

General Overview

As of February 28, 2019, 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. Twelve funding notices have been processed by the Stadium Authority totaling \$690.4 million, approximately 37.5 percent of the aggregate project budget. Stadium Authority contributions to the project currently stand at \$227.5 million, approximately 32.9 percent of total outlays to date. Personal Seat License proceeds account for \$220.4 million, or 31.9 percent, of total project costs, and LV Stadium Events Company (Raiders) credit facilities make up the remaining \$242.5 million (35.1 percent) of project costs.

Project Schedule

The project schedule was unchanged during the reporting period. Substantial completion is scheduled for August 4, 2020, with the opening game slated for August 6, 2020.

Project Contingency

The aggregate stadium project contingency increased by nearly \$4.0 million during the period and currently stands at \$89.3 million. The overall contingency is comprised of the GMP contingency of \$80.5 million, systems and equipment contingency of \$3.2 million, an infrastructure contingency of \$2.8 million and a project contingency of \$2.8 million. Increases in the contingency were attributable to cost savings within the project, including sewer work along Ali Baba Lane coming in \$2.6 million under budget. During the current reporting period, a potential project savings in the GMP was identified in the amount of \$35.8 million. This additional contingency has not been added to the total reported here as it remains speculative.

The GMP contingency currently stands at 8.7 percent of the GMP project completion balance, an increase of 0.7 percentage points during the reporting period. When aggregated, the combined project contingency currently equals 7.8 percent of remaining project costs, an increase of 0.8 percentage points during the past month.

Change Orders

There were no new change orders during the reporting period, with total change orders to date remaining at \$14.5 million. Potential future change orders totaled \$47.8 million, also unchanged from the prior month. These continue to include a combination of scope revisions; allowance adjustments such as Southwest Plaza Canopy, Plaza changes and North Endzone Club; tariffs for Bid Package 1 and 4 on foreign materials and unforeseen earthwork conditions. Respecting that these change orders are estimates that remain actively under evaluation by the development team, the Construction Monitor cautioned, "should these elements become integrated into the project at a cost in excess of the established budget, Ownership may need to contribute additional Equity in order to maintain a balanced budget."

LV Stadium Events Company (Raiders) Project Status Report

LV Stadium Events Company (“StadCo”) submitted its monthly project report on February 28, 2019, 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 or the project budget; however, the StadCo report did cite “several substantive changes” to the project schedule that are being implemented to address “slower than intended steel fabrication and delivery.” Both the Construction Monitor and the Authority Construction Representative are aware of this challenge and are monitoring it accordingly.

Construction Monitor’s Report (Jones Lang LaSalle)

The Construction Monitor submitted Site Observation Report 18 on February 20, 2019; a revision was subsequently issued on February 26, 2019. The report supported a draw of \$67.9 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.

While the Construction Monitor’s report notes that the “full scope of the Off-Site Infrastructure will be established in the near future, and at present time, the cost for this work is being priced out, and should the final costs within the Off-Site Infrastructure Budget exceed the budgeted costs, other sources of funds would be needed,” Kimley-Horn has provided a letter attesting to sufficiency of the off-site infrastructure budget for all known requirements, and CAA ICON has certified that all non-development-related County Development Agreement requirements (e.g., direct payments for the cost of fire safety equipment) have been satisfied and/or are budgeted. Discussions with county staff also indicate that all requirements have been or are in the process of being met.

The Construction Monitor also noted that, at present, the project is “proceeding in general accordance with the construction documents” and “the quality of workmanship appears to be good.” Notably, the Construction Monitor further reported that, “pending integration of principal Reductions and Capitalized Interest into the Budget, the remaining funds are sufficient to complete the project as currently defined and pending Change Orders totaling \$20,478,805, provided the estimated excess funds in the GMP Contingency are made available to the Ownership.” The Construction Monitor, Authority Construction Representative and outside counsel have all independently confirmed that a partial release of the contingency within the GMP is a normal and customary practice. That said, staff has requested that outside counsel confirm the process by which the GMP Contingency will be made available to LV Stadium Events Company to ensure it is consistent with the Stadium Development Agreement and the Southern Nevada Tourism Improvements Act of 2016.

