

General Overview

As of June 30, 2018, all reports generally indicate the Las Vegas stadium project is on schedule, on budget, will include all project elements and will meet project standards set forth in the Stadium Development Agreement and Senate Bill 1 (2016 Special Session). Pursuant to the Stadium Development Agreement approved by the Las Vegas Stadium Authority Board on March 28, 2018, and the revised project budget approved by the Stadium Authority Board on May 23, 2018, the stadium project is a premier, first-class, multi-level stadium totaling approximately 1.5 million square feet, with an enclosed roof on a 62.5-acre site located in Clark County, Nevada. The enclosed stadium will include a fixed ETFE roof structure, contain 107 suites, and have a seating capacity of 62,228 (expandable for major events).

Project Budget

The project budget was unchanged at \$1.84 billion during the current reporting period. Four funding notices have been processed by the Stadium Authority totaling \$285.3 million, approximately 15.5 percent of the aggregate project budget. Authority contributions to the project currently total \$47.9 million, approximately, 16.8 percent of total outlays to date.

Project Schedule

The project schedule is unchanged during the period. Substantial completion of the project is anticipated on or before July 31, 2020.

Project Contingency

The stadium project contingency currently stands at \$112.1 million and is unchanged from the prior period. It includes a GMP contingency of \$97.1 million, systems and equipment contingency of \$5.9 million and project contingency of \$9.1 million. The contingency currently equals 7.2 percent of remaining project costs, an increase of 0.2 percentage points from the prior period.

Change Orders

Total change orders currently stand at \$1.63 million, unchanged during the current period. Pending change orders currently total \$21.7 million, including \$9.1 million for off-site infrastructure, which would be funded from within the site infrastructure budget that currently stands at \$27.9 million, \$2.6 million in costs attributable to potential tariffs of foreign purchased construction materials and roughly \$10 million in various potential project adjustments. Discussions with the Construction Monitor, Authority Construction Representative and StadCo indicate that the change order related to the off-site infrastructure is merely moving the cost of infrastructure work from outside the GMP to inside the GMP and that there is no anticipated change to the scope or quality of the project. The Construction Monitor reported that the increased cost associated with tariffs are outside the GMP and will need to be funded from the contingency or additional owners' equity contributions to the project budget, as would the other change order costs should they materialize as noted.

StadCo Project Status Report

StadCo submitted a monthly project status to the Authority, providing a general overview of the status of (1) design planning; (2) the project budget; (3) the construction schedule; (4) permitting, licenses and approvals; (5) compliance with various provisions of Senate Bill 1 (6) and compliance with the provisions of the community benefits plan. StadCo cited no variance in the project schedule, no variance in the project budget and compliance with statutory provisions. StadCo concluded that the design, construction and programming for the project are in good order and reflect progress consistent with StadCo's goals.

Staff did note changes in the milestone calendar between the May and June reports and have followed up with the Authority Construction Representative, the Construction Monitor and StadCo to obtain additional information relative to those revisions.

Construction Monitor's Reports (Jones Lang LaSalle)

On June 27, 2018, the Construction Monitor provided Site Observation Report 10. This report supported a draw of \$38.8 million and certified that: (1) all design agreements remain in full force and effect and have not been modified; (2) there has been no material deviation in stadium costs; (3) all required permits have been issued and are in effect; (4) all current draws are being used for project costs; (5) the project is proceeding on schedule and will be completed by the scheduled completion date; (6) all funds previously requisitioned have been used for their intended purpose; (7) there have been no material change orders other than those permitted by the Development Agreement or the Design-Build Agreement; and (8) the Construction Monitor has no knowledge of any vendor's lien, mechanics' lien or security interest that should be satisfied or discharged before the immediate payment request.

The Construction Monitor did note concern that StadCo had not reached agreement with HNTB, the project architect. JLL indicated they would be following up with CAA ICON relative to this issue and would report back as to the same.

On May 15, 2018, the Construction Monitor provided its Initial Review Report. That report concluded that the project budget and contingency appeared appropriate. The Construction Monitor did have several follow-up questions and data requests for StadCo. Staff has followed up with the Construction Monitor relative to the status of this request and asked to be notified when all outstanding issues have been resolved. At present, they remain pending.

