

Hard Rock-contractor unable to resolve dispute

Mediation between Lake Tahoe Hard Rock owners and the construction firm that remodeled the Stateline hotel-casino have failed. The lawsuit is moving forward toward a trial.

Earlier this fall it looked like a resolution had been found, but brothers Jon and David Park wanted their lending institution to sign-off on the deal before they inked their names to the documents. That didn't happen.

The brothers put in \$60 million to renovate what was the dilapidated Horizon.

SMC Contracting was hired to do the bulk of the work. In May the company sued the Parks because they had not received nearly \$10 million in payment.

Cost overruns associated with needing to make the Jan. 28 opening date are being blamed for the construction costs going up. SMC says the Parks approved those bills. The brothers say otherwise and in part blame Warner Hospitality, the management firm at the time, for approving cost overruns. The Parks have since fired Warner.

At a court hearing on Dec. 18 the judge denied a partial summary judgment proposed by SMC.

SMC's attorney has the right to amend its complaint after Neva One, the parent company of the Hard Rock, turns over what is expected to be 5,000 more pages of documents.

Also on Friday, the \$820,000 mechanics lien filed by plumbing firm Savage & Sons against Neva One and SMC was consolidated into the larger lawsuit.

– Lake Tahoe News staff report