

**24-90-107. Method of establishment.** (1) A municipal or county library may be established for a governmental unit either by the legislative body of said governmental unit on its own initiative, by adoption of a resolution or ordinance to that effect, or upon petition of one hundred registered electors residing in the proposed library's legal service area. A joint library may be established by the legislative bodies of two or more governmental units, and a library district by the legislative bodies of one or more governmental units, each proceeding to adopt a resolution or an ordinance to that effect. A library district may also be formed by petition of one hundred registered electors residing within the proposed library district addressed to the boards of county commissioners in each county in the proposed library district.

(2) If establishment of a municipal, county, or joint library or a library district is to be by resolution or ordinance, the following procedures shall be followed:

(a) A public hearing following notice shall be held by any governmental unit forming the public library. Such notice shall set forth the matters to be included in the resolution or ordinance and shall fix a date for the hearing that shall be not less than thirty nor more than sixty days after the date of first publication of such notice.

(b) Such public hearings shall include discussion of the purposes of the library to be formed and, where more than one governmental unit is involved, the powers, rights, obligations, and responsibilities, financial and otherwise, of each governmental unit.

(c) The resolution or ordinance shall describe the proposed library's legal service area, identifying any excluded areas, shall specify the mill levy and property tax dollars to be imposed or other type and amount of funding, and shall state that the electors of the governmental unit or library district must approve any amount of tax levy not previously established by resolution or ordinance nor previously approved by the electors before the library can be established.

(d) Upon the adoption of the resolution or ordinance, the legislative body or bodies shall establish the public library and provide for its financial support beginning on or before January 1 of the year following the adoption of the resolution or ordinance by all those legislative bodies effecting the establishment or, if any amount of tax levy not previously established by resolution or ordinance nor previously approved by the electors is to provide the financial support, following elector approval of that levy.

(e) Upon establishment of a joint library or library district, and after appointment of the library board of trustees, a written agreement between the legislative body of each participating governmental unit and the library board of trustees shall be effected within ninety days, which time frame may be extended by mutual agreement of the parties, and shall set forth fully the rights, obligations, and responsibilities, financial and otherwise, of all parties to the agreement, including provisions concerning:

(I) The transition from the library to a library district, such as ownership of the library's real and personal property, personnel, and the provision of administrative services during the transition;

(II) The method of trustee selection; and

(III) Such other necessary terms and conditions as may be determined by the parties.

(3) If establishment of a county or municipal library or a library district is by petition of registered electors, the following procedures shall be followed:

(a) The petition shall set forth:

(I) A request for the establishment of the library;

(II) The name or names of the governmental unit or units establishing the library;

(III) The name of the proposed library, and for a library district, the chosen name preceding the words "library district";

(IV) A general description of the legal service area of the proposed public library with such certainty as to enable a property owner to determine whether or not such property owner's property is within the proposed library's legal service area; and

(V) Specification of the mill levy to be imposed or other type and amount of funding and that the electors must approve any amount of tax levy not previously established by resolution or ordinance nor previously approved by the electors before the county or municipal library or library district can be established.

(b) Petitions shall be addressed to the legislative body of the county or municipality, or, in the case of a library district, to the boards of county commissioners of each county having territory within the legal service area of the proposed district.

(c) (I) Except as otherwise provided in subparagraphs (II) and (III) of this paragraph (c), at the time of filing the petition for the establishment of a library district, a bond shall be filed with the county or counties sufficient to pay all expenses connected with the organization of the library district if such organization is not affected.

(II) Except as otherwise provided in subparagraph (III) of this paragraph (c), the board of county commissioners of each county having territory within the legal service area of the proposed library district may:

(A) Waive the bonding requirement; and

(B) With the consent of the board of trustees of an existing library, pay for the costs of the election for the proposed library district. If the legal service area of a proposed library district includes two or more counties, the costs of election for such library district to be paid by any county pursuant to this sub-subparagraph (B) shall not exceed a percentage of said costs equal to the percentage that the population of the county within the boundaries of the legal service area bears to the total population within the boundaries of such service area.

