

## The Oregonian

### Portland Timbers and city renegotiate stadium deal, costs because artificial turf fails after just three seasons

By Brad Schmidt

When the Portland Timbers and city officials negotiated a complicated stadium deal to secure a Major League Soccer franchise, both sides expected that new artificial turf installed for the 2011 soccer season wouldn't be replaced until 2019.

They were wrong.

After just three seasons, the Timbers in January replaced the synthetic turf because of performance concerns about how the soccer ball bounced. The team will bill Portland for costs up to \$343,363

At the same time, city officials agreed to pay the Timbers nearly \$4 million through 2035 to help cover costs of turf replacement that is now expected every two years. The new arrangement, approved this month, defines the city's long-term financial commitment and eliminates its original promise to replace turf anytime it failed.

The upside of the revised deal: It caps the amount Portland will have to contribute in coming years. But it's impossible to know if Portland will come out ahead because city officials didn't calculate their expected costs under the old arrangement.

And what becomes of the discarded city-owned turf?

In a twist, it's now part of a plan to build a new futsal field at an east Portland park and name the field in honor of the Portland Timbers.

#### **'Single-best artificial surface'**

Rowdy Portland Timbers fans packed into Portland City Hall in 2009 when officials began negotiating a deal to renovate what was then called PGE Park. A year later, the City Council approved a \$31 million renovation deal and a lengthy stadium operating agreement that included responsibilities for turf replacement.

During the Timbers' first three seasons as a Major League Soccer franchise, team officials boasted annually about their artificial field. Of the league's 19 teams, only four play in stadiums with artificial surfaces.

"We continue to have what I believe to be the single-best artificial surface for pro soccer in the United States," Merritt Paulson, the team owner, said in 2012.

In March 2013, the team's senior vice president of operations, Ken Puckett, echoed his boss, calling it the "top artificial playing surface for professional soccer in North America."

But seven months later, after another season of wear and tear, Portland no longer had such bold bragging rights.

An outside firm hired by the Timbers tested the field in October. The company found the turf passed safety tests but failed certain performance standards for how the ball should bounce and roll, compared to a grass field.

Major League Soccer requires that artificial fields pass those tests, said Susan Marschall, a league spokeswoman.

"You want the ball to play as natural as possible, just so it's the same in every stadium," she said.

Under terms of the city's original deal with the Timbers, Portland agreed to pay all costs for field replacement every eight years. If the turf failed before that, the city was responsible for 80 percent of the costs and the Timbers would pick up 20 percent.

City officials say they don't know how much that deal would have cost through 2035 because no one came up with an estimate.

"There were no specific cost estimates for either the first turf replacement, or the cost over the life of the agreement," Abby Coppock, a city spokeswoman, said in an email.

Under the revised deal, approved administratively March 6 without a City Council vote, the city will make escalating annual contributions totaling nearly \$3.6 million for turf replacement.

In addition, the city will cover half the cost to replace the shock pad beneath the turf, which should be replaced twice at an estimated cost of about \$335,000.

Money for the projects will come from a city fund that collects parking fees and ticket taxes from sporting events at Providence Park and the Rose Quarter.

Susan Hartnett, who managed the effort, said the city "drove a hard bargain."

"Flexibility for them," she said of the revision. "Certainty for us."

### ***Replacement costs unknown, undisclosed***

While Portland may have certainty on its costs, city officials apparently have no idea how much the Timbers spent to replace the turf.

Portland has now agreed to kick in \$343,363 through June to cover turf replacement. The Timbers have yet to invoice the city for the work.

Hartnett said she doesn't know how much the latest turf replacement cost, although she said she heard an early estimate of up to \$450,000.

Mike Golub, chief operating officer for the Timbers, declined to say how much the organization spent replacing the turf. Told of Hartnett's figure, he said: "It's probably light."

Without providing specifics, Golub said the Timbers will "bear the majority of the cost" over the life of the turf deal.

"I applaud the city," he said. "They're being nimble and practical, and those aren't words you typically associate with any city."

## **Commissioner Nick Fish, utility bureaus, hosted first ever 'utility rate review' meeting: Portland City Hall Roundup**

*By Andrew Theen*

Portlanders, your utility rates are going up again this summer. Do you know why?

Do you know what figures make up your utility bill in the first place?

A crowd of about 100 people attended a public meeting on Wednesday at Parkrose High School in Northeast Portland, to learn the whys and the hows behind a proposed 4.9 percent rate increase.

Commissioner Nick Fish billed the meeting as the city's first ever public utility rate review, part of his commitment to bring "sunshine" and transparency to the bureaus. A ballot measure this May would take control of the bureaus away from the City Council and in the hands of a separately elected political board.

The proposed utility rates haven't been approved yet, and won't go into effect until the next budget year begins in July.

In case you missed it, Fish's staff sent along the PowerPoint shown to meeting attendees on Wednesday.

Here's a peek inside the numbers that make up your bill:

\$90.35 - average total utility bill for 2013-14 single-family homes

\$4.44 - monthly increase, due to proposed 4.9 percent bump

\$27.61 - portion of the monthly bill due to water usage

\$62.74 - portion of the monthly bill due to sanitary sewer, storm water

Let's drill down a bit on the water bill portion:

\$9.62 - attributed to debt service payments

\$12.92 - operations and maintenance of water system

\$5.06 - improvements to water system

\$1.94 - "other, utility license fees, central services

How about the BES portion:

\$32.54 - debt service payments

\$20.10 - operations and maintenance

\$4.35 - improvements to system

\$8.26 - 'other' utility fees, rate stabilization, Superfund, etc.

Check out the PowerPoint to see how Portland's rates compare to other cities, and to read other facts about the system. City officials said they'd release a detailed list of responses to the public's questions from the Wednesday meeting by April 9.

