

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	April 20, 2009
	Agenda Item No. 38 Roll Call No. <u>09-</u> Communication No. <u>09-227</u> Submitted by: Donald M. Tripp Park and Recreation Director	

AGENDA HEADING:

Approving Playground Surface and Playground Improvements Donation and Installation Agreement with the National Safe Surfacing Initiative, LLC., Tim Mahoney, President, 205 S. Garfield, P.O. Box 506, Carlisle, Iowa, 50047,

SYNOPSIS:

Recommend approval of an agreement with the National Safe Surfacing Initiative (“NSSI”), LLC, an Iowa limited liability company, for the donation of improvements to certain City of Des Moines’ playgrounds and/or playground surfaces. NSSI will finance its donation of the rubber tile playground surfaces and, for some playgrounds, playground equipment, by conducting a fundraising program under the “Des Moines Safe Playground Surfacing Initiative” name. NSSI must receive the prior approval of the City’s Park and Recreation Director of all potential donors to be solicited for gifts prior to contact by NSSI. NSSI will be required to disclose in its promotions that it is affiliated with the tile manufacturer and will be required to provide a letter to each potential donor stating that the City of Des Moines is not endorsing the product or the manufacturer. NSSI will design, procure and install the rubber tiles for mutually agreed upon City of Des Moines playgrounds which include without limitation a concrete base, edging, drainage, handicap access, and, where pre-approved by the City of Des Moines, playground equipment. NSSI’s fundraising efforts will include accepting donations and pledges and providing such funds exclusively for the improvements to certain City playground surfaces. The proposed agreement requires that no less than 85% of all funds raised go directly to the project’s cost. The remaining 15% of funds raised may be used by NSSI to offset its administrative and fundraising expenses. NSSI must also enlist the services of a non-profit entity that is mutually agreed upon by the City and NSSI to whom all donations will be made payable. The non-profit entity will hold all donations in trust for the exclusive use of the Des Moines Safe Playground Surfacing Initiative (DSMSPSI). The roll call requires a 30-day waiting period prior to contract execution by the Mayor to provide other interested companies the opportunity to present alternative proposals.

FISCAL IMPACT:

Amount: The value of the donation could be as high as \$2 million depending on the success of NSSI to raise funds. The average cost of each playground improvement is estimated at between \$60,000 - \$70,000 and as many as thirty (30) City playgrounds could benefit from this program. Although there is no guarantee, the Agreement stipulates that when NSSI raises sufficient funds to purchase and install the first playground surface, it must donate and install a second playground surface simultaneously at NSSI’s sole cost. Therefore, a minimum of two playgrounds will likely be installed.

Funding Source: N/A

ADDITIONAL INFORMATION:

NSSI is a wholly owned subsidiary of Greenman Technologies (“Greenman”) and purchases its rubber playground surfacing tiles from Green Tech Products, Inc., another wholly owned subsidiary of Greenman. Greenman was founded in 1992 and is headquartered in Savage, Minnesota. It currently processes over 95% of all scrapped rubber tires in Iowa. The company engages in the collection, processing, and marketing of scrap tires in whole, shredded, or granular form throughout the United States. It sells the tires as tire-derived fuel used in lieu of coal by pulp and paper producers, cement kilns, and electric utilities; as a substitute for crushed stone used in civil engineering applications such as road beds, landfill construction, or septic field construction; or, as crumb rubber used for playground, athletic field, and running track surfaces.

Representatives of NSSI approached the City of Des Moines with a proposal to provide free Green Tech Products, Inc. rubber tile surfaces for City playgrounds. Most of the City of Des Moines playgrounds utilize sand, pea gravel or wood mulch for their safe surfacing material. Rubber playground surfaces have been shown by the National Program for Playground Safety (NPPS) and the State of Iowa Safe Surfacing Initiative (ISSI) to be a more resilient and easier to maintain playground surface than these other traditional surfaces. Rubberized surfaces do not require daily raking to maintain safe fall height from playground equipment; they do not decay or deteriorate rapidly; animals are less likely to create health issues on these surfaces; they are easily replaced in part or whole; and, they are made in a variety of colors that can be placed in patterns that are very aesthetically pleasing. They are, however, very expensive, averaging about \$10/sq. ft installed. Mulch, Sand, and pea gravel, to a safe depth of 12” average cost is from approximately \$.88/sq. ft. - \$1.51/sq. ft. installed, respectively.

No other company has approached the City of Des Moines Park and Recreation Department with a similar playground surfacing offer nor has the Park and Recreation Department solicited additional offers. While NSSI’s proposal, if accepted, clearly benefits Greenman Technologies’ own subsidiaries, the need and benefit of these products and services in the City’s playgrounds are great. Recent budget reductions and priorities will prevent the Park and Recreation Department from purchasing such products and services for several years. Staff has thoroughly reviewed the offer and established stringent conditions within the proposed agreement to insure fair and proper procedures for the execution of this program. Staff is therefore recommending that this agreement be approved giving NSSI the opportunity to fundraise and provide rubberized tile surfaces for many of the City’s existing playgrounds.

On December 22, 2008, the Des Moines City Council approved the acceptance of a \$15,000 demonstration grant from the Iowa Department of Natural Resources (IDNR) Playground Safe Surfacing Initiative Program to purchase recycled rubber playground surfacing tiles for approximately 1500 square feet of renovated playground surface at Evergreen Park (2000 Evergreen Avenue). The 3”-4” thick rubber tiles are made from Iowa scrap tires and will be used to replace about 12” of sand presently used as a safe surface in the playground. The tiles meet or exceed the current Americans with Disability Act (ADA) guidelines for Accessibility and Consumer Products Safety Council (CPSC) standards for safe playground fall heights. Among other things, this project demonstrates: (1) heightened awareness of the benefits of recycled scrap tires; (2) support for crumb rubber in manufacturing processes; (3) improved playground access for all persons; (4) providing as safe or safer surfaces regarding playground injuries due to falls without the need to maintain a 12” surface of traditional materials; and (5) reduced on-going costs for playground surfacing maintenance.

Green Tech Products, Inc., the rubber tile subsidiary of Greenman, was designated by the IDNR as the sole provider of the rubber playground tiles to be purchased under the Playground Safe Surfacing Initiative grant program. If the proposed agreement with NSSI is approved by the City Council, the installation of the rubber playground tile surface at Evergreen Park will precede NSSI's efforts to fundraise and begin installation of other City rubber playground surfaces. This will give the Park and Recreation Department time to evaluate the effectiveness and desirability of NSSI's rubber tile product and installation services before the larger playground program is ready to purchase tiles and begin installation. If the results are not satisfactory, the approved agreement allows the City to cease its relationship with NSSI.

PREVIOUS COUNCIL ACTION(S):

Date: December 22, 2008

Roll Call Number: 08- 2210

Action: Acceptance of Iowa Department of Natural Resources Playground Safe Surfacing Initiative Grant and Grant Agreement. (Council Communication No. 08-756) Moved by Vlassis to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

If approved, a list of approximately 30 playgrounds ranked by need will be provided by staff to NSSI. These playgrounds will be found in parks throughout the City. It is expected that fundraising for the first few playground surfaces will take about four to six months because of the need to prepare promotional materials and presentations. Once sufficient funds are available to install three or four safe surfaces, installation will begin. The first installed playground surfaces should therefore take about 6-8 months and be completed, depending on weather conditions, in either the fall of 2009 or spring of 2010.

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