

BOARD MEETING DATE: September 5, 2025

AGENDA NO. 7

PROPOSAL: Approve Payments for Completed Contracts

SYNOPSIS: The Board authorized the execution of contracts with Advanced Energy Machines LLC (AEM) to demonstrate battery-electric Transportation Refrigeration Units and the University of California, Davis (UC Davis) to perform the California Hydrogen Systems Analysis. The AEM and UC Davis projects were completed in 2024, but the final invoices were submitted significantly later after the contracts had expired. This action is to authorize the Executive Officer to approve final payments for the AEM and UC Davis.

COMMITTEE: Technology, August 15, 2025; Recommended for Approval

**RECOMMENDED ACTIONS:**

Authorize the Executive Officer to authorize payments in the amount of:

- a. \$200,920 to Advanced Energy Machines, LLC (AEM) from the Rule 1121 Special Revenue Fund (27) under Contract #20109; and
- b. \$15,000 to the University of California, Davis (UC Davis) from the Clean Fuels Fund (31) under Contract #21372.

Wayne Nastri  
Executive Officer

AK:MW:VP:MH

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**Background**

In 2019 and 2021, the Board approved two contracts with AEM and UC Davis, to demonstrate battery-electric Transportation Refrigeration Units (TRUs) and support California Hydrogen Systems Analysis.

The AEM contract was to demonstrate three battery-electric TRUs in food distribution, replacing old diesel-powered TRUs. The total contract amount was \$338,920. AEM completed the work before the contract expiration date; however,

due to issues involving invoicing documentation, the final invoice of \$200,920 was not approved prior to the contract's expiration.

The UC Davis contract was to support California Hydrogen Systems Analysis. The total contract amount was \$50,000. UC Davis's study was on hydrogen's role in transportation including light-, medium- and heavy-duty vehicles, as well as its use in the industry and role as an emerging energy storage option for intermittent electric power. The UC Davis, Institute of Transportation Studies, has developed several analytical tools and models to evaluate the rollout of a hydrogen system over the next 30 years. Although UC Davis completed the project before the contract expiration date, they submitted the final invoice for \$15,000 significantly later after the contract had expired.

### **Proposal**

Staff recommends authorizing payments for the outstanding balance of \$200,920 under Contract #20109 from the Rule 1121 Special Revenue Fund (27) to AEM, and the balance of \$15,000 under Contract #21372 from the Clean Fuels Fund (31) to UC Davis, for all work completed.

### **Benefits to South Coast AQMD**

The 2022 AQMP calls for adopting zero-emission and low-NOx technologies, where feasible, and providing incentive funding to reduce mobile source emissions to meet the 2015 8-hour ozone standards by 2037. South Coast AQMD supports numerous activities to advance new technologies and meet regional air quality goals. The successful implementation of various incentive and demonstration projects is a direct result of these technology advancement activities.

### **Resource Impacts**

There are no additional resource impacts as the contracts were previously encumbered. Up to \$200,920 under Contract #20109 will be paid from the Rule 1121 Special Revenue Fund (27) to AEM, and up to \$15,000 under Contract #21372 will be paid from the Clean Fuels Fund (31) to UC Davis, for the final work completed under both contracts.