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**To:** TJPD Commissioners  
**From:** Billie Campbell, Chief Operating Officer  
**Date:** July 10, 2008  
**Re:** Sponsorship for Stanardsville TEA-21 grants

**Purpose:** The purpose of this memo is to identify the key issues surrounding a possible agreement between the TJPC and Stanardsville Area Revitalization (\*STAR\*) for the PDC to act as sponsor for the Stanardsville TEA-21 projects.

**Background:** VDOT awarded the Town of Stanardsville two TEA-21 grants from for the installation of a crosswalk on Route 33 and to upgrade Main Street's sidewalks, lighting and commercial attractiveness. TEA-21 grant regulations require that a local government or quasi-governmental organization act as Sponsor and fiscal agent. The three eligible sponsors are the Town of Stanardsville, Greene County and the TJPC. The Town of Stanardsville lacks administrative capacity, and Greene County has declined to serve this role due to concerns over their ability to assume financial management for these projects. TJPC staff believes that we have the expertise and capacity to fulfill this role.

**Issues:** There are risks associated with sponsorship. \*STAR\* is willing to include terms in the agreement to minimize these risks.

**Cost over-runs:** Work under these grants will be broken into elements to be bid in phases based on priorities. \*STAR\* will also continue to seek additional VDOT grant funds.

**Disallowed expenditures:** \*STAR\* will hire a consultant with expertise and a solid track record to handle the bulk of administrative work. Risks can be minimized through tight bidding documents and contracts, thoroughly reviewing specifications with VDOT prior to construction, and rigorous construction oversight.

**Cash Flow and Local Match:** TJPC is requesting that \*STAR\* collect all local matches prior to the commencement of the project and transferring those funds to TJPC for cash flow management and to draw down as local match as the project progresses.

**Administrative Burden:** The Executive Director of \*STAR\* and the project consultant will share administrative duties, per the draft agreement. TJPC is also requesting payment for administrative work equal to 2% of project funds.

**Recommendation:** Staff recommends that the Commission allow TJPC to act as sponsor for the TEA-21 projects by entering into an agreement with \*STAR\*.

**Action Needed:** Approval to proceed as sponsor for these projects and authorization to execute agreements with VDOT and \*STAR\*.

**Effective Date:** \*STAR\* is anxious for a decision as soon as possible, ideally at the July 17 meeting.