

Fire district merger talks halted

Merger talks between the Capitola Fire Protection District and Capitola City Council have been called off.

City Councilman Dennis Beltram was instructed Thursday night to cancel any meetings with fire district representatives Wayne Fontes and Gene Warren.

No discussions will be held, the City Council said Thursday night, until fire district directors agree to surrender their control over the district and let it become a "subsidiary district" controlled by the Capitola City Council.

The edict came after Beltram said he had been approached by Warren to set up a meeting between the fire board and the city's negotiators — Beltram and City Manager Steve Burrell.

The City Council agreed to

meet with the fire district to discuss a city takeover of the fire district.

But Beltram reported Thursday night that the fire director also wanted to discuss forming a joint powers agency, and find out what the city council would contribute to a JPA.

The council reacted strongly to Beltram's report, saying it was no longer interested in any discussions unless the fire directors were ready to surrender control of the fire department to the City Council.

"We want them to relinquish control of the district to the City Council," Mayor Michael Routh said.

"Fine," said Beltram. "If they do that, then we meet."

Burrell was instructed to send a letter to the fire directors, telling them the council was only in forming a subsidi-

ary district with the city and the fire district making a joint application to the Local Agency Formation Commission.

"Anything else is of no interest to the city," Burrell was instructed to tell the fire directors.

A subsidiary district, which would have to be approved by LAFCO, would allow the city to retain the property taxes and state assistance that now supplies nearly all of the fire district's operating budget.

If the city simply absorbed the fire district and made it a municipal fire department like Santa Cruz and Watsonville, then the state assistance would be lost and the city could also lose the district's property tax revenue, Burrell said.

Either way, there would be no noticeable effect on the day-to-day operation of the fire department. Burrell said it would operate as a municipal fire department.

The City Council two years ago proposed formation of a JPA between the city and fire district as a way of legally channeling some city funds into the then financially-strapped fire district. The idea was dropped however when fire directors demanded precommitments from the city council as to exactly how much assistance the council would give the fire district.

The Council said the JPA should be formed and then negotiations held on what each agency should or could contribute.