

## MEMORANDUM

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**TO:** Mr. Steve Hill, Chairman  
**FROM:** Jeremy Aguero, Principal Analyst  
**DATE:** September 6, 2017  
**SUBJECT:** Las Vegas Stadium Authority | Project Document Timing  
**CC:** Mr. Lawrence Epstein, Vice Chairman; Mr. Ken Evans, Ms. Jan Jones-Blackhurst; Mr. Tito Tiberti; Mr. Michael Newcomb; Mr. Dallas Haun; Mr. Bill Hornbuckle; Mr. Tommy White; Ms. Laura Fitzpatrick

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As you are aware, we have been working with The Oakland Raiders ("Raiders") and others on various project documents required for the Raiders to move forward on the Las Vegas stadium project. As you are also aware, the Raiders and all other parties are operating on an ambitious timeline to complete the project in advance of the 2020-2021 NFL season. We believe some adjustments are required to the project document schedule to ensure the requirements of Senate Bill 1 ("SB1") are met without causing an unnecessary delay in the stadium's development schedule.

Among the various project documents required by SB 1 is a development agreement between the Clark County Stadium Authority ("Authority") and stadium developer (SB1 §29.2). The development agreement will have several elements including, finalized construction and design contracts for the stadium as well as a total cost budget for the project. Moreover, the Authority cannot request that Clark County (the "County") issue stadium bonds until the Authority determines that a guaranteed maximum price construction contract (SB1 §36.1(c)) and a final project budget (SB1 §36.1(g)) are in place. The Raiders are in the process of completing a design-build contract form with a guaranteed maximum price ("GMP") for the construction of the project; however, as Mr. Webb testified before the Authority in August, the stadium design process needs to progress further before a reliable a GMP can be determined. Based on discussions with the Raiders, we anticipate that this process will be the subject of significant discussions with the design-builder and will be completed by February 2018.

To meet the Raiders' proposed development project schedule, they will need to complete certain preliminary development activities between November 2017 and February 2018. These activities will include standard items such as grading and other site preparations as well as relocating utilities ("Enabling Work"). To accommodate this, we anticipate having a memorandum of understanding with the Raiders regarding, among other things, the Enabling Work ("Enabling Work MOU") for the Authority's initial consideration in September; and, should the Authority so desire, as an action item on its October agenda. The Enabling Work MOU will delineate the preliminary site work that can be undertaken and will make it clear that the Raiders undertake such activities at their own risk. That is to say that the Enabling Work MOU will not bind or otherwise obligate the Authority to any subsequent approval and will preserve all rights of the Authority in terms of project review and approval, including the development agreement and any considerations concerning the issuance of stadium bonds.

To effectuate the change, the Authority will need to exercise its power to extend its initial tenure from 12 months to 18 months. SB1 contemplates such flexibility, allowing the Authority to provide additional time where board members believe it is "necessary or desirable" to do so (SB1 §29.1 and §37.1). Unless you advise otherwise, we intend to prepare a resolution making such a change for the Authority's consideration in September.

One consideration related to this strategy concerns the timeline required to issue the stadium bonds. While scheduling the bond sale and closing would be premature at this point, it will be important for the Authority and the Raiders to work with the County concurrently on all bond issuance requirements to ensure that the Authority is in a position to fund its share of the project once the land has been donated to the Authority (SB1 §35.1(d)) and the Raiders have paid the first \$100 million in stadium development costs (SB1 §35.2(a)). Discussions relative to this effort are already underway with the County and their consultants, and we believe the timelines are achievable.

We appreciate the opportunity to assist the Authority in these matters and look forward to any further direction you or the board may have. As always, should you have any questions or should you require any additional information, please never hesitate to contact me directly at (702) 967-3333.