(III) (A) Subject to the provisions of sub-subparagraphs (B) and (C) of this subparagraph (III), the board of county commissioners of each county having territory within the legal service area of the proposed library district shall pay no less than fifty percent of the costs of the election for such library district if the petition submitted pursuant to subsection (1) of this section contains signatures by registered electors residing in the proposed library district in an amount equal to at least five percent of the total number of votes cast in every precinct in the proposed library district for all candidates for the office of secretary of state at the previous general election.

(B) Payment of election costs for any library district shall not be required of any county under this subparagraph (III) more than once every four years.

(C) In the case where the legal service area of a proposed library district includes two or more counties, the costs of the election for the library district shall be paid on a prorated basis with each county within the boundaries of the proposed library's legal service area paying a percentage of said costs equal to the percentage that the population of the county within the boundaries of the library's legal service area bears to the total population of such service area.

(c.5) Notwithstanding any other provision of this section, the costs of the election of a proposed library district may be assumed by an existing library where the assumption of the costs has been approved by the board of trustees of said library.

(d) Upon receipt of such petition, the legislative body or bodies shall either establish the library by resolution or ordinance, in accordance with subsection (2) of this section, or shall

submit the question of the establishment of a public library to a vote of the registered electors residing in the proposed library's legal service area in accordance with the following provisions:

(I) In the case of a municipal library, such election shall be held in accordance with article 10 of title 31, C.R.S., and section 20 of article X of the state constitution, and shall be held on the date of the state biennial general election, the first Tuesday in November in odd-numbered years, or the municipal regular election, whichever is earliest; except that such petition shall be filed at least ninety days before such election.

(II) In the case of a library district or county library, such election shall be held in accordance with articles 1 to 13 of title 1, C.R.S., and section 20 of article X of the state constitution, and shall be held on the date of the state biennial general election or the first Tuesday in November in odd-numbered years, whichever is earliest; except that such petition shall be filed at least ninety days before such election.

(III) Public hearings shall be conducted by such legislative body or bodies prior to an election and shall include a discussion of the purposes of the library to be formed and, where more than one governmental unit is involved, the powers, rights, obligations, and responsibilities, financial and otherwise, of each governmental unit.

(e) and (f) (Deleted by amendment, L. 97, p. 411, § 1, effective April 24, 1997.)

(g) If a majority of the electors voting on the question vote in favor of the establishment of a library, the legislative body of each establishing governmental unit shall forthwith establish such library and provide for its financial support beginning on or before January 1 of the year following the election.

(h) Upon establishment of a library district, and after appointment of the library board of trustees, a written agreement between the legislative body of each participating governmental unit and the library board of trustees shall be effected within ninety days, which time frame may be extended by mutual agreement of the parties, and shall set forth fully the rights, obligations, and responsibilities, financial and otherwise, of all parties to the agreement, including provisions concerning:

(I) The transition from the library to a library district, such as ownership of the library's real and personal property, personnel, and the provision of administrative services during the transition;

(II) The method of trustee selection; and

(III) Such other necessary terms and conditions as may be determined by the parties.

(i) If organization of a library district is effected, the district shall reimburse the legislative bodies holding the election for expenses incurred in holding the election.

**24-90-108. Board of trustees of public libraries.** (1) The management and control of any library established, operated, or maintained under the provisions of this part 1 shall be vested in a board of not fewer than five nor more than seven trustees. Appointees to the library board of trustees shall be chosen from the residents within the legal service area of the library.

(2) (a) In cities and towns the trustees shall be appointed by the mayor with the consent of the legislative body.

(b) In counties the trustees shall be appointed by the board of county commissioners.

(c) In a library district established by only one governmental unit, the legislative body of the governmental unit shall decide the number of its members to be appointed to the committee formed to appoint the initial board of trustees in accordance with the requirements of this paragraph (c). In a library district established by more than one governmental unit, the legislative body of each participating governmental unit shall appoint two of its members to a committee

that shall appoint the initial board of trustees. Thereafter, any such legislative body or bodies may either continue such a committee or delegate to the board of trustees of the library district the authority to recommend new trustees. Trustee appointments shall be ratified by a two-thirds majority of the legislative body; except that the failure of a legislative body to act within sixty days upon a recommendation shall be considered a ratification of such appointment.

(d) In school districts the trustees shall be appointed by the school board.

(e) For joint libraries, the trustees shall be appointed by the legislative bodies of the participating governmental units unless otherwise specified in the contract.