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.

GCDP did note an environmental issue specific to a stained soil condition along West Hacienda Avenue. GCDP received copies of letters addressed to Clark County Public Works dated March 4, 2019, advising the county of the discovery of stained soil in the public right-of-way. GCDP was also provided a second letter addressed to Calnev/Kinder

Morgan Pipeline Company, dated March 4, 2019, advising them, as the apparent owner of the pipeline, of the discovery of stained soil adjacent to the pipeline. Discussions with GCDP indicate that this is a relatively minor issue that is actively being resolved and should not impact either the project budget or the project schedule.

With regard to material claims by any members of the project team, GCDP did report claims filed by Merrill Steel and Iron Inc. and TAB Contractors Inc. Merrill Steel and Iron Inc. recorded a mechanics lien for which the Mortenson-McCarthy Joint Venture has posted a bond as required by the Stadium Development Agreement. TAB Contractors Inc. has also advised the joint venture of claims for additional cost incurred due to unforeseen site conditions, which is reportedly under investigation by the joint venture. Discussions with GCDP indicate that they intend to monitor the situation; but, at this time, they do not expect these claims to impact the project scope, project budget or project timeline.

In its previous report, GCDP's indicated some concern regarding the steel fabrication and delivery. In its February update, they noted the following:

During our site visits, we observed that steel components that should have been completed have not yet been erected or detailed. It was noted that fabrication of certain pieces of steel have been late to the site causing likely delays in erection and associated work that follows. This situation has been addressed with StadCo, CAA ICON and the contractor. The contractor has taken actions to mitigate and reconcile the delay in steel erection to ensure an on-time project completion.

GCDP further noted:

The contractor presented to us details of various options to accelerate and mitigate the current steel erection. They have selected a schedule modification and are instituting the preferred method. As the contractor executes the schedule modifications and changes to work flow, we will continue to monitor the progress and advise accordingly. We expect to have an update at our next monthly meeting.

GCDP also noted:

The current delay is primarily due to out of sequence fabrication of steel components and late delivery to the site. The contractor has located their management personnel in several steel fabrication facilities to ensure proper fabrication sequencing and reliable delivery dates. This is to help correct and mitigate the current schedule creep. We have discussed the contractor's intentions to employ techniques to accelerate the work at our last monthly meeting. StadCo, CCA ICON and the contractor feel confident the completion date has not been jeopardized. In fact, other work in areas of critical importance are progressing per schedule and currently have not been adversely effected by the steel erection delays.

As noted in the previous update, staff has requested the GCDP closely monitor the material delivery schedule and the overall project schedule. GCDP reported that they had "in-depth discussions with StadCo, CAA ICON and the contractor to review schedules and mythology to modify the current schedule, mitigating the current schedule creep to ensure the completion date," that they have "requested a copy for the Critical Path schedule to review current progress and that of the foreseeable future," and that they intend to, "monitor the monthly schedule updates and the actual field work to help determine the contractor's ability to maintain schedule compliance."

Issues cited by GCDP notwithstanding, they continue to report an expectation that the stadium project will be completed on time 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).

