00</u>	<u>\$ (7,942.71)</u>	<u>\$ 1,982,151.29</u>	<u>\$ 1,983,523.36</u>	<u>\$ (1,372.07)</u>

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

<b>Construction Costs</b>	<b>Bid Qty</b>	<b>Per Unit Bid</b>	<b>Bid Price</b>	<b>Actual Quantity</b>	<b>Per Unit Actual</b>	<b>Actual Cost</b>	<b>Variance on Qty</b>	<b>Variance on Cost</b>
1 Clearing & Grubbing	1	\$ 15,000.00	\$ 15,000.00	1	\$ 15,000.00	\$ 15,000.00	0	\$ -
2 Unclassified Excavation	70,000	4.50	315,000.00	70,000	4.50	315,000.00	0	-
3 Salvaged Topsoil	25,000	2.50	62,500.00	25,000	2.50	62,500.00	0	-
4 Temporary Siltation Screen & Erosion Ctrl	5,330	2.00	10,660.00	3,446	2.00	6,892.00	1,884	3,768.00
5 Solid Slab Sodding (Bermuda)	63,000	1.90	119,700.00	78,488	1.90	149,127.20	-15,488	(29,427.20)
6 Seeding, Method "A" (Hydromulch)	30	1,900.00	57,000.00	20	1,900.00	38,000.00	10	19,000.00
7 Aggregate Base	270	45.00	12,150.00	270	45.00	12,150.00	0	-
8 Type A Asphalt	140	90.00	12,600.00	101.54	90.00	9,138.60	38.46	3,461.40
9 Type B Asphalt	70	100.00	7,000.00	30.07	100.00	3,007.00	39.93	3,993.00
10 Class A Concrete for Channels	700	300.00	210,000.00	700	300.00	210,000.00	0	-
11 Class C Concrete	40	280.00	11,200.00	40	280.00	11,200.00	0	-
12 Reinforcing Steel for Channels	40,000	0.75	30,000.00	40,000	0.75	30,000.00	0	-
13 CLSM Low Strength Concrete Backfill	170	100.00	17,000.00	170	100.00	17,000.00	0	-
14 12-Inch Tupe I-A Rip Rap	200	60.00	12,000.00	200	60.00	12,000.00	0	-
15 Filter Blanket	600	55.00	33,000.00	600	55.00	33,000.00	0	-
16 Filter Fabric (for Weep Drainage)	260	3.00	780.00	260	3.00	780.00	0	-
17 PCC Concrete Dvwy Replacement (HES)	400	53.00	21,200.00	400	53.00	21,200.00	0	-
18 Structure No. 27 Headwall (HDWL)	1	26,000.00	26,000.00	1	26,000.00	26,000.00	0	-
19 Structure No. 28 HDWL	1	26,000.00	26,000.00	1	26,000.00	26,000.00	0	-
20 Structure No. 29 8'x4' reinforced concrete box (RCB) HDWL	1	23,000.00	23,000.00	1	23,000.00	23,000.00	0	-
21 Structure No. 30 8'x4' RCB HDWL	1	23,000.00	23,000.00	1	23,000.00	23,000.00	0	-
22 Structure No. 31 Dbl 48-Inch HDWL	1	24,000.00	24,000.00	1	24,000.00	24,000.00	0	-
23 Structure No. 31A Dbl 48-Inch Drop Inlet	1	13,000.00	13,000.00	1	13,000.00	13,000.00	0	-
24 Structure No. 31B Dbl 48-Inch Drop Inlet	1	13,000.00	13,000.00	1	13,000.00	13,000.00	0	-
25 Structure No. 31C Dbl 48-Inch Drop Inlet	1	12,000.00	12,000.00	1	12,000.00	12,000.00	0	-
26 Structure No. 32 Dbl 48-Inch HDWL	1	24,000.00	24,000.00	1	24,000.00	24,000.00	0	-
27 Structure No. 33 3-14"x23 HERCP HDWL	1	6,000.00	6,000.00	1	6,000.00	6,000.00	0	-
28 Structure No. 34 3-14"x23 HERCP HDWL	1	\$ 6,000.00	\$ 6,000.00	1	\$ 6,000.00	\$ 6,000.00	0	\$ -

