

Maine Public Radio

Questions Raised About Potential Lewiston Casino Partner

11/03/2011 Reported By: Susan Sharon

Just days before voters head to the polls, there are new questions being raised about who is behind the effort to develop a proposed casino in downtown Lewiston. A group of local investors who helped get the measure on the ballot say they haven't signed a contract with a casino operator. But an unofficial, confidential agreement apparently signed by several of the principals appears to show they've made an offer. And the potential partner is raising red flags with casino critics.

The most recent campaign spending reports filed with the Maine Ethics Commission show a Georgia-based company called GT Source has sunk more than \$325,000 into passage of Question 3, the Lewiston casino. GT Source stands for "Gaming Technology Source." According to its website, the company is a "complete hardware solutions provider" for the gaming industry.

CEO Dwayne Graham did not return a telephone call to MPBN for this story. But in an interview with the Lewiston Sun Journal, Graham said he is helping finance the campaign because his company sees the proposed casino as a way to sell slot machines in Maine, something that one casino critic says is not uncommon.

"GT Source made our illustrious list of predatory partners," says Les Bernal, the executive director of a national group called the "Stop Predatory Gambling Foundation," that tries to show how the government's promotion and profiting from gambling has been a failure.

"We essentially went through and identified all of these companies in America that the public knows virtually nothing about, who are really big players in driving this massive government predatory gambling program, running essentially the best something-for-nothing scheme ever invented."

An SEC filing shows GT Source's Dwayne Graham is also one of the principals of a company called M Five Inc. And in documents obtained by MPBN, M Five appears to be a potential gaming partner with the local investment group known as Great Falls Recreation and Development.

The agreement, which appears to show the signatures of members of the local group, but not the M Five principals, suggests that M Five would pay \$5 million for the operation of the casino out of a downtown mill building, as well as a share of

the casino profits to the Great Falls partners in the future.

Dr. Ron Chicoine, one of the local investors, says his group has not signed a contract for any deal. As for making an offer, Chicoine had this to say: "Eventually we're going to be looking to work with professionals who know this business, but right now we have no signed contract with anybody. Any deals or offers we would make would be confidential and when they were completed, then we'd have two parties signing on it, you know?"

Two of the other partners listed as principals of M Five are Scott Nash and Ryan Hill. Nash is listed a vice president at a Washington D.C. area company called Incentovation, which was previously involved in an effort to bring electronic pull tab machines to the Penobscot Nation for use in high stakes beano.

Last year former Maine Attorney General Janet Mills found that the machines were outside the scope of what the tribe is permitted to operate, so the system was never licensed. Attempts to reach Scott Nash at his office were unsuccessful, but the recorded message on his answering machine appears to show he is also tied to the Lewiston casino campaign.

Scott Nash answering machine: "You've reached the People of Lewiston Auburn Committee, please leave a message, or if you'd like to sign, please leave your address. Thank you."

The People of Lewiston Auburn Committee is the political action committee that GT Source has invested more than \$300,000 in so far. Dennis Bailey, of CasinosNo, says the possible involvement of M Five should raise a red flag for voters since the company has spent much more on the casino effort than any of the local investors.

"They're being sold this casino--as we've seen in other campaigns--sold it, basically, as a local effort by local investors, by local residents and people in the community, and come to find out, in this case it appears that it's already been sold, or at least they have an agreement to sell this to an outside source that we know nothing about."

Lewiston Mayor Larry Gilbert, who is the spokesman for the casino campaign, says he has no knowledge of M Five or a possible deal with local investors. And he points out that the Lewiston City Council must approve any potential developer of the building, and the state will have the final say on any casino operator.

"So whoever will be the licensee has to go through a stringent licensing process, so certainly the state of Maine and the Lewiston City Council will be very vigilant in

their process," Gilbert says.

The casino, which already has the support of the Lewiston City Council, is expected to generate about \$1 million a year for the city if it is approved by voters statewide.