

# Hard Rock settles lawsuits with contractors

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By Kathryn Reed

An infusion of cash from new owners of the Hard Rock Lake Tahoe has made the lawsuits go away that involved contractors who renovated the public areas of the Stateline property.

The Nevada Gaming Control Board has approved brothers Jon and David Park's request to sell half of the assets to an affiliate of Paragon. Las Vegas-based Paragon HRLT is managing the property. The proposal was brought the Gaming Board in **February**.

The trial date with the general contractor who did the casino and lobby area is no longer on the court docket.

Neva One, the company the Carson Valley brothers formed as the umbrella of the Hard Rock, has been under fire almost since it was announced the former Horizon would undergo a \$60 million facelift.

The hotel-casino reopened as the Hard Rock on Jan. 28, 2015. By many accounts it was a rush job. Finishing touches were being made as the media was getting a tour before the doors opened to the public later that day.

Soon thereafter the lawsuits started to be filed and employees began jumping ship. General contract SMC Contracting out of Reno said it was owed \$10 million. That figure was later reduced to \$6.4 million. The Park brothers balked at this, saying they had no idea the project costs were escalating to that amount. SMC said they let the owners know each step of the way, and the overruns were to make the deadline and add

things the brothers wanted.

Savage & Sons in Reno, which did the plumbing at the property, filed a lawsuit trying to recover \$820,000 from Neva One. Tahoe Specialty Flooring & Window Design of Tahoe City alleged it was owed \$68,000.

No one from the three firms returned calls.

In all, 16 subcontractors who did work for SMC filed liens against Neva One.

The specifics of the settlement agreements have not been disclosed.

What hasn't been resolved is the issue with the contractor and subs who did the work on the hotel rooms.

The Park brothers also did not return calls.

Since the Parks got rid of the initial management firm the exodus of employees has lessened. The duo's lawsuit against Warner Hospitality alleging mismanagement and breach of contract has been resolved, but the details are unknown. The trial date was taken off the court calendar in June.

The pool, which has been off-limits almost since the get-go, is expected to be open in August. The 200,000-gallon pool was losing 5,000 gallons a day before it was drained. It was refilled this spring. To maintain their permit from Tahoe Douglas Fire Protection District the Hard Rock has to have the pool filled – it's a source of water in the event of a fire.