(3) (a) The first appointments of such boards of trustees shall be for terms of one, two, three, four, and five years respectively if there are five trustees, one for each of such terms except the five-year term for which two shall be appointed if there are six trustees, and one for each of such terms except the four-year and five-year terms for each of which two shall be appointed if there are seven trustees. Thereafter, a trustee shall be appointed for the length of term specified by the legislative body or, in the case of a library district, by the bylaws adopted by its board of trustees. The number of terms a trustee may serve shall be specified by the legislative body or, in the case of a library district, by the bylaws adopted by its board of trustees.

(b) Vacancies shall be filled for the remainder of the unexpired term as soon as possible in the manner in which trustees are regularly chosen.

(4) A trustee shall not receive a salary nor other compensation for services as a trustee, but necessary traveling and subsistence expenses actually incurred may be paid from the public library fund.

(5) A library trustee may be removed only by a majority vote of the appointing legislative body or bodies, but only upon a showing of good cause as defined in, but not limited to, the bylaws adopted by the board.

(6) The board of trustees, immediately after their appointment, shall meet and organize by the election of a president and a secretary and such other officers as deemed necessary.

**24-90-109. Powers and duties of board of trustees.** (1) The board of trustees shall:

(a) Adopt such bylaws, rules, and regulations for its own guidance and policies for the governance of the library as it deems expedient. The bylaws shall include, but not be limited to, provisions for the definition of good cause to be applied in the removal of a trustee pursuant to section 24-90-108 (5); designation of those officers to be appointed or elected and the manner of such appointment or election; rules and regulations for the conducting of meetings; rules for public participation in meetings; and procedures for amending the bylaws. The bylaws of a library district shall further provide for the length and number of terms of board members. A copy of the bylaws shall be filed with the legislative body of each participating governmental unit and the state library in accordance with section 24-90-105 (1) (m).

(b) Have custody of all property of the library, including rooms or buildings constructed, leased, or set apart therefor;

(c) Employ a director and, upon the director's recommendation, employ such other employees as may be necessary. The duties of the director shall include, but not be limited to:

(I) Implementing the policies adopted by the board of trustees pursuant to paragraph (a) of subsection (1) of this section;

(II) Recommending individuals for employment by the board of trustees; and

(III) Performing all other acts necessary for the orderly and efficient management and control of the library.

(d) Submit annually a budget as required by law and certify to the legislative body of the governmental unit or units that the library serves the amount of the mill levy necessary to maintain and operate the library during the ensuing year;

(e) (I) In county and municipal libraries, have exclusive control and spending authority over the disbursement of the library funds as appropriated by its legislative body, including all assets of the public library fund, as set forth in section 24-90-112 (2) (a);

(II) In library districts, adopt a budget and make appropriations for the ensuing fiscal year as set forth in part 1 of article 1 of title 29, C.R.S., and have exclusive control and spending authority over the disbursement of library funds as set forth in section 24-90-112 (2) (a);

(f) Accept such gifts of money or property for library purposes as it deems expedient;

(g) Hold and acquire land by gift, lease, or purchase for library purposes;

(h) Lease, purchase, or erect any appropriate building for library purposes and acquire such other property as may be needed therefor;

(i) Sell, assign, transfer, or convey any property of the library, whether real or personal, which may not be needed within the foreseeable future for any purpose authorized by law, upon such terms and conditions as it may approve, and lease any such property, pending sale thereof, under an agreement of lease, with or without an option to purchase the same. The board, prior to the conveyance of such property, shall make a finding that the property may not be needed within the foreseeable future for library purposes, but no such finding shall be necessary if the property is sold or conveyed to a state agency or political subdivision of this state.

(j) Borrow funds for library purposes by means of a contractual short-term loan when moneys are not currently available but will be in the future. Such loan shall not exceed the amount of immediately anticipated revenues, and such loan shall be liquidated within six months.

(k) Authorize the bonding of persons entrusted with library funds;

(l) (I) In the case of a county or municipal library, submit financial records for audit as required by the legislative body of the appropriate governmental unit; or

(II) In the case of any library district, conduct an annual audit of the financial statements of the district.

(m) Adopt a policy for the purchase of library materials and equipment on the recommendation of the librarian;

(n) Hold title to property given to or for the use or benefit of the library, to be used according to the terms of the gift;

(o) (Deleted by amendment, L. 2009, (HB 09-1072), ch. 74, p. 265, § 6, effective August 5, 2009.)

