La. Company, Employees Indicted in Explosives Case

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(AP) — Six executives of a Louisiana company that recycles explosives were indicted Monday in an investigation into the improper storage of millions of pounds of military propellant, a discovery that led a small town to evacuate after an explosion.

Explo Systems and six of its owners and managers face 10 felony charges each in a sealed indictment handed down by a grand jury, Webster Parish District Attorney Schuyler Marvin said. The employees have not been identified because the indictment is still sealed. The company has disputed in court documents the material was stored improperly.

Explo Systems had a multimillion-dollar military contract to dismantle propelling charges used to fire artillery rounds. The company operated on space leased at Camp Minden, a Louisiana National Guard installation in northwest Louisiana. An explosion last October led authorities to look more closely at Explo and its facility.

An investigator discovered millions of pounds of an improperly stored propellant called M6, leading to the evacuation of nearby Doyline, the town known as the backdrop for the TV series "True Blood."

Louisiana State Police officials stripped Explo Systems of its explosives license on May 20, but the company won it back in state court Friday when state district court Judge Kay Bates signed a restraining order against the state police.

"The allegedly improperly stored materials are not explosive, nor are they within the jurisdiction of the" state police, the company wrote in its lawsuit against the state.

A hearing is set for June 17.

The indictment consists of five charges apiece relating to explosives storage, and five conspiracy charges.

Marvin said he had sent letters to the employees, including two who live outside Louisiana, asking that they turn themselves in. He said he didn't consider the people to be flight risks.

Authorities said the M6 should have been stored in certified magazines — sometimes called bunkers — but some of it was found in boxes stacked in buildings, packed into long corridors that connect the buildings or "hidden" among trees outside. Some of the containers were spilling open, authorities said.

Authorities feared any ignition — like a brush fire or lightning — could set off a massive chain reaction that would race through the corridors and blow up multiple buildings, threatening Doyline. Its 800 residents were put under a voluntary evacuation order for several days in December.

State police monitored the movement of the material, which took months as some of it was sold to other companies and the Guard provided additional space at the installation.

More 10 million pounds of the material was eventually stored properly and Explo relinquished its keys to the magazines at the installation. Also, state police said, about 100,000 pounds of flammable solid material and 130,000 pounds of Tritonal were moved to proper storage locations.

The company said state police took its license and the keys to storage magazines May 20 without giving the company a proper chance to contest the state's action. Explo's lawsuit also said State Police Captain Taylor Moss had told the company it could restart operations once all the M6 was properly stored and that there were "no problems with Explo's license."

In its lawsuit, the company said the state police then refused Explo's request to sell some of its materials to meet existing contracts, effectively taking its property and putting it in danger of going out of business. Explo alleged the state's actions were unconstitutional and it was due some sort of hearing and the state laws cited by the police were "unconstitutionally vague" because they don't clearly define why licenses can be taken.

Lawyers representing Explo did not immediately return a call seeking comment. It's not clear if they will also represent the company in the criminal action. State police spokesman Doug Cain said the state will answer Explo's claims in court at the hearing.

The Army gave Explo a $2.9 million annual contract in March 2010 to dismantle up to 450,000 propelling charges a year.

At some point, the company ran out of storage room and in early 2012 asked to lease more space at the installation, the Guard said. The company was turned down because it was about $400,000 behind on rent.

Documents obtained by The Associated Press under a public records request suggested Explo overstated its storage capacity when applying for the Army contract. The plan was for the company to sell the material, not store it, but the M6 appears to have quickly piled up when demand went down because of declines in the coal mining industry.

The evacuation last year wasn't the first time the company had come under scrutiny.

A series of about 10 explosions at the facility caused an evacuation of Doyline in 2006. In 2007, Explo Systems was cited for violations in West Virginia for its use of an old military explosive for coal mining in 2007.

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