



Air Pollution Control Board

Greg Cox	District 1
Dianne Jacob	District 2
Pam Slater-Price	District 3
Ron Roberts	District 4
Bill Horn	District 5

May 16, 2008

James N. Goldstene, Executive Officer
Air Resources Board
1001 I Street
Sacramento, CA 95812

Dear Mr. Goldstone:

On behalf of the San Diego Air Pollution Control District (District), I wish to express my appreciation of the comprehensive and informative audit report of the Carl Moyer Program and the Lower-Emission School Bus (LESB) program. We are very pleased with the recognition of our continuous efforts to improve the administration and implementation of the incentive programs.

We appreciate the professionalism shown by your staff and their willingness for an interactive dialogue. We commend their fair and balanced approach to this audit. The District continuously strives to enhance how it administers the incentive programs and we are always open to new ideas that help us achieve the highest levels of performance.

The following are our responses to the required actions on three findings for Carl Moyer Program and one required action for the LESB.

Required Action #1: *“Due to the pervasiveness of inconsistencies within the reviewed files, the SDAPCD must review each Carl Moyer Program project associated with 2003/2004 through 2006/2007, including match and multi-district projects, to ensure that reported emission reductions are enforceable and project documentation is consistent. The District must complete this review and mitigation effort and provide a detailed report to the ARB within six months of this report.”*

Response:

The report accurately noted that the District completed the review and corrections on all 14 files included in the audit. The District is committed to completing the review and revisions, if necessary, all the Carl Moyer Program projects within the six months allotted time frame and will submit a detailed report to the ARB by October 15, 2008.

Required Action #2: *“By June 30, 2008, the SDAPCD must repay \$3,800 of Carl Moyer Program funds, amend the project contract with the applicant to reflect the correct project amount and submit a revised 2003-2004 Final Report to the ARB. The revised Final Report must reflect recalculated cost-effectiveness data for the project, and must either reflect repayment to*

the ARB or include details of a replacement project. Replacement projects are subject to ARB approval."

Response:

The District, with approval from the ARB, found a replacement project and completed the post-inspection of the project on April 24, 2008. The revised 2003-2004 Final Report with supporting documentation was submitted to our ARB liaison on May 15, 2008.

Required Action #3: *No further action is required by the District regarding this finding (inaccurate reporting to the ARB).*

Response:

Thank you.

Required Action for LESB: *"The SDAPCD must repay \$58,582 of School Bus Program funds associated with this project by June 30, 2008. Alternatively, by June 30, 2008, the District may substitute another eligible school bus replacement project. The replacement project is subject to approval by ARB."*

Response:

The District found a replacement project and verbally informed the ARB of that project. Subsequently, the school district's bus vendor left the area before completing the project. The school district conducted another procurement process and is nearing completion of the award to a new vendor, but there is no certainty that the school bus will be delivered by June 30, 2008, as such, the District is requesting an extension of the due date to October 15, 2008.

We look forward to working with you and your staff in an effort to continuously improve the implementation of the incentive programs.

If you have any questions, please contact Cecilia Redondo, Group Program Manager, at 858-586-2607.

Sincerely,



ROBERT KARD
Air Pollution Control Officer

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cc: Jack Kitowski, Branch Chief, Mobile Source Control Division, Air Resources Board
Rosa M. Abreu, Assistant Director, San Diego Air Pollution Control District