Stadium Project Uses of Funds

Month/Year	Project Budget	Project Contingency	Contingency as a % of Budget to				Project Completed During Period	Project Completed to Date	% Completed to Date
			Complete	Change Orders					
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]
Nov-18	\$ 1,840,000,000 [17]	\$ 93,440,979 [47]	7.0%	[2]	\$ 9,068,016 [48]	\$ 52,000,478 [49]	\$ 500,474,250 [49]	27.2%	[3]
Dec-18	\$ 1,840,000,000 [17]	\$ 85,293,724 [52]	6.7%	[2]	\$ 598,984 [53]	\$ 64,068,000 [54]	\$ 564,542,250 [54]	30.7%	[3]
Jan-19	\$ 1,840,000,000 [17]	\$ 85,365,726 [57]	7.0%	[2]	\$ 1,639,788 [58]	\$ 58,003,843 [59]	\$ 622,546,095 [59]	33.8%	[3]
Feb-19	\$ 1,840,000,000 [17]	\$ 89,347,778 [62]	7.8%	[2]	\$ - [63]	\$ 67,868,888 [64]	\$ 690,414,983 [64]	37.5%	[3]
Mar-19									
Apr-19									
May-19									
Jun-19									
Jul-19									
Aug-19									
Sep-19									
Oct-19									
Nov-19									
Dec-19									
Jan-20									
Feb-20									
Mar-20									
Apr-20									
May-20									
Jun-20									
Jul-20									
Aug-20									
Sep-20									
Current Amount									
<i>Share to Date</i>									
Estimated Total									
<i>Percent to Date</i>									

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 During 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]	\$ - [12]	\$ - [12]	\$ 11,957,648 [12]	\$ - [12]	\$ - [12]	\$ - [12]	\$ - [12]	\$ 17,207,932	\$ 189,575,136
	Apr-18	\$ 7,189,145 [15]	\$ - [16]	\$ - [16]	\$ - [16]	\$ 8,961,608 [16]	\$ - [16]	\$ - [16]	\$ - [16]	\$ - [16]	\$ 16,150,752	\$ 205,725,888
	May-18	\$ 18,176,999 [21]	\$ - [22]	\$ 22,658,486 [22]	\$ - [22]	\$ - [22]	\$ - [22]	\$ - [22]	\$ - [22]	\$ - [22]	\$ 40,835,486	\$ 246,561,374
	Jun-18	\$ 17,261,473 [25]	\$ - [26]	\$ 13,517,239 [26]	\$ - [26]	\$ 8,000,000 [26]	\$ - [26]	\$ - [26]	\$ - [26]	\$ - [26]	\$ 38,778,712	\$ 285,340,086
	Jul-18	\$ 13,453,990 [30]	\$ 16,771,033 [31]	\$ - [31]	\$ - [31]	\$ - [31]	\$ - [31]	\$ - [31]	\$ - [31]	\$ - [31]	\$ 30,225,023	\$ 315,565,109
	Aug-18	\$ 14,256,454 [35]	\$ 17,771,342 [36]	\$ - [36]	\$ - [36]	\$ - [36]	\$ - [36]	\$ - [36]	\$ - [36]	\$ - [36]	\$ 32,027,796	\$ 347,592,905
	Sep-18	\$ 23,686,038 [40]	\$ - [41]	\$ 31,105,604 (r) [41]	\$ - [41]	\$ - [41]	\$ - [41]	\$ - [41]	\$ - [41]	\$ - [41]	\$ 54,791,642	\$ 402,384,546
	Oct-18	\$ 20,515,583 [45]	\$ - [46]	\$ 25,573,641 [46]	\$ - [46]	\$ - [46]	\$ - [46]	\$ - [46]	\$ - [46]	\$ - [46]	\$ 46,089,225	\$ 448,473,771
	Nov-18	\$ 23,146,845 [50]	\$ - [51]	\$ 28,853,633 [51]	\$ - [46]	\$ - [46]	\$ - [46]	\$ - [46]	\$ - [46]	\$ - [46]	\$ 52,000,478	\$ 500,474,250
	Dec-18	\$ 28,518,432 [55]	\$ - [56]	\$ 35,549,569 [56]	\$ - [56]	\$ - [56]	\$ - [56]	\$ - [56]	\$ - [56]	\$ - [56]	\$ 64,068,000	\$ 564,542,250
	Jan-19	\$ 25,819,108 [60]	\$ 6,706,480 [61]	\$ 25,478,255 [61]	\$ - [61]	\$ - [61]	\$ - [61]	\$ - [61]	\$ - [61]	\$ - [61]	\$ 58,003,843	\$ 622,546,093
	Feb-19	\$ 30,210,311 [65]	\$ - [66]	\$ 37,658,577 [66]	\$ - [66]	\$ - [66]	\$ - [66]	\$ - [66]	\$ - [66]	\$ - [66]	\$ 67,868,888	\$ 690,414,981
Post-GMP Period	Mar-19											
	Apr-19											
	May-19											
	Jun-19											
	Jul-19											
	Aug-19											
	Sep-19											
	Oct-19											
	Nov-19											
	Dec-19											
	Jan-20											
	Feb-20											
	Mar-20											
	Apr-20											
	May-20											
	Jun-20											
	Jul-20											
	Aug-20											
	Sep-20											
	Current Amount	\$ 227,484,662	\$ 213,616,059	\$ 220,395,005	\$ 28,919,255	\$ -	\$ 690,414,981					
	<i>Share to Date</i>	32.9%	30.9%	31.9%	4.2%	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	30.3%	35.6%	76.0%	14.5%	0.0%	37.5%					

