

Harold
10-6-73 NYT

Florida Official Fails to Find Proof of Hotel

By JOHN M. CREWDSON

Special to The New York Times

WASHINGTON, Oct. 5—The authorities in Miami are investigating the bizarre possibility that, less than a month after the ill-fated Watergate wiretapping plot was uncovered, a "second team" of Republican agents was sent to tap telephones and bug hotel rooms there during the Democratic National Convention in July of last year.

Richard M. Gerstein, the state attorney in Dade County, which includes Miami Beach, has acknowledged that his investigators have found no evidence to substantiate his "conclusion" that an illegal bugging occurred.

"We're convinced it happened," Mr. Gerstein said in a telephone interview yesterday, "but we're still seeking proof of it."

He conceded that, "for the most part," his theory was based on plans allegedly made by Nixon campaign officials months before the arrests at the Democratic National Committee's Watergate offices in Washington on June 17, 1972.

G.O.P. 'Presences'

Elements of those plans, which were to have been part of the "Gemstone" intelligence-gathering effort, have been disclosed by James W. McCord Jr., one of the convicted Watergate conspirators, in testimony before the Senate Watergate committee and elsewhere.

Mr. Gerstein's office is concentrating on two Republican "presences" in Miami Beach during the week in mid-July of last year when hundreds of Democratic delegates were caucusing in beachfront hotels and at the Miami Beach convention center to select Senator George McGovern as their party's Presidential candidate.

A month-long investigation by the New York Times has established that White House and re-election committee officials rented a suite of rooms in the Fontainebleau Hotel at the time the Democrats were convening there, and also took an apartment across the street from the convention hall a few blocks away.

Both of these room facilities are linked to the Watergate

operation, but the connections date from before June 17, and although they may have been intended for use in the second phase of the wiretapping effort there are no firm indications that the plans were actually carried out.

Acting on information received from Justice Department sources, The Times requested last month that Mr. Gerstein's office look into the possibility that the Republican wiretapping plot had not been abandoned in the wake of the Watergate break-in.

Requested Rooms

Thus far, investigative reporters for The Times and the inquiry by Mr. Gerstein's office have been able to establish the following sequence of events:

In May, 1972, William E. Timmons, then and now the head of the White House's Congressional Liaison office, telephoned Michael Thompson, a perennially unsuccessful Republican candidate for the Florida State Legislature, and asked that a suite of rooms be reserved at the Fontainebleau Hotel during the Democratic convention.

Mr. Thompson passed on Mr. Timmons's request to Gui L. P. Govaert, then an executive of the Miami Beach First National Bank, who asked another bank official to reserve the rooms.

The reservation was first made in the name of Louis Emmett, a nephew of the bank executive, but Mr. Govaert was later asked to change the name on the reservation to Edward J. Hamilton, one of the aliases used by E. Howard Hunt Jr., who was convicted with McCord at the Watergate trial in January.

Wanted Account

Mr. Govaert, a former pilot in the Belgian Air Force who is now an executive of a Miami land development company, said in an interview that he could not remember who had given him the name of "Hamilton" except that it had been "someone in Washington."

He explained that the bank, which is owned by a brother of former Senator George A. Smathers of Florida, a Republican, had become involved in the transaction because it was soliciting the convention ac-

count of the Nixon re-election committee, which it ultimately received.

A few days after the June 17 arrests of McCord and four other persons at Watergate, however, the name of the Fontainebleau reservation was changed for a third and last time—to Edward D. Failor, an official of the Committee for the Re-election of the President.

According to Stephen D. Nostrand of the committee's youth division, who was there himself, the suite, on the sixth floor of the spacious resort hotel's spa wing, was occupied during the Democratic convention week of July 10 by Mr. Failor, now a Commerce Department official; Powell Moore, a re-election committee spokesman, and Sylvia Panarites, a former secretary to G. Gordon Liddy who was also convicted at the Watergate trial.

The bill for the suite was paid by the Nixon re-election committee, but Mr. Failor has said that everything that occurred there was "aboveboard." He has described the operation as a listening post aimed in part at determining "how bitter the non-McGovern delegates felt."

Moved to Hotel

Mr. Nostrand, who now heads the Miami area's bicentennial planning commission, had moved to the Fontainebleau from an apartment in the Octagon Towers, across Washington Avenue from the Miami convention center.

Although he closed and locked the apartment, which had been leased in May by the Nixon campaign organization, and returned after the Democratic convention was over, Mr. Nostrand has told investigators that he found signs that the apartment had been used during his absence.

Martin Dardis, the chief investigator in Mr. Gerstein's office, said he was attempting to learn whether anyone occupied the Octagon Towers apartment, an otherwise apparently legitimate office of the Nixon re-election committee, during the week that it was supposedly closed.

The \$3,700 six-month lease for the two-bedroom facility was signed by Hugh W. Sloan Jr., the former Nixon finance

committee treasurer who resigned shortly after the Watergate break-in. The rent was paid with a check drawn on the Miami Beach First National Bank, which had assisted in the arrangements at the Fontainebleau.

Listed by Barker

The only indication that the Octagon Towers apartment may have entered into pre-Watergate planning for a second wiretapping operation in Miami is a listing of its address and telephone number in a notebook belonging to Bernard M. Barker, another of the convicted Watergate burglars.

The notebook was recovered by the police in a room at Watergate hours after the early-morning arrests in the Democratic headquarters.

In an interview with Mr. Gerstein's office last summer, McCord reportedly said that Liddy showed him some time before June 17 a floor plan of the Fontainebleau with the rooms selected as targets of the wiretapping operation crossed out.

When he asked how the bugging team was to gain access to the hotel, McCord related, Liddy told him that he had one of the Fontainebleau's engineers "all locked up."

The name of Fernando Madrigal, the assistant chief engineer at the hotel, was discovered by the police in an address book belonging to Eugenio R. Martinez, another member of the Watergate break-in team.

Denied Knowing Two

Mr. Madrigal insisted in a recent interview that he did not know either Liddy or Martinez and had no knowledge of any electronic surveillance at the Fontainebleau during the Democratic convention.

Mr. Gerstein, a Democrat, said that he was recently dissuaded by the Justice Department from attempting to prosecute former Attorney General John N. Mitchell and other persons on conspiracy charges growing out of the meeting in March, 1972, at Key Biscayne, Fla., at which the Gemstone operation was allegedly approved.

Jeb Stuart Magruder, who served as deputy to Mr. Mitchell while he headed the Nixon re-election campaign,

Buggin

has testified that his former superior approved the wiretap operation at the Key Biscayne session.

McCord has said he was told by Hunt that the plans for the Miami phase of the operation were approved at the same time.

Archibald Cox, the special Watergate prosecutor, reportedly convinced Mr. Gerstein not to bring a conspiracy indictment against Mr. Mitchell and the others on the ground that the overt act involved the Watergate bugging and occurred outside his jurisdiction.

However, if Mr. Gerstein could demonstrate that one of the efforts discussed at the meeting—namely, the Miami operation — occurred within Dade County, his argument for prosecuting those involved would be considerably strengthened.