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

<b>Construction Costs</b>	<b>Bid Qty</b>	<b>Per Unit Bid</b>	<b>Bid Price</b>	<b>Actual Quantity</b>	<b>Per Unit Actual</b>	<b>Actual Cost</b>	<b>Variance on Qty</b>	<b>Variance on Cost</b>
29 Structure No. 35 3-14"x23 HERCP HDWL	1	\$ 6,000.00	\$ 6,000.00	1	\$ 6,000.00	\$ 6,000.00	0	\$ -
30 Structure No. 36 3-14"x23 HERCP HDWL	1	6,000.00	6,000.00	1	6,000.00	6,000.00	0	-
31 Structure No. 37 2-36" RCP HDWL	1	10,000.00	10,000.00	1	10,000.00	10,000.00	0	-
32 Structure No. 38 2-36" RCP HDWL	1	10,000.00	10,000.00	1	10,000.00	10,000.00	0	-
33 Struc No. 39 18" RCP Inlet w/Type 1 Grt	1	2,000.00	2,000.00	1	2,000.00	2,000.00	0	-
34 Struc No. 40 18" RCP Inlet w/Type 1 Grt	1	2,000.00	2,000.00	1	2,000.00	2,000.00	0	-
35 Struc No. 41 18" RCP Inlet w/Type 1 Grt	1	2,000.00	2,000.00	1	2,000.00	2,000.00	0	-
36 Struc No. 42 18" RCP Inlet w/Type 1 Grt	1	2,000.00	2,000.00	1	2,000.00	2,000.00	0	-
37 Struc No. 43 18" RCP Inlet w/Type 1 Grt	1	2,000.00	2,000.00	1	2,000.00	2,000.00	0	-
38 Struc No. 44 18" RCP Inlet w/Type 1 Grt	1	2,000.00	2,000.00	1	2,000.00	2,000.00	0	-
39 Struc No. 45 18" RCP Inlet w/Type 1 Grt	1	2,000.00	2,000.00	1	2,000.00	2,000.00	0	-
40 Struc No. 46 18" RCP Inlet w/Type 1 Grt	1	2,000.00	2,000.00	1	2,000.00	2,000.00	0	-
41 Struc No. 47 2-30" RCP HDWL w/Flap Grt	1	15,000.00	15,000.00	1	15,000.00	15,000.00	0	-
42 Struc No. 48 2-30" RCP Spec Inlet w/Grt	1	11,000.00	11,000.00	1	11,000.00	11,000.00	0	-
43 Manhole Adjusted to Grade	2	600.00	1,200.00	2	600.00	1,200.00	0	-
44 Water Meter Boxes Adjusted to Grade	2	200.00	400.00	2	200.00	400.00	0	-
45 18" RCP Cl. III with C76 w/Omniflex Gskts	1,012	30.00	30,360.00	905	30.00	27,150.00	107	3,210.00
46 30" RCP Cl. III with C76 w/Omniflex Gskts	112	50.00	5,600.00	112	50.00	5,600.00	0	-
47 36" RCP Cl. III with C76 w/Omniflex Gskts	240	65.00	15,600.00	240	65.00	15,600.00	0	-
48 48" RCP Cl. III with C76 w/Omniflex Gskts	1,754	100.00	175,400.00	1,754	100.00	175,400.00	0	-
49 14"x23" Cls III HERCP w/Omniflex Gskts	165	67.00	11,055.00	272	67.00	18,224.00	-107	(7,169.00)
50 Culvert End Treatment	8	1,000.00	8,000.00	8	1,000.00	8,000.00	0	-
51 18" Prefab Culvert End Sections	2	700.00	1,400.00	2	700.00	1,400.00	0	-
52 Trench Excavation	5,500	7.00	38,500.00	5,500	7.00	38,500.00	0	-
53 Standard Bedding Material	1,350	37.00	49,950.00	1,350	37.00	49,950.00	0	-
54 5'x5' RCB C789 w/Gaskets	100	200.00	20,000.00	100	200.00	20,000.00	0	-
55 8'x4' RCB C789 w/Gaskets	352	315.00	110,880.00	352	315.00	110,880.00	0	-
56 Mobilization	1	\$ 15,000.00	\$ 15,000.00	1	\$ 15,000.00	\$ 15,000.00	0	\$ -



