

**METROPOLITAN TRANSIT AUTHORITY**

Chapter 23

**METROPOLITAN TRANSIT AUTHORITY<sup>1</sup>**

**Sec. 23-1. Created; basic powers and authority granted.**

There is hereby created pursuant to the terms of Tennessee Code Annotated, sections 7-56-101 through 7-56-109, as amended, a metropolitan transit authority for the city and county. Such authority, to be called the Chattanooga Area Regional Transportation Authority (hereinafter called the authority), is hereby granted full power and authority to acquire, purchase, construct, extend, improve, maintain, own and operate a system of street railroads, and/or electric coaches, and/or motor buses, and/or any other suitable or convenient vehicles primarily for the transportation for hire of passengers and incidental activities, including without limitations, street railroads, street cars, electric coaches, motor buses, automobiles, and other vehicles however propelled, car barns, terminals, garages, repair shops, lines, poles, conduits, underground and overhead wires, cables, engines, generators, switchboards, storage tanks, pumps, fixtures, accessory apparatus, buildings and lands, rights-of-way, and easements, and all other appurtenances necessary, usual, or proper to such a system for the transportation for hire of passengers upon any or all streets in the city and upon any or all highways in Hamilton, Catoosa, Dade and Walker Counties and the municipalities within such counties and in other counties and municipalities in this and other states, upon compliance with their laws.

(Code 1986, § 23-1)

**Sec. 23-2. Composition; appointment, tenure of members; vacancies.**

(a) The authority created by this chapter shall consist of members and such subordinate officers and employees as may be selected by the authority as hereinafter provided.

(b) The board of the authority shall consist of: one (1) member appointed by each governmental entity that participates in such authority, other than the city, plus additional members appointed by the city equal to the greater of: (i) ten (10); or (ii) one (1) more than the number which is equal to the total number of members appointed by all other participating governmental entities. Each member's term shall be for a period of five (5) years, or until his successor is duly appointed and qualified.

(c) In case of the death, disability, removal or resignation of any member, or for any reason a member's position becomes vacant, such position shall be filled for the remainder of his term by appointment of the body which appointed him.

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<sup>1</sup> **Cross references**--Administration generally, Ch. 2; air pollution, Ch. 4; civil defense, Ch. 13; energy, Ch. 15; motor vehicles and traffic, Ch. 24; streets and sidewalks, Ch. 32; vehicles for hire, Ch. 35.

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(d) Each appointment of a member to the board of the authority by the city shall be made by the Mayor as chief executive officer of the city, with subsequent approval of such appointment to be given by the City Council.

(Code 1986, § 23-2; Ord. No. 10554, § 1, 4-15-97)

**Sec. 23-3. Election and tenure of officers; meetings; quorum; compensation of members; general powers and duties of members; duties of vice-chairman in absence of chairman.**

(a) Immediately upon the qualification of the members of the metropolitan transit authority, they shall elect one (1) of the members of such authority as chairman, and one (1) of its members as vice-chairman, one (1) of its members as secretary, and one (1) of its members as treasurer; and the chairman, vice-chairman, secretary and treasurer shall hold office as such during the terms for which they are elected as members of the authority.

(b) The authority shall hold regular meetings at least once monthly, at a definite time to be fixed by resolution of the authority, and such special meetings as may be necessary for the transaction of the business of the authority. A majority of the members shall constitute a quorum for the transaction of business at any regular or special meeting. Notice of any special meeting may be waived, either before or after the holding thereof; and personal attendance at any special meeting shall constitute a waiver of notice by the members present; and absence of any member from this county shall dispense with the necessity of giving such member any notice of any special meeting.

(c) The compensation of the members of the authority is hereby fixed at fifty dollars (\$50.00) per regular meeting, and fifty dollars (\$50.00) for each special meeting.

(d) The chairman and the other members of such authority shall devote a substantial amount of their time and attention of their office and shall have general supervision in accordance with sound business management principles over the operation of the transit system and of all executives and employees of such system. The members of the authority shall keep themselves advised as to the general operating and financial condition of such system, and shall cause to be furnished a monthly report to the local member governments with regard to the operation, maintenance and financial condition of such system, and from time to time shall furnish such other information as the member governments may request.

(e) In the event of the death, resignation, removal, disability or absence of the chairman, the vice-chairman shall perform all the duties of the chairman, and may perform such other duties as may be prescribed by the board of the authority.