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 by 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 Contractor's 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 the 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 for \$31,105,604.10. See also, PSL Disbursement Instructions 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 reference 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 Builder's 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).
- [47] Jones Lang LaSalle, Site Observation Report 15 (November 26, 2018; Revised November 28, 2018). JLL reports, "The Design Build Agreement established a \$97,015,583 Contingency within the GMP cost itemization. The Contingency decreased by \$12,060,615 (\$6,669,955 this period) to the current Contingency value of \$84,954,968 which now represents 7.6% of the GMP's Balance to Complete" at page 21. The report then goes on to state the following at 23, (i) "The Development Contingency, originally established at \$9,136,870 was reduced by \$5,331,750 (\$3,273,009 this period) to the current \$3,805,120" and (ii) "Additional Contingencies contained within the Budget line items, as reported by the Owner's Representative include a remaining Systems & Equipment Costs Contingency of \$3,164,116; and an Infrastructure Contingency of \$1,516,775." Please note that that JLL also states, "In addition to the above approved usage, the Design Builder is reflecting potential Contingency usage totaling \$21,445,931 and a potential remaining Contingency of \$63,509,037 if all pending options are approved." However, the remaining contingency reported in the November staff update reflects the actual contingency usage and not the potential contingency usage.
- [48] Jones Lang LaSalle, Site Observation Report 15 (November 26, 2018; Revised November 28, 2018). Change Order 2 totaling \$9,068,016 was submitted this period and was specific to "Off-Site infrastructure on public ways surrounding the stadium site." Note also that pending change orders that have been approved and will be incorporated into the GMP in future draws total \$653,368. Potential change orders are reported at \$22,703,435.
- [49] Jones Lang LaSalle, Site Observation Report 15 (November 26, 2018, Revised November 28, 2018).
- [50] Stadium Authority Board Funding Designation for Funding Notice No. 9 (November 30, 2018).
- [51] StadCo Funding Designation for Funding Notice No. 9 (November 15, 2018).
- [52] Jones Lang LaSalle, Site Observation Report 16 (December 26, 2018; Revised December 28, 2018). JLL reports, "The Design Build Agreement established a \$97,015,583 Contingency within the GMP cost itemization. The Contingency decreased by \$18,733,702 (\$6,673,087 this period) to the current Contingency value of \$78,281,880 which now represents approximately 7.5% of the GMP's Balance to Complete." at page 21. It then goes on to state the following at pages 23-24, (i) "The Development Contingency, originally established at \$9,136,870 was reduced by \$6,289,666 (\$957,916 this period) to the current \$2,847,204"; (ii) "Additionally, the Owner's Representative indicated that there will be quarterly meetings to discuss releasing excess funds in the GMP Contingency, with the next meeting occurring in early February 2019. Currently the remaining GMP Contingency is noted as \$84,292,352, and the projected excess funds is estimated currently at \$33,380,866" and (iii) "Additional Contingencies contained within the Budget line items, as reported by the Owner's Representative include a remaining Systems & Equipment Costs Contingency of \$3,164,116; and an Infrastructure Contingency of \$1,000,524." JLL also notes, " costs for Owner enhancements are not included in our tabulations and will be addressed at a later date."