(p) Have the authority to enter into contracts;

(p.5) Maintain a current, accurate map of the legal service area and provide for such map to be on file with the state library;

(q) Receive the true and correct copies of all school district collective bargaining agreements submitted pursuant to the "Colorado School Collective Bargaining Agreement Sunshine Act", section 22-32-109.4, C.R.S., and create an electronic or physical repository for all of said current collective bargaining agreements at the library that is available to the public for inspection during regular business hours in a convenient and identified location.

(2) At the close of each calendar year, the board of trustees of every public library shall make a report to the legislative body of the town or city, in the case of a municipal library or library district formed by a municipality, or the board of county commissioners of each county

having territory within the legal service area, in the case of a county library or library district, showing the condition of its trust during the year, the sums of money expended, and the purposes of the expenditures and such other statistics and information as the board of trustees deems to be of public interest.

(2.5) At the close of each calendar year, the board of trustees of every public library shall make a report to the state library in the form of a response to a survey to be designed and administered by the state library. The report shall contain such other statistics and information as may be required by the state library.

(3) The board of trustees of a public library or the governing board of any other publicly-supported library, under such rules and regulations as it may deem necessary and upon such terms and conditions as may be agreed upon may allow nonresidents of the governmental unit which the library serves to use such library's materials and equipment and may make exchanges of books and other materials with any other library, either permanently or temporarily.

(4) In addition to the powers and duties of a board of trustees specified in subsection (1) of this section, the board of trustees of a school district supported public library, municipal library, county library, or a library district shall have the authority to request of the board of education in the case of a school district supported public library, the legislative body of the city or town in the case of a municipal library, or the board of county commissioners in the case of a county library or library district that an election be held to alter the maximum tax levied to support the school district supported public library, municipal library, county library, or library district pursuant to section 24-90-112 (1) (b) (III), in which case such board of education, legislative body, or board of county commissioners shall cause the vote to be held. For purposes of this subsection (4), "school district supported public library" means any library solely established and maintained by a school district for which such school district began levying a tax before the enactment of the "Colorado Library Law" on July 1, 1979. For all other purposes under this article, a school district supported public library shall be deemed a public library.

**24-90-110. Establishment of public library districts – merger of public library – board of trustees. (Repealed)**

**24-90-110.5. Metropolitan library districts – formation. (Repealed)**

**24-90-110.7. Regional library authorities.** (1) (a) In order to support and provide for public library service on a regional basis, particularly in any region of the state lacking sufficient public library resources to adequately serve the needs of the public, any combination of two or more governmental units acting through their governing bodies, regardless of whether such unit currently maintains a public library, may, by contracting with or among each other, establish a separate governmental entity to be known as a regional library authority, referred to in this section as an "authority". Such authority may be used by such contracting member governmental units to effect the acquisition, construction, financing, operation, or maintenance of publicly-supported library services on a regional basis within the jurisdiction of the authority. For purposes of this section, a governmental unit may include a library district within the meaning of section 24-90-103 (6).

(b) No such authority shall be formed pursuant to this section unless each of the contracting member governmental units forming such authority has passed a resolution or ordinance in accordance with the requirements of paragraph (d) of this subsection (1) and has entered into a contract pursuant to section 29-1-203, C.R.S., for the creation, operation, and administration of such authority.

(c) (I) In connection with the establishment of an authority, at least one public hearing shall be conducted by each of the contracting member governmental units that intend to enter into a contract for the purpose of forming the authority. Any such hearing shall be preceded by adequate and timely notice of the time and place of the hearing. The notice shall specify the matters to be included in the resolution or ordinance and shall fix a date for the hearing that shall be held not less than thirty nor more than sixty days after the date of first publication of such notice.

(II) Any public hearing conducted in accordance with the requirement of subparagraph (I) of this paragraph (c) shall address, without limitation, the purposes of the authority, and, where more than one governmental unit is involved in the formation of the authority, the powers, rights, obligations, and responsibilities, financial and otherwise, of each governmental unit that is forming the authority.