(Code 1986, § 23-3)

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**Sec. 23-4. Power to hire and fix salaries of general manager, comptroller and attorneys; general duties, bonds of such officers.**

If the metropolitan transit authority shall determine to operate the system, then it shall have authority to hire and fix the salary of the following officers:

- (1) A general manager, who shall devote his entire time and attention to the duties of the office, and shall not engage in any business or profession not directly connected therewith, and shall be subject to the supervision and direction of the board of the authority and shall perform such duties and render such services as may be required of him by the board of the authority. He shall make and file a bond in such sum as may be fixed by the board of the authority and shall take the same oath required of members of the metropolitan transit authority.
- (2) A comptroller, who shall have charge and custody of all books, papers, documents and accounts of the authority, and under whose supervision all necessary accounting records shall be kept, and all checks and vouchers prepared. The authority shall by resolution designate the persons who shall sign checks, which shall be countersigned by one of such authority. Such comptroller shall be required to attend in person or by one of his clerks, all of the meetings of the authority, and keep a correct record of all the proceedings of that body, and perform such other duties as may be imposed upon him by the authority. He shall have such clerical assistance in his work as the authority shall deem necessary for the work to be properly performed. He shall make and file a bond in such sum as may be fixed by the authority and shall take the same oath required of members of the authority.
- (3) One (1) or more attorneys, who shall be practicing attorneys at law, who shall make and file bonds in such sum as may be fixed by the authority, and take the same oaths required of members of the authority, and who shall act as general counsel for the authority and advise the authority and other officers of the authority in all matters of law which may arise; and who shall prosecute and defend all suits brought by or against the authority and all suits to which the authority shall be a party.

(Code 1986, § 23-4)

**Sec. 23-5. General manager authorized to employ personnel; tenure of personnel.**

The general manager shall be authorized to employ such other superintendents, engineers, assistants, consultants and other subordinate officers and employees as may be necessary for the efficient operation of the metropolitan transit authority, and who shall hold office at the will and pleasure of the general manager.

(Code 1986, § 23-5)

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**Sec. 23-6. Removal of members from office.**

The members of the metropolitan transit authority shall be removable from office when the governmental bodies or persons causing their election to membership decides that such member's or members' continuance in office not in the best interest of such bodies or persons; such decisions by such bodies or persons shall be final.

(Code 1986, § 23-6)

**Sec. 23-7. Right to use public ways.**

The metropolitan transit authority shall have the right, but not exclusive of the public right, to use any public road, street or other public way within its jurisdiction for transportation of passengers.

(Code 1986, § 23-7)

**Sec. 23-8. Power to establish, maintain transportation system and accomplish purposes of article; power to acquire, dispose of property and various rights; grants and loans; investments; promulgate rules, regulations for authority.**

(a) The metropolitan transit authority shall have power to acquire, construct, own, operate and maintain for public service a transportation system within its jurisdiction, and all the powers necessary or convenient to accomplish the purposes of this chapter, including, without limiting the generality of the foregoing, the specific powers enumerated herein.

(b) The authority shall have power to acquire by purchase, lease, gift or otherwise, all or any part of the plant, equipment, property, rights in property, reserve funds, employees' pension or retirement funds, special funds, franchises, licenses, patents, permits and papers, documents and records belonging to any private company or corporation operating a transportation system within its jurisdiction, as herein defined. The authority shall have the power to acquire by purchase, lease, grant, gift or otherwise any property and rights useful for its purposes, and to sell, lease, transfer or convey any property or rights.

(c) The authority shall have power to apply for and accept grants and loans from the federal government or any agency or instrumentality thereof, to be used for any of the purposes of the authority, and to enter into any agreement with the federal government, in relation to such grants or loans.

(d) The authority shall have the power to invest and reinvest any fund held in reserve or sinking funds not required for immediate disbursements in bonds or notes of the United States, bonds of the state, or bonds of any county or city of the state, or federally insured securities or accounts.

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(e) The authority shall have the power to promulgate by resolution rules and regulations deemed necessary to carry out the duties of such authority.  
(Code 1986, § 23-8)

### **Sec. 23-9. Contracts for insurance and indemnity against loss.**

The metropolitan authority shall have power to procure and enter into contracts for any type of insurance and indemnity against loss or damage to property from any cause, including loss of use and occupancy, against death or injury of any person or persons, against employer's liability, against any act of any member, officer or employee of the authority, or of a member of the authority in the performance of the duties of his office or employment, or any other insurable risk.

