Engineer Linked to Agnew Payment

Petersen Meets Probe Figure

By Bill Richards and Karlyn Barker Washington Post Staff Writers

BALTIMORE, Aug. 16—Assistant U.S. Attorney General Henry E. Petersen met here today with a Baltimore County consulting engineer who has told federal prosecutors that he personally gave \$2,500 to Vice President Spiro T. Agnew in return for a favor.

The meeting between Petersen, the head of the Justice Department's criminal division, and Lester Matz, a partner in the consulting engineering firm of Matz-Childs, Assoc., took place this morning in the office of the U.S. atorney for Maryland, George Beall.

Matz, sources said, was accompanied by his attorneys, Arnold Weiner and Joseph H. H. Kaplan. Weiner could not be reached for comment and Kaplan refused to discuss the meeting. The Justice Department said only that Petersen did spend the morning in Baltimore for his second meeting in as many days with the prosecutors here.

Matz has told federal prosecutors that he gave the \$2,500 to Agnew in 1971 in the presence of Annapolis banker J. Walter Jones, according to sources who confirmed a report first published in today's editions of The New York Times. Jones, an old Agnew friend, denied the charge through his attorney today.

Matz is one of a number of Maryland consulting engineers reported to have told federal prosecutors that they personally turned money over to Agnew. Among the others are Allen I. Green, the president of Green Assoc., and Jerome Wolff, the president of a subsidiary of the Greiner Corp. Both the Green and Greiner firms are among Maryland's largest consulting engineering concerns.

Green is a friend of Ag-



JOSEPH W. ALTON JR. . . . his records sought

new, and the Vice President, according to sources, had usually been a guest at Green's large annual Christmas party. Agnew did not show up at last December's party. Wolff worked under Agnew when Agnew was Baltimore County executive. He was later named by Agnew to head the old State Roads Commission, and then served on Agnew's vice presidential staff.

The amount—\$2,500—that Matz has told prosecutors he turned over to Agnew in 1971 is the same total as the maximum legal campaign contribution under Maryland law in a primary or general election campaign. All together, a contributor may donate \$5,000—\$2,500 for the primary and the same amount for the general election.

The question that might be confronting the prosecutors is whether the \$2,500 was actually a campaign contribution, was legally recorded, or was in return for a favor—the placing of a Matz friend in an important job—as Matz has reportedly indicated. Other engineers have reportedly told the prosecutors that they gave money to Agnew and Agnew

associates in return for choice state and federal contracts.

Maryland campaign spending reports show that Matz has been a recorded Agnew donor in the past. He gave \$2,000 to Agnew's successful 1966 gubernatorial campaign for instance.

Meanwhile today, Anne Arundel County Executive Joseph W. Alton Jr., a Republican, acknowledged at a press conference that he had been directed by the federal prosecutors here to turn over all the county's records for architectural and consulting work done in the county between 1967 and 1972. Alton, The Washington Post reported last week, also is under investigation by the U.S. attorney's office.

Alton, who has served as Anne Arundel country executive since 1966, said today he would cooperate fully with the investigation and maintained that the prosecutors would not find anything amiss in his administration.

"I have followed a policy in this government that will withstand any investigation anyone can mount," Alton said. He said the subpoena was served by a Treasury Department agent on Tuesday.

"I think everyone knows they are checking Maryland records and I don't expect to be excluded," said Alton.

Alton's acknowledgment of the subpoena means that the probe of kickbacks which started in Baltimore County has spilled across the line to Anne Arundel and possibly other areas of Maryland.

Baltimore County Executive Dale Anderson, a Democrat, also is under investigation, as are a number of consulting engineering firms, their executives, Agnew associates and possibly others.

Usually well informed Maryland political figures have refused to speculate on the limits of the investigation, other than to say that it is easily the widest net thrown over the state in years.

Meanwhile, Maryland Gov. Marvin Mandel held a press conference of his own to-day in which he outlined for reporters his theory that the federal probe began as a Republican "vendetta"

against prominent Maryland Democrats but had backfired.

"If you throw down enough garbage peels, you can slip," Mandel said. The U.S. attorney for Ma-

The U.S. attorney for Maryland, George Beall, is a Republican and a brother of Sen. J. Glenn Beall (R-Md.).

Mandel reiterated that neither he nor anyone in his administration is under investigation in the kickback probe, an assurance that sources said he received from Beall during a telephone conversation last week

The Justice Department. meanwhile, refused to comment on whether it would accept Agnew's offer to make his personal financial documents available to investigators in his Washington office. The offer was made in a letter to Beall last Tuesday. In the letter, Agnew said Beall would be free to make copies of the requested documents, which include checkbooks, bank statements, canceled checks and income tax returns from the period 1967 to the present.