

Project Status Report | October 2018

General Overview

As of October 31, 2018, all reports generally indicate the Las Vegas stadium project is on schedule and on budget, will include all project elements and will meet the 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 remained unchanged at \$1.84 billion during the current reporting period. Eight funding notices have been processed by the Stadium Authority totaling \$448.5 million, approximately 24.4 percent of the aggregate project budget. Authority contributions to the project currently stand at \$119.8 million, approximately 26.7 percent of total outlays to date. Personal Seat License proceeds account for \$92.9 million, or 20.7 percent of total project costs, and LV Stadium Events Company (Raiders) credit facilities make up the remaining \$235.8 million (52.6 percent) of project costs.

In September, \$1.58 million for PSL processing fees were incurred outside of the project budget pursuant to the PSL Purchase and Sale Agreement. These fees are now being accounted for within the project budget; September's figures have been revised to reflect this adjustment.

Project Schedule

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

Project Contingency

The stadium project contingency decreased by \$2.8 million during the period; it currently stands at \$104.4 million. This includes a GMP contingency of \$91.6 million, systems and equipment contingency of \$3.2 million, an infrastructure contingency of \$2.5 million and a project contingency of \$7.1 million. The most material impact was a \$1.6 million change order that reduced the development contingency from \$8.6 million to \$7.1 million. The GMP contingency currently reflects 8.1 percent of the GMP project completion balance. When aggregated, the combined project contingency currently equals 7.5 percent of remaining project costs, the same value reported during the prior period.

Change Orders

Change orders increased \$1.6 million during the period and currently total \$3.2 million. The October change order reflected a modification to the build up layers in the stadium's ETFE roofing system. The Construction Monitor recommended acceptance of this change order noting that the scope of work and dollar amounts appears reasonable; changes do not substantially change the quality of the project and there are no required time extensions.

Future change orders have now been segmented into "pending" and "potential" categories. Pending change orders are those that have been approved and will be incorporated into subsequent draws. They currently total \$9.6 million, including \$9.1 million allocated to off-site work and a myriad of smaller allocations for flush valves, steel painting design changes and other similar project elements. Potential change orders total \$22.7 million and include a combination of scope revisions, allowance adjustments and tariffs on foreign materials.

LV Stadium Events Company (Raiders) Project Status Report

LV Stadium Events Company submitted its monthly project report on October 31, 2018, 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 and (6) compliance with the provisions of the community benefits plan. LV Stadium Events Company cited no variance in the project schedule, no variance in the project budget and reported that it is meeting or exceeding all statutory requirements. The report did note that the pace of completion is expected to intensify in the coming months.

Construction Monitor's Reports (Jones Lang LaSalle)

The Construction Monitor submitted Site Observation Report 14 on October 26, 2018. The report supported a draw of \$46.1 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 vendors' liens, mechanics' liens or security interest that should be satisfied or discharged before the immediate payment request.

On May 15, 2018, the Construction Monitor provided its Initial Review Report. A final draft of that report was issued on October 31, 2018, in which the Construction Monitor noted that: (i) the project team is knowledgeable and has the expertise necessary to construct this project; (ii) the plans, with notes, and specifications are substantially complete to establish the scope of work intended and appear adequate for bidding and construction purposes; (iii) project costs appear reasonable and the project contingencies appear adequate; and (iv) that the project schedule was aggressive, but attainable. The Construction Monitor did indicate that 100 percent construction document drawings and specifications need to be provided once they are completed, and a design certification letter certifying that the proposed improvements meet the requirements of the appropriate building codes, zoning requirements, and all other applicable governmental regulations, including the Americans with Disabilities Act (ADA), remains pending but is expected in the normal course of project development.

The Construction Monitor expressed concern regarding gaps in information provided. Last month, the Construction Monitor requested a schedule of values for the off-site infrastructure budget, which is essentially an itemized breakdown of categories and movements in each line item that allows the Construction Monitor to properly monitor costs. In the current report, the Construction Monitor again notes, "We have requested that a Schedule of Values for the Off Site Infrastructure Budget be made available as part of the Draw Request process." Last month, it also noted ambiguity in the treatment of capitalized interest. This also remains unresolved as of the date of this report. We are continuing to work with all parties to ensure transparency in the process and completeness in reporting and documentation.

