

FAQs

1. **Can the Village own and operate the Ferry System?** Yes, a municipality is authorized by law to own and operate a transportation system, including a ferry system. A municipality may “acquire, construct, establish, enlarge, improve, maintain, own, operate, and contract for the operation of any . . . public enterprise[] . . . to furnish services to the city and its citizens.” G.S. 160A-312(a). The definition of “public enterprise” includes “public transportation systems.” G.S. 160A-311(5). Further, “public transportation” means the transportation of passengers “by any means of conveyance” without limitation. G.S. 160A-576. Each of the components of the ferry system from the ferry boats to the parking facilities fall within these definitions.

2. **Can the Village finance the acquisition of the Transportation System with General Obligation Bonds?** Yes. See G.S. 159-48(b) permitting a municipality to “borrow money and issue its bonds . . . for the purpose of paying any capital costs of. . . :
(12) Providing **parking facilities**, including on- and off-street parking, and in connection therewith any area or place for the parking and storing of automobiles and other vehicles open to public use, with or without charge, including without limitation meters, buildings, garages, driveways, and approaches. . . .

(14) Providing public building, including without limitation. . . . **warehouses**, and yards. . . .

(23) Providing **public transportation facilities**, including without limitation **equipment for public transportation**, buses, surface and below-ground railways, **ferries**, and garage facilities.”

(Emphasis added).

3. **Can the Village acquire, own and operate the assets of the Transportation System that lie outside the Village corporate limits?** Yes. A municipality may “acquire, construct, establish, enlarge, improve, maintain, own, operate, and contract for the operation of any . . . public enterprise[] . . . to furnish services to the city and its citizens.” G.S. § 160A-312(a). All of these activities that a municipality may take relative to public enterprises are also permitted “outside [of] corporate limits, within reasonable limitations.” *Id.*; see also *Davidson Cty. v. City of High Point*, 85 N.C. App. 26, 41, 354 S.E.2d 280, 288 (1987) (observing General Assembly “evidenced its intent to give cities and counties comprehensive authority to own and operate public enterprises outside their boundaries with respect to the service of themselves and their citizens”).