



Linda S. Adams
Secretary for
Environmental Protection

Air Resources Board

Mary D. Nichols, Chairman
1001 I Street • P.O. Box 2815
Sacramento, California 95812 • www.arb.ca.gov



Arnold Schwarzenegger
Governor

August 29, 2008

Mr. Ed Kendig
Interim Air Pollution Control Officer
Monterey Bay Unified Air Pollution Control District
24580 Silver Cloud Court
Monterey, California 93940-6536

Dear Mr. Kendig:

Enclosed is the complete audit package regarding the Monterey Bay Unified Air Pollution Control District's (District) Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) and Lower-Emission School Bus Program (School Bus Program). The package includes the Air Resources Board's (ARB) audit report, the Department of Finance Office of State Audits and Evaluations audit report, and the District's responses and plans of action regarding the audit findings in both reports.

To document the District's fulfillment of its plan to rectify ARB's audit findings, please provide to us written progress reports upon 60 days, six months, and one year from the date of this letter. The reports can be in the form of a brief letter to me that documents the District's completion of specific tasks in the plan and includes a timetable for completing remaining tasks. ARB will monitor the reports and notify the District once we have approved the completed tasks.

As a formality, I must inform you that if a district fails over time to correct deficiencies identified in an audit, ARB may place the district on probation and/or add a stipulation to the district's next grant agreement that ties the release of State incentive-grant funds to the satisfactory correction of deficiencies.

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.

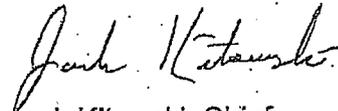
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I appreciate your continued cooperation as we work together to refine and advance the Carl Moyer and School Bus programs. If you have any questions, please contact me, at (916) 323-6169, or Ms. Heather Arias, Manager, at (916) 324-6429 or Harias@arb.ca.gov.

Sincerely,



Jack Kitowski, Chief
On-Road Controls Branch

Enclosure

cc: Mr. David Fairchild
Program Coordinator
Monterey Bay Unified Air Pollution Control District
24580 Silver Cloud Court
Monterey, California 93940-6536

Mr. Nathan Pierce
Air Quality Planner
Monterey Bay Unified Air Pollution Control District
24580 Silver Cloud Court
Monterey, California 93940-6536

Mr. Mel Zeldin, Executive Director
California Air Pollution Control Officers Association
980 Ninth Street, 16th Floor
Sacramento, California 95814

Ms. Mary Kelly, Manager
Department of Finance
Office of State Audits and Evaluation
300 Capitol Mall, Suite 801
Sacramento, California 95814+

cc: Continued on next page.

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cc: Mr. Dan Jenkinson
Department of Finance
Office of State Audits and Evaluation
300 Capitol Mall, Suite 801
Sacramento, California 95814

Mr. Robert H. Cross, Chief
Mobile Source Control Division

✓ Ms. Heather Arias, Manager
Incentives Oversight Section
Mobile Source Control Division

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