



NSCB News Release



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SUMMERLIN ENERGY LAS VEGAS, LLC LICENSES REVOKED FOR ABANDONING PROJECTS, DIVERTING MONEY, AND FAILING TO PAY VENDORS

RENO and HENDERSON, Nev. – At the Nevada State Contractors Board’s March 31 disciplinary hearing, Judge Philip M. Pro ordered the revocation of Summerlin Energy Las Vegas, LLC’s (Summerlin Energy’s) licenses. Pro made the ruling after hearing testimony from Board investigators, homeowners, and suppliers alleging Summerlin Energy took money without providing work or material, failed to pay its vendors, which led to vendors placing liens on properties after homeowners had paid Summerlin Energy in full. Pro sustained 46 of the 48 Causes of Action against Summerlin Energy, which were affiliated with nine complaints – seven from homeowners and two from vendors.

“Protecting the public is our primary mission, and the Board makes every effort to ensure its licensees uphold their responsibilities and do right by their customers,” said NSCB Executive Officer Margi A. Grein. “It is unfortunate that the bad business decisions of one contractor can negatively affect so many trusting homeowners. We empathize with the financial hardships many are experiencing right now and look forward to the opportunity to assist eligible homeowners in recouping some of their losses through the Board’s Residential Recovery Fund.”

In November 2015, the Board began receiving complaints from homeowners against Summerlin Energy. Toward the end of January, 2016, a significant number of complaints were filed, including complaints from vendors. On February 3, 2016, the Board summarily suspended the licenses of Summerlin Energy to forbid the company from entering into any new contracts for work while the Board’s investigation continued. With enough evidence compiled from a handful of the completed investigations, the Board was able to schedule a disciplinary hearing, which led to the revocation of the licenses.

The Board will now begin the process of receiving and validating claims to the Residential Recovery Fund, which can afford eligible homeowners of single family residences up to \$35,000 in financial recourse. The available funds, however, cannot exceed \$400,000 for claims against any single contractor; therefore should the total value of claims exceed \$400,000, eligible claimants would receive a pro-rated award determined by the Residential Recovery Fund Committee.

Summerlin Energy was one among several contractors disciplined during the Board’s March disciplinary hearings for violations of Nevada Revised Statutes 624 in Henderson and Reno.

Summerlin Energy Las Vegas, LLC, license numbers 78571 (electrical) and 78570 (general building), based out of Las Vegas, Nev., was found in violation for failure to comply with the terms of a construction contract therefore causing material injury to another, abandonment without legal excuse of any construction project, diversion of funds, failure to take appropriate corrective action, failure to pay any money due for any materials or services rendered, failure to respond to and comply with a written request from the Board, and failure to establish financial responsibility. Both licenses were revoked.

M 2 Core Drilling & Cutting, Inc., license number 70665 (general engineering) and **Sierra Cutting & Core Drilling, LLC**, license number 77426 (general engineering), based out of North Las Vegas, Nev., were found in violation for failure to respond to and comply with a written request by the Board and failure to establish financial

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responsibility. Licensee was fined \$1,000 and assessed investigative costs. The monetary limits for both licenses were reduced to \$10,000 pending receipt of a current financial statement, at which point the license limits will be raised to the amount the financial statement supports.

Bradley Construction, Inc. dba New Image Contracting, license number 55152 (residential and small commercial), based out of Las Vegas, Nev., was found in violation for failure to include the Residential Recovery Fund information, license limit or license number on a contract or proposal. The licensee was fined \$100 and assessed investigative costs. The hearing was continued to April 20, 2016 where additional Causes of Actions will be considered.

Addison Landscaping, Inc., license number 46744A (landscape contracting), based out of Las Vegas, Nev., was found in violation for substandard workmanship, acting in the capacity of a contractor beyond the scope of the license, bidding or contracting for a construction contract in excess of the limit placed on the license, and aiding or abetting an unlicensed person. Licensee was fined \$2,500 and assessed investigative costs. The hearing was continued to May 18, 2016 where an additional Cause of Action will be considered. The licensee is required to hire properly licensed contractors to make corrections to work performed as indicated by the hearing officer, and pull appropriate permits and schedule proper completion inspections if required.

Palmetto Construction, Inc., license number 68528 (general building), based out of Las Vegas, Nev., was found in violation for failure to respond to a written request from the Board, failure to include the monetary license limit or license number on a contract or proposal, and failure to establish financial responsibility. The licensee was fined \$800 and assessed investigative costs. The license was suspended until a current financial statement that supports the license limit is received by the Board.

Lero Enterprises, Inc., dba A Plus Restoration, license number 73620 (wrecking buildings), based out of Sparks, Nev., was found in violation for contracting on a suspended or revoked license, failure to include the Residential Recovery Fund information and license limit or license number on a contract or proposal, failure to keep in force a bond or cash deposit, failure to comply with an order of the Board, and failure to establish financial responsibility. The license was revoked. Licensee was fined \$10,250 and assessed investigative costs.

N M N Construction, Inc., license number 77919 (residential and small commercial), based out of Tustin, Calif., was found in violation for lending the license to an unauthorized individual who is not on the license, attempting to assign, transfer, or otherwise dispose of a license or permit the unauthorized use thereof, misrepresenting or committing a fraudulent or deceitful act to obtain a license, and failure to establish financial responsibility. The license was revoked. Licensee was fined \$3,500 and assessed investigative costs.

Stuart Spear, dba Stuart Spear Construction, license number 78240 (residential and small construction), based out of Reno, Nev., was found in violation for aiding or abetting an unlicensed person, failure to notify the Board of a change in personnel or address within 30 days, failure to include the monetary license limit on a contract or proposal, failure to display the license number on each commercial vehicle, and failure to establish financial responsibility. Licensee was fined \$5,000 and assessed investigative costs. The license was suspended pending receipt of payment of fines and fees.

The Nevada State Contractors Board is committed to protecting the public's health, safety, and welfare through licensing and regulation of the construction industry. Under Nevada Revised Statutes, a licensee is subject to disciplinary action by the Board for failure to comply with the requirements of the laws or regulations governing contractors. Violations may result in Board action against the contractor's license. The State Contractors Board has the power to regulate contractors and discipline licensees who violate NRS 624. Disciplinary action may consist of a fine of up to \$10,000 per offense, order corrective action, suspension, revocation or other action.

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