Authority Construction Representative (Grand Canyon Development Partners)

Grand Canyon Development Partners ("GCDP") provided a series of updates during the period based on (1) their attendance at regularly scheduled construction meetings; (2) their attendance at recurring monthly meetings with the StadCo Representative; (3) routine site visits and (3) their review of project materials and reports submitted by StadCo and the Construction Monitor. GCDP identified no changes to project submission matters requiring the Authority's approval. To their knowledge, there are no environmental issues and no material claims by any members of the project team. Additionally, based on their review and understanding of the materials and information provided during the latest reporting period, it is GCDPs' opinion that the stadium project will be completed on time and on budget, will include all project elements, and will meet project standards set forth in the Stadium Development Agreement and Senate Bill 1 (2016 Special Session).

Stadium Project Uses of Funds

Month/Year	Project Budget		Project Contingency		Contingency as a % of Budget to Complete		Change Orders		Project Completed During Period		Project Completed to Date		% Completed to Date	
Pre-GMP Period	Sep-17	\$ 1,736,965,813	[1]	\$ 135,827,170	[1]	8.3%	[2]	\$ -	\$ 101,927,013	[1]	\$ 101,927,013	[1]	5.9%	[3]
	Oct-17	\$ 1,727,449,040	[4]	\$ 135,827,170	[4]	8.4%	[2]	\$ -	\$ 10,594,806	[4]	\$ 112,521,819	[4]	6.5%	[3]
	Nov-17	\$ 1,727,449,040	[5]	\$ 135,827,170	[5]	8.5%	[2]	\$ -	\$ 10,385,137	[5]	\$ 122,906,956	[5]	7.1%	[3]
	Dec-17	\$ 1,846,322,374	[6]	\$ 125,216,471	[6]	7.3%	[2]	\$ -	\$ 17,286,161	[6]	\$ 140,193,117	[6]	7.6%	[3]
	Jan-18	\$ 1,846,322,374	[7]	\$ 125,216,471	[7]	7.4%	[2]	\$ -	\$ 21,585,229	[7]	\$ 161,778,346	[7]	8.8%	[3]
	Feb-18	\$ 1,846,322,374	[8]	\$ 124,951,258	[8]	7.5%	[2]	\$ -	\$ 10,588,858	[8]	\$ 172,367,204	[8]	9.3%	[3]
	Mar-18	\$ 1,800,000,000	[9]	\$ 106,152,453	[10]	6.6%	[2]	\$ -	\$ 17,207,932	[10]	\$ 189,575,136	[10]	10.5%	[3]
	Apr-18	\$ 1,800,000,000	[9]	\$ 106,152,453	[13]	6.7%	[2]	\$ - [14]	\$ 16,150,752	[13]	\$ 205,725,888	[13]	11.4%	[3]
	May-18	\$ 1,840,000,000	[17]	\$ 112,052,620	[18]	7.0%	[2]	\$ 1,625,940 [19]	\$ 40,835,486	[20]	\$ 246,561,374	[20]	13.4%	[3]
	Jun-18	\$ 1,840,000,000	[17]	\$ 112,052,620	[23]	7.2%	[2]	\$ -	\$ 38,778,712	[24]	\$ 285,340,086	[24]	15.5%	[3]
Jul-18														
Aug-18														
Sep-18														
Oct-18														
Nov-18														
Dec-18														
Jan-19														
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Jul-20														
Aug-20														
Sep-20														
Current Amount														
<i>Share to Date</i>														
Estimated Total														
<i>Percent to Date</i>														