Authority Construction Representative (Grand Canyon Development Partners)

Grand Canyon Development Partners ("GCDP") provided a series of updates during the period based on (1) attendance at regularly scheduled construction meetings; (2) recurring monthly meetings with the StadCo Representative; (3) routine site visits and (4) a 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 its knowledge, there are no environmental issues and no material claims by any members of the project team. Additionally, based on a review and understanding of the materials and information provided during the latest reporting period, it is GCDP's 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).

In its October and November submissions, GCDP noted that StadCo had omitted previously provided milestone data from its monthly reports. GCDP indicated that it was “important to identify previously identified open dates,” and it intends to “continue to track these and other anticipated completion dates” as part of its project monitoring efforts.

As noted in previous reports, the contractor has elected to accelerate the steel erection to make up lost time in concrete work. GCDP had been advised that the labor pool for union iron workers in the Las Vegas metro area is “almost exhausted” and expressed concern that this may have a negative effect on the contractor’s ability to capture lost construction time. In its most recent report, GCDP notes that it has not observed any lack of labor necessary to complete the scheduled work and the contractor has not indicated that it has experienced any delays due to lack of labor.

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	\$ 1,840,000,000	[17]	\$ 112,056,457	[27]	7.4%	[2]	\$ - [28]	\$ 30,225,023	[29]	\$ 315,565,109	[29]	17.2%	[3]
	Aug-18	\$ 1,840,000,000	[17]	\$ 111,637,640	[32]	7.5%	[2]	\$ - [33]	\$ 32,027,796	[34]	\$ 347,592,905	[34]	18.9%	[3]
	Sep-18	\$ 1,840,000,000	[17]	\$ 107,179,154	[37]	7.5%	[2]	\$ - [38]	\$ 54,791,642 (r)	[39]	\$ 402,384,547 (r)	[39]	21.9%	[3]
	Oct-18	\$ 1,840,000,000	[17]	\$ 104,381,308	[42]	7.5%	[2]	\$ 1,558,651 [43]	\$ 46,089,225	[44]	\$ 448,473,772	[44]	24.4%	[3]
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	Jun-20													
	Jul-20													
	Aug-20													
	Sep-20													
Current Amount														
<i>Share to Date</i>														
Estimated Total														
Percent to Date														

Note: Totals may not sum to 100 percent due to rounding.

Stadium Funding Sources

Month/Year	Stadium Authority		Bank of America Senior Credit Facility		Personal Seat License (PSL) Revenues		NFL G4 Credit Facility		Other Funds		Total Amount Funded Period the Period	Cumulative Amount Funded to Date
		\$		\$		\$		\$		\$		\$
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]	\$ -	[12]	\$ 11,957,648	[12]	\$ -	[12]	\$ 17,207,932	\$ 189,575,136
	Apr-18	\$ 7,189,145	\$ -	[15]	\$ -	[16]	\$ 8,961,608	[16]	\$ -	[16]	\$ 16,150,752	\$ 205,725,888
	May-18	\$ 18,176,999	\$ -	[21]	\$ 22,658,486	[22]	\$ -	[22]	\$ -	[22]	\$ 40,835,486	\$ 246,561,374
	Jun-18	\$ 17,261,473	\$ -	[25]	\$ 13,517,239	[26]	\$ 8,000,000	[26]	\$ -	[26]	\$ 38,778,712	\$ 285,340,086
	Jul-18	\$ 13,453,990	\$ 16,771,033	[30]	\$ -	[31]	\$ -	[31]	\$ -	[31]	\$ 30,225,023	\$ 315,565,109
	Aug-18	\$ 14,256,454	\$ 17,771,342	[35]	\$ -	[36]	\$ -	[36]	\$ -	[36]	\$ 32,027,796	\$ 347,592,905
	Sep-18	\$ 23,686,038	\$ -	[40]	\$ 31,105,604 (r)	[41]	\$ -	[41]	\$ -	[41]	\$ 54,791,642	\$ 402,384,546
	Oct-18	\$ 20,515,583	\$ -	[45]	\$ 25,573,641	[46]	\$ -	[46]	\$ -	[46]	\$ 46,089,225	\$ 448,473,771
	Nov-18											
	Dec-18											
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	Current Amount	\$ 119,789,966	\$ 206,909,579		\$ 92,854,971		\$ 28,919,255		\$ -		\$ 448,473,771	
	<i>Share to Date</i>	26.7%	46.1%		20.7%		6.4%		0.0%		100.0%	
	Estimated Total	\$ 750,000,000	\$ 600,000,000		\$ 290,000,000		\$ 200,000,000		\$ -		\$ 1,840,000,000	
	<i>Percent to Date</i>	16.0%	34.5%		32.0%		14.5%		0.0%		24.4%	

Note: Totals may no

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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).
- [26] StadCo Funding Designation for Funding Notice No. 4 (June 19, 2018).

