



Air Resources Board



Matthew Rodriguez
Secretary for
Environmental Protection

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

Edmund G. Brown Jr.
Governor

August 12, 2011

RECEIVED
AUG 22 2011
EASTERN KERN AIR
POLLUTION CONTROL DIST.

cc: Dr
LK
JC

Mr. David L. Jones
Air Pollution Control Officer
Eastern Kern Air Pollution Control District
2700 M Street, Suite 302
Bakersfield, CA 93301-2370

Dear Mr. Jones:

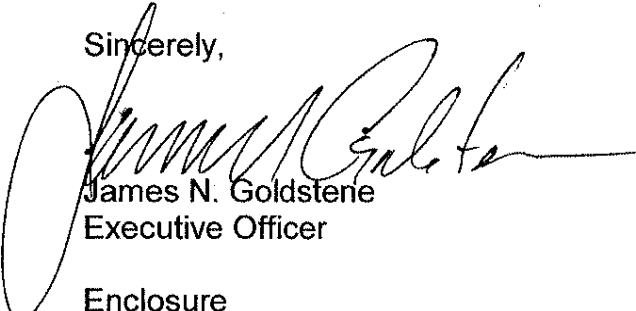
The Air Resources Board (ARB) recently concluded an audit of the Eastern Kern Air Pollution Control District's (District) Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program). Enclosed is our Audit Report.

We found that the District's Program is achieving the emission reductions intended and is meeting State requirements. Our audit resulted in no findings or recommendations, reflecting the District's effective implementation of the Carl Moyer Program.

Per the ARB Carl Moyer Program auditing policies and procedures, the District has 30 days from the date of this letter to submit any comments. After that, ARB's audit report and your written responses will be posted on ARB's and the Governor's websites. We encourage you to make this information public within the District.

I congratulate you and your staff on your performance. If you have any questions about the audit, please contact Mr. Charles Kersey, Manager, at (916) 322-6922 or via email at ckersey@arb.ca.gov, or Ms. Robin Myers, Air Pollution Specialist (Audit Lead), at (916) 322-6973 or via email at rmyers@arb.ca.gov.

Sincerely,


James N. Goldstene
Executive Officer

Enclosure

cc: See next page.

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>.

California Environmental Protection Agency

Mr. David L. Jones
August 12, 2011
Page 2

cc: Mr. Jeremiah Cravens
Air Pollution Control Officer
Eastern Kern Air Pollution Control District
2700 "M" Street, Suite 302
Bakersfield, California 93301-2370

Mr. Charles Kersey, Manager
Incentives Oversight Section

Ms. Robin Myers
Air Pollution Specialist
Incentives Oversight Section

Incentive Program

AUDIT REPORT

Eastern Kern Air Pollution Control District
Fiscal Years 2007-08 through 2008-09

Prepared by: Air Resources Board
Mobile Source Control Division, Incentives Oversight Section

Acknowledgements

The Air Resources Board audit team wishes to thank the participating Eastern Kern Air Pollution Control District management and staff: David Jones, Air Pollution Control Officer; Jeremiah Cravens, Air Quality Specialist II; and Louise Roman, Administrative Coordinator

ARB management: Robert Cross, Erik White, Scott Rowland, and Charles Kersey
ARB audit team: Chuck Bennett, Tim Hartigan, Jennifer Kozumplik, and Robin Myers (audit lead)

ARB Carl Moyer Program District liaison: Adriana Smith

Introduction

As part of the Air Resources Board's (ARB) ongoing review of the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program or CMP), ARB staff audited the Eastern Kern Air Pollution Control District's (Eastern Kern APCD or District) implementation of the program. The audit began with an entrance interview on April 19, 2011, and was conducted in accordance with the "Audit Process for Rural Districts" in ARB's Audit Policies and Procedures. These procedures are viewable at ARB's website: <http://www.arb.ca.gov/msprog/moyer/audits/audits.htm>.

The audit reviewed program fundamentals, examined the use of public funds, and assessed whether emission reductions were real, quantifiable, enforceable, and surplus. ARB conducted the audit as part of its oversight responsibility specified in Health and Safety Code section 44291(d). A final exit conference where the results were discussed with the District was held on June 27, 2011.

1. Overall Assessment

The District's CMP is effectively administered, is achieving the expected emission reductions, and complies with State requirements. The audit resulted in no findings or recommendations. The audit team notes that the District has devoted significant resources in recent years to develop and implement their local CMP.

2. Scope of the Audit: Fiscal Years 2007-08 through 2008-09

The scope of the audit, fiscal years 2007-08 through 2008-09, covered two closed funding cycles. During these years, the District accepted more than the minimum allocation and agreed to provide match funding. Table 1 identifies project and administration funds the District received from CMP and identifies the required match funding.

Table 1: Eastern Kern APCD Carl Moyer Program Funds¹

FY	Project	Administration	Total Grant	Matching Funds	Total
2007-08	\$314,504	\$34,945	\$349,449	\$53,927	\$403,376
2008-09 ²	\$452,948	\$40,663	\$493,611	\$58,329	\$551,940

¹Interest earned by the District on Carl Moyer Program balances is not included in the table.

²Project and administration funds amounting to \$166,037 came from an agreement with Antelope Valley Air Quality Management District.

3. Summary of District Projects Funded and Selected for File Review

Table 2 summarizes the number and categories of project types funded by the District over the scope of the audit. Funding sources included CMP, match, and earned interest funds. Project categories included off-road and agricultural sources.

Table 2: Carl Moyer Program Projects*

Source Category	2007-08		FY 2008-09		Total	
	Projects	Engines	Projects	Engines	Projects	Engines
Off-road	4	5	2	2	6	7
Agriculture	2	2	4	16	6	18
Totals for each funding year	6	7	6	18	12	25

*Projects split-funded over different fiscal years are listed once according to the year of source that provided the most funds to the project.

Table 3 provides a list of project files reviewed by the audit team. Two off-road and two agricultural projects were reviewed from CMP and Match funded projects.

Table 3: List of Projects Reviewed

Funding Year	Funding Source	Source Category	Project Name	Project Number
2007-08	CMP	Agriculture	Crystal Farms PE 189	01-002-2009
2007-08 2008-09	CMP/Match	Off-Road	Benz Loader	07-027-2009
2008-09	CMP/Match	Off-Road	Blakes Dozer D-1	01-001-2009
2008-09	CMP	Agriculture	Grimmway EK/AV PE	09-32-2010

4. Audit Findings and Recommendations

“Findings” are brief descriptions of inconsistencies with one or more of the following:

- State requirements under Health and Safety Code sections 44275 through 44299.2.
- Carl Moyer Program Guidelines (2003 and 2005 versions) (<http://www.arb.ca.gov/msprog/moyer/guidelines/current.htm>).
- Carl Moyer Program advisories.
- Carl Moyer Program Grant Award and Authorization requirements.
- Eastern Kern Air Pollution Control District’s written policies and procedures, including its contracts with the grant recipients.

There were no audit findings or recommendations.

5. Resources

- Air Resources Board Carl Moyer Program Website
<http://www.arb.ca.gov/msprog/moyer/moyer.htm>
- Air Resources Board Incentives Oversight Audit Website
(Includes previous reports and Audit Policies and Procedures)
<http://www.arb.ca.gov/msprog/moyer/audits/audits.htm>
- Carl Moyer Program 2005 Guidelines (January 6, 2006), Air Resources Board
- Carl Moyer Program 2008 Guidelines (April 21, 2008), Air Resources Board