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1985 FIRE NETS \$1.5 MILLION CITY SETTLES CLAIM

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The municipality has negotiated a \$1.5 million legal settlement with the owners of a business who blamed the fire department for letting back to back blazes destroy their downtown clothing store almost five years ago.

The deal would settle a claim by Bykers Inc. that city firefighters failed to extinguish the first, then responded too slowly to the second of two fires that ravaged K&K Working Man's Store at 931 E. Sixth Ave.

Put together in Superior Court in December, the settlement still awaits approval of a bankruptcy court, attorneys for each side said this week.

"The case is settled. It's a reasonable amount. They suffered destruction of a sound and profitable business," said John Hansen, attorney for Bykers.

Fire Chief Larry Langston said this is far and away the biggest settlement he can recall in his 12 years as an administrator at the fire department.

"To my knowledge we've never had a settlement that size," he said.

City attorneys declined comment.

The fires that roared through the store on Feb. 3, 1985, collapsed the roof and some of the walls, and burned up the inventory of jeans, coveralls and other sturdy garments. Fire department officials at the time estimated the damage at \$1 million.

Firefighters from three stations spent almost four hours dousing the first blaze, reported at 2:16 a.m. Then at 12:42 p.m., a

police officer reported a major fire at the same address. It was controlled about two hours later.

Firefighters at the time said they found evidence of arson in the first fire. They suspected arson in the second, though later investigation ruled that out.

Andrew W. Parker Jr. and Yvonne Parker, owners of Bykers Inc., complained in their lawsuit that the first fire was never extinguished, and caused the second fire. And they accused the fire department of taking too long to get to the second one.

The cause of the second blaze was never determined and is officially listed as unknown, Langston said.

"It could have rekindled. Or there could have been some other cause. We never really found out," he said.

Langston said he did not know how long it took the department to respond the second time.

In the settlement, neither the city nor the Parkers admit fault.

Under the settlement terms, the city deposited \$1.2 million with the court on Dec. 22. To pay the rest, the city was to file a claim for \$300,000 from the Alaska Insurance Guaranty Association, an insurance industry group.

Because Yvonne Parker is in a bankruptcy proceeding, that court must approve her participation in the settlement, Hansen said. That is just a formality, he said.

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