Stadium Funding Sources

Month/Year	Stadium Authority	Bank of America		Personal Seat	NFL G4 Credit		Other Funds	Total Amount Funded Period the Period	Cumulative Amount Funded to Date
		Senior Credit Facility		License (PSL) Revenues	Facility	Facility			
Pre-GMP Period	Sep-17	\$ -	\$ 101,927,013 [1]	\$ -	\$ -	\$ -	\$ -	\$ 101,927,013	\$ 101,927,013
	Oct-17	\$ -	\$ 10,594,806 [4]	\$ -	\$ -	\$ -	\$ -	\$ 10,594,806	\$ 112,521,819
	Nov-17	\$ -	\$ 10,385,137 [5]	\$ -	\$ -	\$ -	\$ -	\$ 10,385,137	\$ 122,906,956
	Dec-17	\$ -	\$ 17,286,161 [6]	\$ -	\$ -	\$ -	\$ -	\$ 17,286,161	\$ 140,193,117
	Jan-18	\$ -	\$ 21,585,229 [7]	\$ -	\$ -	\$ -	\$ -	\$ 21,585,229	\$ 161,778,346
	Feb-18	\$ -	\$ 10,588,858 [8]	\$ -	\$ -	\$ -	\$ -	\$ 10,588,858	\$ 172,367,204
	Mar-18	\$ 5,250,284 [11]	\$ -	\$ -	\$ 11,957,648 [12]	\$ -	\$ -	\$ 17,207,932	\$ 189,575,136
	Apr-18	\$ 7,189,145 [15]	\$ -	\$ -	\$ 8,961,608 [16]	\$ -	\$ -	\$ 16,150,752	\$ 205,725,888
	May-18	\$ 18,176,999 [21]	\$ -	\$ 22,658,486 [22]	\$ -	\$ -	\$ -	\$ 40,835,486	\$ 246,561,374
	Jun-18	\$ 17,261,473 [25]	\$ -	\$ 13,517,239 [26]	\$ 8,000,000 [26]	\$ -	\$ -	\$ 38,778,712	\$ 285,340,086
	Jul-18								
	Aug-18								
	Sep-18								
	Oct-18								
	Nov-18								
	Dec-18								
	Jan-19								
Post-GMP Period	Feb-19								
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	Apr-20								
	May-20								
	Jun-20								
	Jul-20								
	Aug-20								
	Sep-20								
	Current Amount	\$ 47,877,901	\$ 172,367,204	\$ 36,175,725	\$ 28,919,255	\$ -	\$ -	\$ 285,340,086	
	<i>Share to Date</i>	16.8%	60.4%	12.7%	10.1%	0.0%	0.0%	100.0%	
	Estimated Total	\$ 750,000,000	\$ 600,000,000	\$ 290,000,000	\$ 200,000,000	\$ -	\$ -	\$ 1,840,000,000	
	Percent to Date	6.4%	28.7%	12.5%	14.5%	0.0%	0.0%	15.5%	

Las Vegas Stadium Authority Board
Project Status Report | May 2018

Notes:

- [1] Jones Lang LaSalle, Site Observation Letter Report 1 (September 21, 2017). Note the initial outlay reflects \$77.8M for the acquisition of the stadium site.
- [2] Calculation, total amount of contingency divided by the amount equal to the total project budget less the amount of the project completed to date.
- [3] Calculation, total amount completed to date divided the total project budget. Note that this calculation differs slightly from the completion percentage reported by Jones Lang LaSalle.
- [4] Jones Lang LaSalle, Site Observation Letter Report 2 (October 30, 2017).
- [5] Jones Lang LaSalle, Site Observation Letter Report 3 (November 20, 2017).
- [6] Jones Lang LaSalle, Site Observation Letter Report 4 (December 21, 2017). JLL notes, "The Budget is a moving target, and will be undergoing revisions until Loan closing is established, and at that time, the project Budget cost will be finalized." JLL also notes that they are unable to offer an opinion on the adequacy of remaining funds to complete the project, as the final Budget and GMP have not yet been established
- [7] Jones Lang LaSalle, Site Observation Letter Report 5 (January 17, 2018). JLL notes, "The Budget is a moving target, and will be undergoing revisions until Loan closing is established, and at that time, the project Budget cost will be finalized."
- [8] Jones Lang LaSalle, Site Observation Letter Report 6 (February 21, 2018). JLL notes, "The Budget is a moving target, and will be undergoing revisions until Loan closing is established, and at that time, the project Budget cost will be finalized." JLL also notes that the preliminary budget had a project contingency of \$135.8M and that reallocations have reduced the contingency by \$10.9M (\$265,213 this period) to \$125M. JLL did not have sufficient information at the time this report was issued to ascertain the sufficiency of the contingency.
- [9] Stadium Authority Board Approved Project Budget (March 28, 2018).
- [10] Jones Lang LaSalle, Site Observation Report 7 (March 20, 2018; Revised April 13, 2018). JLL notes both a project contingency of \$9.1M as well as the Design Build Agreement contingency of \$97.0M within the GMP cost itemization. JLL further notes, "According to the preliminary Budget provided, the Budget originally established a \$135,827,170 Project Contingency. Reallocations have reduced the Contingency by \$126,690,300 to the current \$9,136,870, representing 0.5% of the remaining funds, which is below the industry standard of 5 to 10%. Upon completion of our project review, we will be able to ascertain the sufficiency of the project Contingency."
- [11] Stadium Authority Board Funding Designation for Funding Notice No. 1 (April 9, 2018).
- [12] StadCo Funding Designation for Funding Notice No. 1 (April 10, 2018; Revised April 13, 2018).
- [13] Jones Lang LaSalle, Site Observation Report 8 (April 24, 2018). JLL notes both a project contingency of \$9.1M as well as the Design Build Agreement contingency of \$97.0M within the GMP cost itemization. JLL further notes, "According to the preliminary Budget provided, the Budget originally established a \$135,827,170 Project Contingency. Reallocations have reduced the Contingency by \$126,690,300 to the current \$9,136,870, representing 0.5% of the remaining funds, which is below the industry standard of 5 to 10%. Upon completion of our project review, we will be able to ascertain the sufficiency of the project Contingency."
- [14] Jones Lang LaSalle, Site Observation Report 8 (April 24, 2018). JLL notes, "Although no Pending Change Orders were reported at this time, it was brought to our attention that a 5-circuit duct bank carrying electrical conduits serving the airport and some hotels (extending along Polaris Ave.) will interfere with construction of the street crossing section of the box culvert, and duct bank will need to be temporarily relocated and replaced. The cost for this work is estimated at \$4-million."
- [15] Stadium Authority Board Funding Designation for Funding Notice No. 1 (April 26, 2018).
- [16] StadCo Funding Designation for Funding Notice No. 2 (April 17, 2018).
- [17] Stadium Authority Board Approved Project Budget (May 23, 2018).
- [18] Jones Lang LaSalle, Site Observation Report 9 (May 22, 2018). JLL notes, "There is an estimated balance to complete of \$1,593,438,624, which includes project Contingencies as follows: GMP Contingency of \$97,064,248; Systems & Equipment Contingency of \$5,851,502; and a Project Contingency of \$9,136,870." Note also JLL states, "The Design Build Agreement established a \$97,015,583 Contingency within the GMP cost itemization. This period the Contingency increased by \$48,666 to the current Contingency value of \$97,064,248."
- [19] Jones Lang LaSalle, Site Observation Report 9 (May 22, 2018). JLL notes, "Additionally a budget line item transfer due to the inclusion of Change Order 1 in the amount of \$1,625,940 was not addressed in the current Budget. Monies to cover this Change Order were to be transferred from the Public Infrastructure line item to the GMP." JLL further notes, "Based on our cursory review, the scope of work and dollar amounts appears reasonable. The scope changes do not substantially change the quality of the project. No time extensions are shown on the Change Order." Finally, JLL notes, "The Design Builder reported one pending Change Order totaling \$8,219,041 for "Off Site Plans issued for Construction." Monies for this Change Order would be made available from funds within the Public Infrastructure line item, which currently stands at \$29.4-Million." Staff discussed this line item with JLL. JLL indicated that the transfer was simply to bring the cost under the GMP, which was increased by a similar amount. JLL indicated that they would be reviewing this information more closely in June to ensure there was no reduction to other project elements. GCDP, the Authority's Construction Representative, was also asked to review and monitor this issue.
- [20] Jones Lang LaSalle, Site Observation Report 9 (May 22, 2018).
- [21] Stadium Authority Board Funding Designation for Funding Notice No. 3 (May 24, 2018).
- [22] StadCo Funding Designation for Funding Notice No. 3 (May 24, 2018).
- [23] Jones Lang LaSalle, Site Observation Report 10 (June 27, 2018). JLL notes, "There is an estimated balance to complete of \$1,554,659,912, which includes project Contingencies as follows: GMP Contingency of \$97,064,248; Systems & Equipment Contingency of \$5,851,502; and a Project Contingency of \$9,136,870."
- [24] Jones Lang LaSalle, Site Observation Report 10 (June 27, 2018).
- [25] Stadium Authority Board Funding Designation for Funding Notice No. 4 (June 29, 2018).