

September 9, 2021

Mary Oliver, Right of Way
Tehama County Public Works
9380 San Benito Avenue
Gerber, CA 96035

**COST LIABILITY LETTER
FOR THE EVERGREEN
RELOCATION PROJECT
PM# 35032234**

RE: Cost Liability Letter, PG&E's Project No. PM# 35032234

Dear Mrs. Oliver:

Attached are 3 prints of PG&E's Plan No. PM 35032234, consisting of 2 sheets, showing the proposed relocation of PG&E's electric distribution facilities to accommodate the above-referenced project.

We have reviewed the plans as to the division of costs and the relocation of one (1) pole as shown upon our plans should be at 100% Agency expense pursuant to the easements granted to Pacific Gas and Electric Company from California Lands, Inc, dated December 21, 1939 (LD# 2429-04-0100) and R.W. Adams and Nellie M. Adams dated October 25, 1939. The relocation of seven (7) electric distribution poles as shown upon our plans should be at 100% PG&E expense as they were installed pursuant to the franchise agreement.

The cost for this work should be at 12.5% Agency expense and at 87.5% PG&E expense. We arrived at this proration by the following method:

AGENCY'S LIABILITY AS A PERCENTAGE

1 pole at 100% Agency expense ÷ total 8 poles = 12.5% of work at Agency expense

The total estimated cost to perform this work for PM# 35032234 is currently \$360,241, less Joint Utility Credits (\$22,168), salvage and depreciation (\$42,730) and betterment (\$20,718), totaling \$274,625 of which the Agency's share of the work is 12.5% or \$34,328.12.

Please review the enclosed information and if satisfactory, please issue your Notice to Owner, Encroachment Permit, and Utility Agreement in the amount of \$34,328.12. A Joint Use Agreement will be required for this project.

Sincerely,

Jason Thomas

MATERIALS AND LABOR SUMMARY SHEET

| | |
|-----------------------------------|--------------------|
| PG&E Direct Cost | \$ 96,086 |
| Overheads & Material Burden | \$252,491 |
| <u>Install Revolving Stock</u> | <u>\$ 11,664</u> |
| Gross Financial Cost Subtotal | \$360,241 |
| Joint Utility Credits | \$ -22,168 |
| Betterment | \$ -20,718 |
| <u>Salvage & Depreciation</u> | <u>\$ -42,730</u> |
| | \$274,625 |
| Agency's liability | x 0.125 |
| <u>Estimated Subtotal Cost</u> | <u>\$34,328.12</u> |

AGENCY'S LIABILITY $\$360,241 - \$22,168 - \$20,718 - \$42,730 = \$274,625 \times 0.125 = \$34,328.12$