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Notes (cont.):

- [27] Jones Lang LaSalle, Site Observation Report 11 (Revised, July 30, 2018). Note that JLL reports the elements of the contingency in two separate places in Site Observation Report 11. See page 6 where the Systems & Equipment Contingency of \$5,851,502 and a current Project Contingency of \$9,136,870 are reported and page 19 where the contractors contingency is reported at \$97,068,085. JLL also notes, "The Project Contingency balance currently totals \$9,136,870. Although it was originally reported that the Development team felt confident that the Design Build GMP was adequate to provide for the programmed scope of the stadium, Items such as Owner enhancements, tariffs and allowance adjustments could potentially increase construction costs by an additional \$25.4MM. We have requested that the owner's Representative provide us with a detailed assessment of the potential changes. However, because the potential cost increases of \$25.4MM, we are unable at this time to report that the project Contingency of \$9.1MM is sufficient to absorb pending Change Orders. Should Change Orders become approved and integrated into the project, it may be necessary for the Ownership to contribute additional Equity to cover Change Orders. The Contingency must be carefully monitored.
- [28] Jones Lang LaSalle, Site Observation Report 11 (Revised, July 30, 2018). JLL notes, "The Design Builder reported in its June 2018 monthly report that there are pending Change Orders totaling \$33,098,700. In addition, the Design Builder has indicated that \$1,500,000 should be added to these costs to address potential foreign tariff increases. The potential Change Order costs would be increased to approximately \$34.6MM." JLL also noted, "The Off-Site Infrastructure costs would be allocated from the off-site infrastructure budget, currently valued at \$29.4-Million. The PCO Log also references \$5.2-Million in costs attributable to tariffs of foreign purchased construction materials; \$3.2-Million of Owner driven enhancements; and \$14.9-Million of Allowance Adjustments. There is a potential for Value Engineering the above noted items." See also, note 27 (JLL notes, "Should Change Orders become approved and integrated into the project, it may be necessary for the Ownership to contribute additional Equity to cover Change Orders."
- [29] Jones Lang LaSalle, Site Observation Report 11 (Revised, July 30, 2018).
- [30] Stadium Authority Board Funding Designation for Funding Notice No. 5 (July 30, 2018).
- [31] StadCo Funding Designation for Funding Notice No. 5 (July 20, 2018).
- [32] Jones Lang LaSalle, Site Observation Report 12 (August 23, 2018). JLL reports, "There is an estimated balance to complete of \$1,492,407,094, which includes (as reported by Owner's Representative) project Contingencies as follows: an assumed Systems & Equipment Contingency of \$5,851,502; a current Project Contingency of \$9,136,870, and a current GMP Contingency of \$96,649,268." JLL notes later in the report, "The Project Contingency balance currently totals \$9,136,870. Although it was originally reported that the Development team felt confident that the Design Build GMP was adequate to provide for the programmed scope of the stadium, items such as Owner enhancements, tariffs and allowance adjustments could potentially increase construction costs by an additional \$11,460,762. Should the costs for this work be approved, a combination of sources such as the remaining \$9,136,870 Owner Contingency, and/or potential GMP Contingency (currently \$96,649,268) savings, and/or Owner Equity, would be utilized."
- [33] Jones Lang LaSalle, Site Observation Report 12 (August 23, 2018). JLL notes, "Although at present time, the Budget is in balance, and the remaining funds are sufficient to complete the current scope of work, there are pending Change Orders totaling \$11,460,762, which if approved and accepted, would exceed the Owner Contingency and cause the Budget to be out of balance. This potential overage would be covered by a combination of sources such as the Developer Contingency, savings within the GMP Contingency, or Owner Equity. The Contingency should be carefully monitored to ensure a balanced Budget."
- [34] Jones Lang LaSalle, Site Observation Report 12 (August 23, 2018).
- [35] Stadium Authority Board Funding Designation for Funding Notice No. 6 (August 25, 2018).
- [36] StadCo Funding Designation for Funding Notice No. 6 (August 21, 2018).
