

Covert operation

Gurney and his Fund-raiser

Knight Newspapers

MIAMI — Sen. Edward Gurney, Florida Republican member of the Senate Watergate Committee, sanctioned a covert political fund-raising operation directed in 1971 and 1972 by Larry E. Williams of Orlando, sources close to both men at the time say.

Williams collected six-figure, unreported cash payoffs during that period from businessmen who dealt with federal agencies headed in Florida by Gurney appointees.

Contributors included Miami builder John Priestes, who has testified he paid \$170,000 in cash to Williams and former Miami FHA Director William Pelski for federal housing contracts.

In return for the secret contributions, Williams used the influence he derived from his intimate association with Gurney on behalf of the businessmen.

Williams, 29, of Orlando, also acted as an advance man, coordinator and occasional political troubleshooter for Gurney.

But his primary responsibility was to raise cash for Gurney's Senate and political activities, a task he was allowed to perform under loose day-to-day supervision, it has been learned.

Gurney has formally denied knowledge of fund-raising activities conducted for him by Williams.

"On no occasion have I discussed fund raising on my behalf with Mr. Williams," Gurney said in a written statement issued in July.

"Because of my concern that Mr. Williams might be incorrectly giving people the impression that he was in close association with my office," he said, "both my staff and I advised him that under no circumstances was

he to use my name or the name of my office in the conduct of his business or political activities."

Gurney last week refused to answer detailed questions about his relationship to Williams, as he has since July.

"The Department of Justice has an ongoing investigation," Gurney said yesterday through his press secretary, John Gardner. "They have asked that neither me nor my staff discuss matters under investigation."

Republican sources in Gurney's Florida office expressed surprise that Gurney would deny what they said was his intimate, widely-recognized relationship to Williams.

They also expressed doubt that Gurney had not attempted to curtail Williams' activities during their nearly two-year relationship despite third-party reports and warnings about those activities.

Those sources and dozens of others provided this description of the Gurney-Williams relationship:

- After leaving the professional staff of the Gurney-dominated Florida Republican Party in 1970, where he had served as finance director, Williams presented Gurney as his principal Florida-based fund raiser throughout 1971 and most of 1972.

- Williams also acted as a Gurney advance man, arranging free air and land transportation for Gurney and his party on frequent Florida trips as well as vacation trips in Florida and abroad.

- Williams frequently attended social and political functions with Gurney, carrying the green cushion used by Gurney because of recurring pain from a sniper wound suffered in World War II.