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Construction Costs	Bid Qty	Per Unit Bid	Bid Price	Actual Quantity	Per Unit Actual	Actual Cost	Variance on Qty	Variance on Cost
57 Staking	1	\$ 20,000.00	\$ 20,000.00	1	\$ 20,000.00	\$ 20,000.00	0	\$ -
58 Traffic Control	1	10,000.00	10,000.00	1	10,000.00	10,000.00	0	-
59 Excavate & Backfill	80	15.00	1,200.00	80	15.00	1,200.00	0	-
60 8" Cl. 50 Dip RJ	150	70.00	10,500.00	135	70.00	9,450.00	15	1,050.00
61 8" Solid Sleeve	2	300.00	600.00	4	300.00	1,200.00	-2	(600.00)
62 8" Plug RJ	1	300.00	300.00	1	300.00	300.00	0	-
63 22.5 Deg. Bend	4	400.00	1,600.00	4	400.00	1,600.00	0	-
64 Excavate & Backfill	150	15.00	2,250.00	0	15.00	-	150	2,250.00
65 8" Cl. 50 Dip Cement Lined	330	63.00	20,790.00	0	63.00	-	330	20,790.00
66 MH Connection	2	1,000.00	2,000.00	0	1,000.00	-	2	2,000.00
<b>Change Order #1</b>								
67 Closed Runway Marking	0	-	-	0	2,073.51	-	0	-
68 Closed Taxiway Marking	0	-	-	0	646.66	-	0	-
69 Temporary Threshold	0	-	-	1	3,941.33	3,941.33	-1	(3,941.33)
70 Utility Flags	0	-	-	1	1,867.09	1,867.09	-1	(1,867.09)
71 Temporary Fence Removal	0	-	-	1	1,487.18	1,487.18	-1	(1,487.18)
72 Low Profile Barracades	0	-	-	0	3,520.55	-	0	-
<b>Change Order #2</b>								
73 3" SCH 40 Gray Conduit	0	-	-	80	10.00	800.00	-80	(800.00)
74 Install Metercan Provided by Others	0	-	-	1	350.00	350.00	-1	(350.00)
<b>Change Order #3</b>								
75 Relocate Elwood Electrical	0	-	-	1	3,080.24	3,080.24	-1	(3,080.24)
76 Relocate Elwood Electrical	0	-	-	1	807.71	807.71	-1	(807.71)
<b>Change Order #4</b>								
77 Modification of Structure 31A	0	\$ -	-	1	\$ 2,049.94	2,049.94	-1	(2,049.94)
Total Construction Costs			<b>\$ 1,769,375.00</b>			<b>\$ 1,761,432.29</b>		<b>\$ 7,942.71</b>

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

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NOTICE OF FINAL INSPECTION

Date: February 20, 2009  
Project Number: RVS-07B-FS  
Airport: R.L. Jones Jr. (RVS)

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

FROM: Mark Soltero  
Project Engineer, Mayor, City Manager  
P.O. Box 581838  
Address  
Tulsa, OK 74158-1838  
City/Town and Zip Code  
918-838-5063  
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 12:00 PM  
(Time)

on Feb 20 2009 at R.L Jones Jr. 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

Airport Facilities Engineer  
Title of above named person

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

**FINAL INSPECTION REPORT**

Date: 20 Feb 09, Project No: RVS-07B-FS, Airport: R.L. Jones Jr

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

FROM: Mark Soltero  
Project Engineer, Mayor, City Manager

P.O. Box 581838  
Address

Tulsa, OK 74158-1838  
City/Town and Zip Code

918-838-5063  
Area Code and Phone Number

Final inspection on the above project was made by: Mark Soltero  
(Project Engineer, Mayor, City Manager)

on 20 Feb 2009 at R.L Jones Jr. Airport  
(Date) (Location)

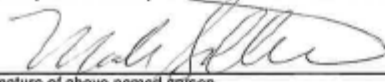
Personnel attending inspection:

name-title-organization	name-title-organization
Jerry Hancock-Superintendent-Becco	Dwayne Jantz-PM-Becco
Mark Soltero TAA PM	
Tom Meshek: Meshek & Assoc. PE	
J. Alexander Meshek & Assoc. Proj Obs.	

The project was found acceptable with the following exceptions:

Attached

Anticipated completion date for above exceptions: N/A

  
Signature of above named person

Airport Facilities Engineer  
Title of above named person

**Oklahoma Aeronautics Commission  
Operational Audit  
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- Repair areas damaged by erosion throughout project as identified.
  - Vicinity of main entrance(north side)
  - Vicinity of inlet along perimeter road (Elwood Ave) near Beechcraft Drive
  - Vicinity of sign along perimeter road (Elwood Ave)
  - Vicinity of perimeter fence and existing box culvert near TTC property line
  - Vicinity of main entrance (west side) to TTC
  - Two locations at north end of Runway 18L
- Repair Broken Vehicle Gate No 6 to the original condition and supply new warranty \*
- Deliver Temporary Runway Closure kit to the airport \*\*
- Deliver Temporary Threshold Closure kit to the airport \*\*
- Grade to drain at Structure 38
- Locate pull box at Structure 37
- Seed and dress up by 78" pipe inlet
- Site seeding and mulching as required by the contract after 1 April 2009
- Properly remediate area as identified on the projects plans for soil stockpile and waste. Area used for disposal of non-project construction debris. Area is to be restored to OK DEQ requirements.
-

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

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**FINAL ACCEPTANCE NOTICE**

Date: 13 November 2009  
Project Number: RVS-07B-FS  
Airport: R.L. Jones Jr. (RVS)

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

FROM: Mark Soltero  
Project Engineer, Mayor, City Manager  
P.O. Box 581838  
Address  
Tulsa, OK 74158-1838  
City/Town and Zip Code  
918-838-5063  
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 Project Engineer  
(Project Engineer, Mayor, City Manager)  
on 13 Novemeber 2009 at Tulsa International Airport  
(Date) (Location)

 Airport Facilities Engineer  
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.



OFFICE OF THE STATE AUDITOR AND INSPECTOR

2300 N. LINCOLN BOULEVARD, ROOM 100

OKLAHOMA CITY, OK 73105-4896

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