

# Memorandum

To: Contracts Office

Date: 8/24/2010

Telephone: 916-327-2216

From: **California Energy Commission ERDD/PIER**  
1516 Ninth Street  
Sacramento CA 95814-5512

Subject: West Coast Regional Carbon Sequestration Partnership, Phase III - Arizona Geological Characterization

- A. Contractor: Arizona Geological Survey
- B. Contract Manager and date Contract Managers Training was obtained:  
Elizabeth Keller CCM Training date: 11/5/2009
- C. Term of Contract:  
12/01/2010 to 12/01/2012

D. Amount funded by this contract or amendment and funding source:  
\$232,350.00 Federal

E. Purpose of Contract and if requesting amendment, reason for amendment:

The Arizona Geological Survey (AZGS) will Interpret sedimentary basin outlines for Arizona's Tertiary basins and deep Paleozoic aquifers of the Colorado Plateau, and construct geographic information system layers with these outlines. For those basins and aquifers where sufficient geologic unit-specific data are available, AZGS will analyze this information and attribute the GIS layers with the data along with, where possible, data on seals (cap rocks). Data will be analyzed to estimate CO2 storage capacity in the region.

AZGS will determine, where data is available, if and at what depth, salinities approach 10,000 mg/l Total Dissolved Solids, this concentration being the upper limit for an "underground source of drinking water", in the Tertiary basins and deep Paleozoic reservoirs of Arizona with potential storage capacity and to revise previous estimates for carbon sequestration potential for these formations. Salinity data will be plotted and contoured to produce generalized salinity maps.

F. Scope of Work - attach as Exhibit A - Scope of Work (includes deliverables and due dates):

G. Budget Detail - attach as Exhibit B - Budget Detail

1. What payment method are we paying Contractor? Choose all that apply

a.  Reimbursement in arrears based on:

- Itemized Monthly
- Itemized Quarterly
- Flat Rate
- One-time Payment

b.  Advance Payment  Receiving Funds from other entity  
 Other, explain:

2. Do you anticipate retention to be released prior to the end of the Contract? If so, identify in Budget Detail what tasks are separate and distinct.

Yes  No

H. Selection Process Used:

- Solicitation using RFP, RFQ, IFB or PON
- Sole Source (attach CEC-96 Non-Competitive Bid Request)
- Other government entity (i.e., state agency, federal or local government, air/water/school district)
- Other (explain)

I. Survey of Prior Work: See CEC 30

J. Civil Service Considerations:

Public Resources Code 25620, et seq. authorizes the Commission to contract for the subject work.

K. Information Technology Expenditures:

None

L. California Environmental Quality Act (CEQA) Compliance:

1) Is contract considered a "Project" under CEQA?

Yes  No

If yes, skip to question 2.

If no, please complete the following (Public Resources Code (PRC) 21065 and 14 California Code of Regulations (CCR) 15378):

Explain why is contract not considered a "Project"?  
The project is not taking place in California.

2) If contract is considered a "Project" under CEQA:

a)  Contract **IS** exempt  
Check the appropriate exemption box and fill in the section number of the exemption.

Statutory Exemption. List PRC and/or CCR section number: \_\_\_\_\_

Categorical Exemption. List CCR section number: \_\_\_\_\_

Common Sense Exemption. 14 CCR 15061(b)(3)

Explain reason why contract is exempt under the above section:

b)  Contract **IS NOT** exempt. The Contract Manager needs to consult with the Energy Commission attorney assigned to your division and the Siting Office regarding a possible Initial Study.

M. Disabled Veteran Business Participation: Not Applicable.

- Meets DVBE Requirements
- Requesting DVBE Exemption (attach CEC-95 DVBE memo)

N. Is Contractor a certified Small Business?

- Yes       No

O. Is Contractor subcontracting **any** services? If so, list them and identify if they are a certified Small Business?

- Yes       No

P. Miscellaneous Contract Information:

- 1) Will there be Work Authorizations?       Yes       No
- 2) Is the contractor providing confidential information?       Yes       No
- 3) Is the contractor going to purchase equipment?       Yes       No
- 4) Will progress reports be required? If so, check one of the following:  
 Monthly       Quarterly       Other (please describe)

Progress reports are required, see Scope of Work, Exhibit A, attached.

- 5) Will a final report be required?       Yes       No
- 6) Are resumes attached for all consultants       Yes       No
- 7) Is the contract, with amendments, longer than a year? If so, why?

The Department of General Services has agreed to give the Commission blanket authority to execute multi-year contracts to support the Commission's RD&D Programs.

8) What basis did you use to determine that the price, or rate, is reasonable?

Rates are comparable to other government agencies doing similar work for the California Energy Commission.