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Jury awards \$2.6 million to survivors of explosion at Crested Butte bank

DENVER (AP) – A jury on Wednesday awarded \$2,600,422.15 in damages to survivors and families of seven victims of a propane gas explosion at Crested Butte State Bank 18 months ago.

The blast killed three and injured 14, and was blamed on a leaking main near the building.

The lawsuit was tried before Denver District Court jury over the past month. It named as defendants Empire Gas Corp, of Lebanon, MO, and its Crested Butte subsidiary, Salgas Inc. of Crested Butte; Salida Gas Service, Inc., and Trio Propane, Inc.

The jury divided the negligence at approximately 25 percent each among the defendants and found that Salgas is an instrumentality of Empire, making Empire responsible for about half of the total.

Civil action on behalf of others injured or killed in the explosion is pending.

Lawyers for the plaintiffs argued successfully that Empire officials, through Salgas, knew they were acquiring an antiquated system which was a “perfect bomb-making machine” when they took over the Crested Butte system in September 1988.

“These people are trying to commit a cover-up and keep these victims from being adequately compensated,” lawyer Dan Shipp told the jury in closing arguments earlier this week. “Can you put your stamp of approval on this conduct? Or are you outraged?”

Victims’ lawyers said Empire Gas ignored reports suggesting a major leak in the system, failed to carry out a mandatory gas-inspection test and did not put an odorant in the gas that would have warned residents of leaks.

The lawyers claimed that after the propane explosion destroyed the bank on March 6, 1990, Empire and its subsidiary conducted a cover-up by taking gas inventory records out of the local Salgas office and came up with new figures showing the system lost almost no gas before the explosion.

Steve Emerson, one of the lawyers for Empire and Salgas, argued that the previous owners of the system, Salida Gas, Co., and Trio Propane, Inc., were at fault. He said two of those firms’ employees made an improper repair to a gas line Sept. 3, 1987, which resulted in the deadly blast.

Duncan Cameron, representing Salida Gas, Co., and Trio Propane, admitted two Trio Propane employees probably made an improper repair in 1987, but he said that was not the cause of the explosion.

The cause, he said, was the failure of the new owners to conduct state and federally mandated annual gas-leak inspections.

The gas companies have 30 days in which to file an appeal.