



October 30, 2007

City of Portland Transportation
Right-of-Way Acquisition
Attn: Steve Maddoux
120 SW 5th Avenue, Suite 800
Portland, OR 97204

Re: Easement N. Basin R/W # 6845 Mocks Bottom Pump Station

Dear Mr. Maddoux:

Portland General Electric has received and reviewed your letter dated October 5, 2007 concerning Mocks Bottom Pump Station and the Underground Distribution Line Easement associated with it.

Portland General Electric (PGE) is asking the City of Portland to accept the amount paid by PGE towards the underground construction in the amount of \$11,938.79 as the consideration for the easement. The consideration is \$9,211.79 more than the market value of the easement on tax lot 600, which has been determined from public records and shown in the table below as being \$2,727.00. Please see both the market value determination and construction costs as described in the following tables.

Portland General Electric finds that the market value of the proposed easement is \$2,727.00. The valuation amount was based on taking an average of five properties near or adjacent to tax lot 600, over which the easement is being placed. The values of each tax lot were obtained from county assessment records and reflect market value of the land.

Tax Lot	Tax Lot Size	Square feet	Assessed Market Value	Assessed per Square ft
1N1E17DB 00400	3.27 acres	142,441	\$1,237,660	\$8.70
1N1E17DB 00500	.20 acres	8,712	\$52,320	\$6.00
1N1E17DB 00600	.12 acres	5,227	\$30,680	\$5.87
1N1E17DB 00700	2.85 acres	124,146	\$1,224,210	\$9.86
1N1E17DB 00800	5.08 acres	221,285	\$1,651,400	\$7.46

The average combined assessed value of the five tax lots listed above is \$7.58 per square foot

The easement value was determined by taking 80% of the \$7.58 average assessed value, which equaled \$6.06 per square foot. The square footage in the easement area is 450 square feet: 450 sq. ft. X \$6.06. = \$2,727.

Portland General Electric is partnering with BES to upgrade the facilities at the site so that BES may upgrade the Mocks Landing Pump Station to the BES standard, which is a 277/480 volt three phase service.

The infrastructure costs for the partnership are reflected in the following table:

Goods & Services	Cost	PGE	City of Portland
660 Vault	\$2,025.00	\$1,012.50	\$1,012.50
3ph pad	\$ 370.00		\$ 370.00
Excavator joint work	\$12,611.00	\$6,305.50	\$6,305.50
PGE Excavation	\$4,403.00	\$4,403.00	
Permit	\$ 327.50	\$217.79	\$ 109.71
Total Cost	\$19,736.50	\$11,938.79	\$7,797.71

Portland General Electric's share for material and services is \$11,938.79.


City of Portland's share for material and services is \$7,797.71

Portland General Electric has approved the use of the Portland Transportation Right-of-Way Easement form for the Underground Distribution Line Easement and will sign the easement document upon request.

Please call me at 503-464-8120 if you have any questions. Please send all future correspondence to:

Portland General Electric
Attn: Ted Powell, 1WTC 0401
121 SW Salmon Street,
Portland, Oregon 97204

Sincerely;


For Ted Powell

Ted Powell
Property Services
Portland General Electric