Did you attend the meeting? If so, how was it? Did you learn anything new? Share your thoughts in the comment section.

## **Naming city sports field after the Portland Timbers easier because of recent policy changes**

*By Brad Schmidt*

A proposed deal to Timbers should be easier because the city two months ago quietly revised naming guidelines meant to discourage naming park facilities after corporations.

City officials insist, however, that the changes were not made to benefit the Timbers.

Seven years ago, the Portland City Council approved new naming and sponsorship guidelines as a way to encourage private financial donations and expand Portland Parks & Recreation services.

Two sets of guidelines were established in 2007 after two passionate City Council meetings in which residents and council members spoke out against corporate sponsorship. One dealt with sponsorships, meaning contributions in support of parks, and the other dealt with the naming parks or park facilities. The naming policy was particularly stringent.

But on Jan. 8, Portland Parks & Recreation authorized administrative changes to the naming guidelines without a vote by the City Council.

As a result of those changes, officials say the city's more lenient sponsorship policy – not the naming policy – applies to a proposal to build a new futsal field at Montavilla Park and name it after the Timbers. (Futsal is a small scale form of soccer.)

"We didn't do anything that drastically changed the policy," said Commissioner Amanda Fritz, who oversees the parks bureau. "Just clarified it."

### **What the city changed**

Under the city's 2007 sponsorship policy, Portland hoped to raise money for parks efforts from individuals, foundations, corporations, nonprofits, service clubs and other entities.

In appreciation of the financial support, the city would "provide sponsors with suitable acknowledgement of their contributions."

Portland preferred not to provide recognition that is "displayed within the park." But the city also allowed that facilities within a park or community center could be named to honor the sponsor.

If the city opted to name a facility within a community center or park, the sponsorship guidelines explained, then the city's naming policy "will apply."

Portland's 2007 naming policy applied not just to parks but also recreational facilities, which explicitly included "tennis courts" and "sports fields."

A new name, the guidelines stated, "shall not result" in the undue commercialization of the park or recreational facility "if it accompanies a corporate gift."

Portland Parks & Recreation stripped that language from the naming policy in a set of revisions two months ago.

Now, the city's definition for a recreational facility no longer includes "tennis courts" or "sports fields."

"The naming policy is for entire parks and major structures such as community centers, and therefore does not apply in the case of the court at Montavilla Park," Mike Abbaté, director of the parks bureau, said in an email.

The Timbers and Major League Soccer have offered to cover costs to replace an existing tennis court with a futsal field.

Officials also recently softened language about commercialization under the naming policy.

Instead of saying a name "shall not result" in undue commercialization tied to a gift, the new guidelines simply say the city should "avoid" it.

Both the 2007 and current version of the guidelines state that naming a recreational facility "with a company name" is prohibited.

### **Why the city made changes**

In response to written questions, Abbaté said he's unsure if the naming policy would have applied to the Timbers' proposal if not for the recent changes.

Abbaté said the old policy was confusing and ambiguous.

Parks & Recreation chose to remove “tennis courts” and “sports fields” from its definition of recreational facilities to clarify “that they are minor amenities within parks, like a play area, splash pad, basketball court, bike rack, etc.”

Parks officials emphasized that the sponsorship policy was most appropriate for the Timbers because the naming would be temporary, likely tied to the life of the artificial turf that would be installed.

The city owns the turf. The turf was removed from Providence Park beginning in November because soccer balls no longer bounce as they should, and the city has now agreed to cover nearly \$4 million in costs for future turf replacement.

The Timbers and Major League Soccer would cover project costs for the futsal field at Montavilla Park.

"The revisions done over the first six months of my tenure as Parks Commissioner certainly were not done to affect this proposal," Fritz said in an email.

### **Fritz's decision**

Under the city's existing rules, Fritz has final say on the proposed naming deal – unless she chooses to take it to the City Council.

If approved, the city would name the futsal field “Portland Timbers Field” at Montavilla Park.

Fritz noted that, officially, the city's business dealings are with team owner Merritt Paulson's company, Peregrine Sports, not the Timbers.

“Portland Timbers,’ yes it's a corporate name,” Fritz said. “But I think it's one that people embrace as a sporting team.”

## **The Mercury**

### **The Water District Campaign's New Video Doesn't Even Mention Its Favorite Target**

*By Dirk Vanderhart*

Since launching last summer, a campaign to snatch Portland's water and sewer systems away from city council has largely targeted Commissioner Nick Fish.

Fish assumed control of the Portland Water Bureau and Bureau of Environmental Services not long before that effort—Portlanders for Water Reform—went to work. He's since been painted as an “East Coast carpetbagger” complicit in increases in utility rates that the campaign argues are astronomic and unnecessary.

But the commissioner isn't the only focal point any longer. As the Mercury first reported, it's not Fish who'll helm the opposition to the water campaign. It's Mayor Charlie Hales.

And the water district campaign's first web video—sent along today by Kent Craford, one of the people leading the effort— doesn't even mention Fish. It features plenty of the mayor, though. Mainly, the campaign criticizes Hales for increasing water and sewer bills, when as a candidate he advocated flat rates.

"It was purposeful," Craford says of the attack on Hales. "We want voters to know that the mayor broke his promise, which was a promise he made in his campaign to lower water and sewer rates."

Fish recently spoke to that issue, telling Willamette Week: "Charlie Hales the candidate talked about lowering rates. Charlie Hales the mayor, when he got the utilities and ran them for five months, learned that you can't do so without doing violence to the system."

So has the water campaign moved on from Fish? Craford laughed at the notion.

"Oh no," he said. "Oh heavens no."