- [53] Jones Lang LaSalle, Site Observation Report 16 (December 26, 2018; Revised December 28, 2018). Change Orders 4 to 9 totaling \$598,984 were submitted this period. Change orders 10 and 11 totaling \$1,639,788 have been approved, and incorporated into the hard cost budget. Finally, Potential change orders totaled \$47,755,526 during this period.
- [54] Jones Lang LaSalle, Site Observation Report 16 (December 26, 2018; Revised December 28, 2018).
- [55] Stadium Authority Board Funding Designation for Funding Notice No. 10 (December 26, 2018).
- [56] StadCo Funding Designation for Funding Notice No. 10 (December 15, 2018).
- [57] Jones Lang LaSalle, Site Observation Report 17 (January 23, 2019). JLL reports, "The Design Build Agreement established a \$97,015,583 Contingency within the GMP cost itemization. The Contingency decreased by \$18,661,700 (\$71,002 increase this period) to the current Contingency value of \$78,353,882 which now represents approximately 8% of the GMP's Balance to Complete." at page 22. Additional project contingencies are noted as follows at page 6: "Systems & Equipment Contingency of \$3,164,116; an Infrastructure Contingency of \$1,000,524; a current Project Contingency of \$2,847,204, and a projected savings in the GMP Contingency of \$35,177,639." Please note that the \$35.2M contingency sourced to the projected cost savings has not been added to the reported project contingency as it is unclear at this time whether it is an actual or potential addition.
- [58] Jones Lang LaSalle, Site Observation Report 17 (January 23, 2019). Change Orders 10 and 11, previously approved, totaling \$1,639,788 were incorporated into the GMP this period. The Developer's January 15, 2019 Change Order Log reports potential change orders of \$47,755,526.
- [59] Jones Lang LaSalle, Site Observation Report 17 (January 23, 2019). See draw request summary table at page 6.
- [60] Stadium Authority Board Funding Designation for Funding Notice No. 11 (January 31, 2019).
- [61] StadCo Funding Designation for Funding Notice No. 11 (January 15, 2019).
- [62] Jones Lang LaSalle, Site Observation Report 18 (February 20, 2019; Revised February 26, 2019). JLL reports, "The Design Build Agreement established a \$97,015,583 Contingency within the GMP cost itemization. The Contingency decreased by \$16,509,962 (\$2,151,738 increase this period) to the current Contingency value of \$80,505,620 which now represents approximately 8.7% of the GMP's Balance to Complete" at page 22. Additional project contingencies are noted as follows at page 7: "Systems & Equipment Contingency of \$3,164,116; an Infrastructure Contingency of \$2,830,838; a current Project Contingency of \$2,847,204, and a projected savings in the GMP Contingency of \$35,829,760." Please note that the \$35.8M contingency sourced to the projected cost savings has not been added to the reported project contingency as it is unclear at this time whether it is an actual or potential addition.
- [63] Jones Lang LaSalle, Site Observation Report 18 (February 20, 2019; Revised February 26, 2019). JLL reports, no new change orders were submitted this period at page 12. That said, JLL also reports potential change orders totaling \$47,761,535 (\$6,009 for Change Order 12 and \$47,755,526 pending change orders).
- [64] Jones Lang LaSalle, Site Observation Report 18 (February 20, 2019; Revised February 26, 2019). See draw request summary table at page 6.
- [65] Stadium Authority Board Funding Designation for Funding Notice No. 12 (February 26, 2019).
- [66] StadCo Funding Designation for Funding Notice No. 12 (February 18, 2019).