

NORTH CAROLINA GENERAL ASSEMBLY  
1973 SESSION

CHAPTER 271  
HOUSE BILL 745

AN ACT AUTHORIZING THE CREATION OF THE CHAPEL HILL TRANSIT  
AUTHORITY.

The General Assembly of North Carolina enacts:

**Section 1.** Chapel Hill Transit Authority; creation, membership. – The Town of Chapel Hill may, by ordinance, create a transit authority (hereinafter sometimes referred to as the "Authority"). The official name of the Authority shall be "Chapel Hill Transit Authority". It shall be a body corporate and politic. It shall consist of five, seven or nine members as determined by the Board of Aldermen of the Town of Chapel Hill.

Members of the Authority shall reside within the territorial jurisdiction of the Authority as hereinafter set out. They shall be appointed by the Mayor and Board of Aldermen of the Town of Chapel Hill. All appointments shall be for a term of three years, except that as to those members first appointed as nearly as possible, one-third shall be appointed for a one-year term, one-third shall be appointed for a two-year term, and one-third shall be appointed for a three-year term. The date from which regular three-year terms shall run shall be established by ordinance. Appointments to fill vacancies occurring during the regular terms shall be made by the Mayor and Board of Aldermen. The appointments of all members shall run until their successors are appointed and qualified.

The members of the Authority shall elect a chairman and vice-chairman from the membership of the Authority. They shall also elect a secretary who may, or may not, be a member of the Authority.

A majority of the members shall constitute a quorum for the transaction of business and an affirmative vote of the majority of the members present at a meeting of the Authority shall be required to constitute action of the Authority. Members of the Authority shall receive such compensation, if any, as may be fixed by the Board of Aldermen of the Town of Chapel Hill.

**Sec. 2.** Purpose of the Authority. – The purpose of the Authority shall be to provide for a safe, adequate and convenient public transportation system for the Town of Chapel Hill and its immediate environs through the granting of franchises, ownership and leasing of terminals, buses and other transportation facilities and equipment, and otherwise through the exercise of the powers and duties conferred upon it.

**Sec. 3.** General powers of the Authority. – The general powers of the Authority shall be:

1. To sue and be sued.
2. To have a seal.

3. To make rules and regulations, not inconsistent with this act, for its organization and internal management.

4. To employ persons deemed necessary to carry out functions and duties assigned to them by the Authority and to fix their compensation, within the limit of available funds.

5. With the approval of the Town Manager, to use officers, employees, agents and facilities of the Town on such basis as may be agreed upon.

6. To retain and employ counsel, auditors, engineers and private consultants on an annual salary, contract basis, or otherwise for rendering professional or technical services and advice.

7. To acquire, maintain and operate such buildings, structures and facilities as may be necessary or convenient for the operations of the Authority.

8. To make or enter into contracts, agreements, deeds, leases, conveyances or other instruments, including contracts and agreements with the United States and the State of North Carolina.

9. To surrender to the Town any property no longer required by the Authority.

10. To make plans, surveys and studies of transit facilities within the territorial jurisdiction of the Authority and to prepare and make recommendations in regard thereto.

11. To enter into and perform contracts with public transportation companies with respect to the operation of public passenger transportation.

12. To issue certificates of public convenience and necessity: to grant franchises and enter into franchise agreements and in all respects to regulate the operation of buses, taxicabs and other methods of public passenger transportation within the territorial jurisdiction of the Authority as fully as the Town of Chapel Hill is now or hereafter empowered to do within the territorial jurisdiction of the Town of Chapel Hill.

13. To enter into and perform contracts to operate public transportation services and facilities and to own or lease property, facilities and equipment necessary or convenient therefor, and to rent, lease or otherwise sell the right to do so to any person, public or private. Further, to the extent authorized by ordinance of the Town of Chapel Hill, to obtain grants, loans and assistance from the United States, the State, any public body, or any private source whatsoever, including, but not limited to, the Urban Mass Transportation Act of 1964, as heretofore or hereafter amended.

14. To do all things necessary or convenient to carry out its purpose and for the exercise of the powers granted to the Authority.

**Sec. 4.** Authority of Utilities Commission not affected. – Nothing in this act shall be construed to limit or otherwise affect the power or authority of the North Carolina Utilities Commission or the right of appeal to the North Carolina Utilities Commission as provided by law.

**Sec. 5.** Territorial jurisdiction. – The jurisdiction of the Authority shall extend to all local public passenger transportation operating within the Town of Chapel Hill and within three miles outside of the corporate limits of the Town of Chapel Hill, as now or hereafter established. It shall not have jurisdiction over public transportation

subject to the jurisdiction of and regulated by the I.C.C., nor shall it have jurisdiction over intrastate public transportation which confines its passenger operations in Chapel Hill to picking up or discharging passengers whose point of origin or destination is more than three miles outside the corporate limits of the Town of Chapel Hill.

**Sec. 6.** Fiscal accountability. – The Authority shall be fiscally accountable to the Town of Chapel Hill and the Board of Aldermen shall have authority to examine all records and accounts of the Authority at any time.

**Sec. 7.** Funds. – The establishment and operation of a Transit Authority as herein authorized is a governmental function and a public purpose and the Town of Chapel Hill is hereby authorized to appropriate funds to support the establishment and operation of the Transit Authority. The Town of Chapel Hill may also dedicate, sell, convey, donate or lease any of its interest in any property to the Authority. Further, the Authority is hereby authorized to establish such license and regulatory fees and charges as it may deem appropriate, subject to the approval of the Board of Aldermen. If the Board of Aldermen finds that the funds otherwise available are insufficient, it may call a special election without a petition and submit to the qualified voters of the Town the question of whether or not a special tax shall be levied and/or bonds issued, specifying the maximum amount thereof, for the purpose of acquiring lands, buildings, equipment and facilities and for the operations of the Transit Authority.

**Sec. 8.** Effect on existing franchises and operations. – In the event a Transit Authority is established under the authority of this act, any existing franchises granted by the Town of Chapel Hill shall continue in full force and effect until legally terminated; further, all ordinances and resolutions of the Town of Chapel Hill regulating bus operations and taxicabs shall continue in full force and effect until superseded by regulations of the Transit Authority.

**Sec. 9.** Termination. – The Board of Aldermen of the Town of Chapel Hill shall have the authority to terminate the existence of the Authority at any time. In the event of such termination, all property and assets of the Authority shall automatically become the property of the Town of Chapel Hill and the Town of Chapel Hill shall succeed to all rights, obligations and liabilities of the Authority.

**Sec. 10.** Insofar as the provisions of this act are not consistent with the provisions of any other act or law, public or private, the provisions of this act shall be controlling.

**Sec. 11.** This act shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 26th day of April, 1973.