

NORTH CAROLINA GENERAL ASSEMBLY
1977 SESSION

CHAPTER 465
SENATE BILL 385

AN ACT TO AUTHORIZE MUNICIPALITIES TO CREATE PUBLIC TRANSPORTATION
AUTHORITIES.

The General Assembly of North Carolina enacts:

Section 1. Chapter 160 of the General Statutes is amended by inserting a new Article to be designated 38A and to read as follows:

"ARTICLE 38A.

"Public Transportation Authorities.

"§ 160-496.1. **Title.** — This Article shall be known and may be cited as the 'North Carolina Public Transportation Authorities Act'.

"§ 160-496.2. **Definitions.** — As used in the Article, unless the context otherwise requires:

- (1) 'Authority' means a body corporate and politic organized in accordance with the provisions of this Article for the purposes, with the powers and subject to the restrictions hereinafter set forth.
- (2) 'Governing body' means the board, commission, council or other body, by whatever name it may be known, in which the general legislative powers of the municipality are vested.
- (3) 'Municipality' means any county, city, or town of this State, and any other political subdivision, public corporation, authority, or district in this State, which is or may be authorized by law to acquire, establish, construct, enlarge, improve, maintain, own, and operate public transportation systems.
- (4) 'Municipality's chief administrative official' means the county manager, city manager, town manager, or other person, by whatever title he shall be known, in whom the responsibility for the municipality's administrative duties is vested.
- (5) 'Public transportation' means transportation of passengers whether or not for hire by any means of conveyance, including but not limited to a street railway, elevated railway or guideway, subway, motor vehicle or motor bus, either publicly or privately owned and operated, holding itself out to the general public for the transportation of persons within the territorial jurisdiction of the authority, including charter service.
- (6) 'Public transportation system' means, without limitation, a combination of real and personal property, structures, improvements, buildings, equipment, vehicle parking or other facilities, and rights-of-way, or any combination thereof, used or useful for the purposes of public transportation.

"§ 160-496.3. **Creation; membership.** — A municipality may, by resolution or ordinance, create a transportation authority, hereinafter sometimes referred to as the 'authority'. It shall be a body corporate and politic. It shall consist of up to 11 members as determined by the governing body of the municipality.

Members of the authority shall reside within the territorial jurisdiction of the authority as hereinafter set out. They shall be appointed by the governing body of the municipality. The terms of the members shall be fixed by the governing body. Appointments to fill vacancies

occurring during the regular terms shall be made by the governing body. 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 governing body of the municipality.

"§ 160-496.4. Purpose of the authority. — The purpose of the authority shall be to provide for a safe, adequate and convenient public transportation system for the municipality creating the authority and for 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.

"§ 160-496.5. General powers of the authority. — The general powers of the authority shall include any or all of the following:

- (1) to sue and be sued;
- (2) to have a seal;
- (3) to make rules and regulations, not inconsistent with this Article, for its organization and internal management;
- (4) to employ persons deemed necessary to carry out the management 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 municipality's chief administrative official, to use officers, employees, agents and facilities of the municipality for such purposes and upon such terms as may be mutually agreeable;
- (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 lands, buildings, structures, facilities, and equipment as may be necessary or convenient for the operations of the authority and for the operation of a public transportation system;
- (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 municipality any property no longer required by the authority;
- (10) to make plans, surveys and studies of public transportation 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; and 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 which originate and terminate within the territorial jurisdiction of the authority as fully as the municipality is now or hereafter empowered to do within the territorial jurisdiction of the municipality;
- (13) to operate public transportation systems and 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 resolution or ordinance of the municipality to obtain grants, loans and assistance from the United States, the State, any public body, or any private source whatsoever;
- (14) to enter into and perform contracts and agreements with other public transportation authorities pursuant to the provisions of G.S. 160A-460 through G.S. 160A-464 of Part 1 of Article 20 of Chapter 160A of the General Statutes; in addition, to enter into and perform contracts with other units of local government when specifically authorized by the governing body, pursuant to the provisions of G.S. 160A-460 through G.S. 160A-464 of Part 1 of Article 20 of Chapter 160A of the General Statutes;
- (15) to do all things necessary or convenient to carry out its purpose and to exercise the powers granted to the authority.

"§ 160-496.6. Authority of Utilities Commission not affected. — Except as otherwise provided herein, nothing in this Article 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.

"§ 160-496.7. Territorial jurisdiction. — The jurisdiction of the authority shall extend to all local public passenger transportation operating within the municipality. Said jurisdiction shall also extend up to 30 miles outside of the corporate limits of the municipality where the municipality is a town or city, and up to five miles outside of the boundaries of the municipality where the municipality is a county or up to five miles outside of the combined boundaries of a group of counties. The authority 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 classified as common carriers of passengers by the North Carolina Utilities Commission. A Public Transportation Authority shall not extend service into a political subdivision without the consent of the governing body of that political subdivision. A majority vote of the governing body shall constitute consent.

"§ 160-496.8. Fiscal accountability. — The authority shall be fiscally accountable to the municipality, and the municipality's governing body shall have authority to examine all records and accounts of the authority at any time.

"§ 160-496.9. Funds. — The establishment and operation of a transportation authority as herein authorized are governmental functions and constitute a public purpose, and the municipality is hereby authorized to appropriate funds to support the establishment and operation of the Transit Authority. The municipality 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 governing body of the municipality. If the governing body 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 municipality 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.

"§ 160-496.10. Effect on existing franchises and operations. — In the event a Transportation Authority is established under the authority of this Article, any existing franchises granted by the municipality shall continue in full force and effect until legally terminated; further, all ordinances and resolutions of the municipality regulating bus operations and taxicabs shall continue in full force and effect until superseded by regulations of the Transportation Authority.

"§ 160-496.11. Termination. — The governing body of the municipality 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 municipality and the municipality shall succeed to all rights, obligations and liabilities of the authority.

"§ 160-496.12. Controlling provisions. — Insofar as the provisions of this Article are not consistent with the provisions of any other law, public or private, the provisions of this Article shall be controlling.

"§ 160-496.13. Consolidation of public transportation authority and parking authority. — The municipality may, by resolution or ordinance, vest in a single body corporate and politic both the powers of a public transportation authority in accordance with the provisions of this Article and the powers of a parking authority in accordance with the provisions of Article 38 of Chapter 160 of the General Statutes. Notwithstanding the membership provisions of G.S. 160-478, the members of a consolidated body created pursuant to this section shall be selected according to the provisions of G.S. 160-496.3.

"§ 160-496.14. Joint provision of services. — Two or more municipalities may cooperate in the exercise of any power granted by this Article according to the procedures and provisions of G.S. 160A-460 through G.S. 160A-464 of Part I of Article 20 of Chapter 160A of the General Statutes. Additional municipalities may join an existing transportation authority upon making satisfactory arrangements pursuant to the provisions of G.S. 160A-460 through G.S. 160A-464 of Part 1 of Article 20 of Chapter 160A of the General Statutes."

Sec. 2. This act shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 2nd day of June, 1977.