- [37] Jones Lang LaSalle, Site Observation Report 13 (September 26, 2018 Revised October 4, 2018). JLL reports, "There is an estimated balance to complete of \$1,439,195,294, which includes (as reported by Owner's Representative) project Contingencies as follows: an assumed Systems & Equipment Contingency of \$5,851,502; a current Project Contingency of \$8,636,870, and a current GMP Contingency of \$92,690,782."
- [38] Jones Lang LaSalle, Site Observation Report 13 (September 26, 2018 Revised October 4, 2018). Although there are no change orders reported for the current month, JLL notes that the Developer's September 24, 2018 Change Order Log reports pending change orders totaling \$33,626,356.
- [39] Jones Lang LaSalle, Site Observation Report 13 (September 26, 2018 Revised October 4, 2018). **REVISION NOTE:** JLL and StadCo subsequently issued a revision note to Site Observation Report 13 as well as the StadCo Funding Notice No. 7 and the StadCo Funding Designation for Funding Notice No. 7 to reflect the payment of \$1,579,841.76 in PSL processing fees. See also, Note 41. September project expenditure values were adjusted upward in the amount of the these payments.
- [40] Stadium Authority Board Funding Designation for Funding Notice No. 7 (October 4, 2018).
- [41] StadCo Funding Designation for Funding Notice No. 7 (September 17, 2018). Please note that in addition to the funds allocated to Funding Notice No. 7 pursuant to the StadCo Funding Designation, JLL reported that "\$1,579,841.76 in processing costs that will be disbursed from Bank of America directly into the Clearing Account pursuant to the PSL Purchase and Agreement" were also allocated during this period. See also, PSL Notice of Sale for September 2018, reflecting PSL Tranche to be sold to fund current PSL Contribution Amount of \$29,525,762.34, PSL Tranche to be sold to fund Processing Costs of \$1,579,841.76 and Total PSL Tranche to be sold on Purchase Date of \$31,105,604.10. See also, PSL Disbursement Incrustations for September 2018 similarly reflecting a value of \$31,105,604.10. **REVISION NOTE:** JLL and StadCo subsequently issued a revision note to Site Observation Report 13 as well as the StadCo Funding Notice No. 7 and the StadCo Funding Designation for Funding Notice No. 7 to reflect the payment of \$1,579,841.76 in PSL processing fees. These funds were allocated directly from the PSL account. Note that all of the cost of the credit card processing fees are paid by StadCo/Raiders as those fees are not subject to the funding split applied to other project costs.
- [42] Jones Lang LaSalle, Site Observation Report 14 (October 26, 2018). JLL reports, "There is an estimated balance to complete of \$1,391,526,227, which includes (as reported by Owner's Representative) project Contingencies as follows: a remaining Systems & Equipment Contingency of \$3,164,116; an Infrastructure Contingency of \$2,514,050; a current Project Contingency of \$7,078,219, and a projected savings in the GMP Contingency of \$62,244,735." Note the distinction between the description of the project contingency in JLL's September and October reports. In October, JLL introduces the concept of the project savings in the GMP, where, in previous reports, this was a referenced to the GMP contingency. In its October report, JLL references the GMP contingency separately stating, "The Design Build Agreement established a \$97,015,583 Contingency within the GMP cost itemization. The Contingency decreased by \$5,390,659 (\$1,335,859 this period) to the current Contingency value of \$91,624,923 which now represents 8.1% of the GMP's Balance to Complete." This differential merely reflects the potential contingency usage of \$29.4 million based on the Design Builders potential contingency usage estimates.

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Notes (cont.):

- [43] Jones Lang LaSalle, Site Observation Report 14 (October 26, 2018). Change Order 3 totaling \$1,558,651 was submitted this period specific to "ETFE – Provide all labor, equipment and materials to substitute modified ETFE cushion build up layers in lieu of previously specified ETFE layers." Note also that pending change orders that have been approved and will be incorporated into the GMP in future draws total \$11,159,609 and potential change orders reported by the Design Builder total \$22,703,435.
- [44] Jones Lang LaSalle, Site Observation Report 14 (October 26, 2018).
- [45] Stadium Authority Board Funding Designation for Funding Notice No. 8 (October 30, 2018).
- [46] StadCo Funding Designation for Funding Notice No. 8 (October 22, 2018).