(Code 1986, § 23-9)

### **Sec. 23-10. Contracts with employees through representatives.**

The metropolitan transit authority may deal with and enter into written contracts with the employees through accredited representatives of such employees or representatives of any labor organization authorized to act for such employees, concerning wages, salaries, hours, working conditions, pension or retirement provisions. No contract or agreement shall be made with any labor organization, association, group or individual for the employment of members of such organization, association, group or individual, for the construction, improvement, maintenance, operation or administration of any property, plant or facilities under the jurisdiction of the authority, where such organization, association, group or individual denies on the grounds of race, creed or color, membership and equal opportunities for employment to any citizen.

(Code 1986, § 23-10)

### **Sec. 23-11. Borrowing, repaying money.**

The metropolitan transit authority shall have the continuing power to borrow money for the purpose of acquiring any transportation system, for acquiring necessary cash for working funds, or for acquiring, constructing, extending or improving its transportation system. For the purpose of evidencing the obligation of the authority to repay any money borrowed as aforesaid, the authority, pursuant to resolution adopted by the authority, may, from time to time, issue, sell and dispose of its interest-bearing revenue bonds, short-term notes or obligations. All such bonds, notes and obligations shall be payable from the revenues or income to be derived from the transportation system. No lien upon any physical property of the authority shall be created thereby.

(Code 1986, § 23-11)

### **Sec. 23-12. Power to incur indebtedness and issue and sell bonds or notes.**

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The member governments, whenever requested by the metropolitan transit authority, shall have the authority to incur indebtedness and issue and sell general obligation or revenue bonds or notes on behalf of the authority to such extent and in such manner as may now or hereafter be authorized by any applicable private or public act or general law of the state, including, but without being limited to section 7-36-101 et seq., Tennessee Code Annotated. (Code 1986, § 23-12)

### **Sec. 23-13. Expenditures.**

The revenue received each year by the metropolitan transit authority from the operation of the transportation system, before being used for any other purpose, shall be used for the following purposes, in the order named:

- (1) The payment of all operating expenses of the transportation system for the year;
- (2) For interest accruals and sinking fund accruals on bonds and mortgages issued for the benefit of the transportation system;
- (3) For cash payments to a working capital reserve, a renewals and replacements reserve, and a casualties reserve, for the benefit of the transportation system, such cash payments to such reserves to be in such amounts as the authority thinks proper and by resolution may elect to set up from time to time.

(Code 1986, § 23-13)

### **Sec. 23-14. Final authority to make rate, fare, toll and operating schedules.**

The metropolitan transit authority shall have the final authority to make a schedule of rates, fares, tolls and operating schedules for its transportation services within its jurisdiction. (Code 1986, § 23-14)

### **Sec. 23-15. Power to promulgate and enforce rules and regulations governing transportation system; various powers conferred by general or private acts.**

The metropolitan transit authority shall have the power and authority to promulgate and enforce such rules and regulations governing such system as it may deem proper in the operation of such transportation system. Such authority shall also have every power, expressed or implied, in Tennessee Code Annotated, sections 7-56-101 through 7-56-109, as amended, and any other applicable general or private act including the right of eminent domain, and the power to issue all licenses, permits or franchises for the carriage of passengers within its jurisdiction.

(Code 1986, § 23-15)

### **Sec. 23-16. Power to contract for operation of transportation system.**

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The metropolitan transit authority shall, in addition to the rights granted in this chapter to operate the transportation system, have the power to contract with such groups as corporations or other public bodies to operate the system in accordance with principles enumerated in this chapter.

(Code 1986, § 23-16)

### **Sec. 23-17. Chapter declared interlocal governmental agreement.**

This chapter shall be an interlocal governmental agreement pursuant to section 50-8-34 et seq., Office Code of Georgia Annotated.

(Code 1986, § 23-17)

### **Sec. 23-18. Duty to license and regulate all public transportation and fix rates.**

The metropolitan transit authority shall license and regulate all forms of public transportation including, but not limited to, taxicabs, airport limousines, and all other local carriers of passengers for hire. Such authority shall fix rates of fares for persons and baggage, routes, and all other services, and shall have the final authority to issue or deny licenses, and to revoke or suspend for cause licenses previously issued.

(Code 1986, § 23-18)

### **Sec. 23-19. Power to contract with governmental entities to extend services.**

The metropolitan transit authority shall have the power to make any all contracts with other governmental entities, who are not members of such authority, to extend service to such entities, on either an intrastate or interstate basis.

(Code 1986, § 23-19)

### **Sec. 23-20. Liability of participating governmental entities.**

By participating in the metropolitan transit authority no governmental entity, including the city, assumes any responsibility for the debts, operating expenses, obligations or other liabilities of the authority unless and when an individual governmental entity may, from time to time, specifically agree to do so by action of its governing body.

(Code 1986, § 23-20)