(d) The resolution or ordinance to be adopted by each of the contracting member governmental units forming the authority in accordance with the requirements of paragraph (b) of this subsection (1) shall:

(I) Describe the legal service area of the authority;

(II) Describe the proposed governance of the authority; and

(III) State that the registered electors residing within the territorial boundaries of such contracting member governmental units shall approve any amount of sales or use tax, or both, in accordance with the requirements of paragraph (f) of subsection (3) of this section or an ad valorem tax in accordance with the requirements of paragraph (h) of subsection (3) of this section not previously approved by the electors before the authority shall levy such taxes.

(2) Upon establishment of an authority satisfying the requirements of this section, a contract between the legislative bodies of the contracting member governmental units, shall be effected within ninety days. Any contract establishing such authority shall, without limitation, specify:

(a) The name and purpose of such authority and the functions or services to be provided by such authority;

(b) The boundaries of the authority, which boundaries may include less than the entire area of any separate county, but shall not be less than the entire area of any municipality and any other governmental unit forming the authority, and may be modified after the establishment of the authority as provided in the contract;

(c) The establishment and organization of a governing body of the authority, which shall be a board of directors, referred to in this section as the "board of the authority", in which all legislative power of the authority is vested, including:

(I) The number of directors, their manner of appointment, their terms of office, their compensation, if any, and the procedure for filling vacancies on the board of the authority;

(II) The officers of the authority, the manner of their selection, and their duties;

(III) The voting requirements for action by the board of the authority; except that, unless specifically provided otherwise, a majority of directors shall constitute a quorum, and a majority of the quorum shall be necessary for any action taken by the board of the authority; and

(IV) The duties of the board of the authority, which shall include the obligation to comply with the provisions of parts 1, 5, and 6 of article 1 of title 29, C.R.S.;

(d) Provisions for the disposition, division, or distribution of any property or assets of the authority;

(e) The term of the contract, which may be continued for a definite term or until rescinded or terminated, and the method, if any, by which it may be rescinded or terminated; except that such contract may not be rescinded or terminated so long as the authority has bonds, notes, or other obligations outstanding, unless provision for full payment of such obligations, by escrow or otherwise, has been made pursuant to the terms of such obligations; and

(f) The expected sources of revenue of the authority and any requirements that contracting member governmental units consent to the levying of any taxes within the jurisdiction of such member. If the authority levies any taxes, the contract shall further include requirements that:

(I) Prior to and as a condition of levying any such taxes or fees, the board of the authority shall adopt a resolution determining that the levying of the taxes or fees will fairly distribute the costs of the authority's activities among the persons or communities benefited thereby and will not impose an undue burden on any particular group of persons or communities;

(II) Each such tax shall conform with any requirements specified in subsection (3) of this section; and

(III) The authority shall designate a financial officer who shall coordinate with the department of revenue regarding the collection of a sales and use tax authorized pursuant to paragraph (f) of subsection (3) of this section. This coordination shall include but not be limited to the financial officer identifying those businesses eligible to collect the sales and use tax and any other administrative details identified by the department.

(3) The general powers of such authority shall include the following powers:

(a) To acquire, construct, finance, operate, or maintain public library services located within the territorial boundaries of the authority;

(b) To make and enter into contracts with any person, including, without limitation, contracts with state or federal agencies, private enterprises, and nonprofit organizations also involved in providing such public library services or the financing for the services, irrespective of whether the agencies are parties to the contract establishing the authority;

(c) To employ agents and employees;

(d) To cooperate with state and federal governments in all respects concerning the financing of such library services;

(e) To acquire, hold, lease, as lessor or lessee, sell, or otherwise dispose of any real or personal property, commodity, or service;

(f) (I) Subject to the provisions of subsection (9) of this section, to levy, in all of the area described in subparagraph (II) of this paragraph (f) within the boundaries of the authority, a sales or use tax, or both, at a rate not to exceed one percent, upon every transaction or other incident with respect to which a sales or use tax is levied by the state pursuant to the provisions of article 26 of title 39, C.R.S. The tax imposed pursuant to this paragraph (f) is in addition to any other sales or use tax imposed pursuant to law. The executive director of the department of revenue shall collect, administer, and enforce the sales or use tax, to the extent feasible, in the manner provided in section 29-2-106, C.R.S. However, the executive director shall not begin the collection, administration, and enforcement of a sales and use tax until such time as the financial officer of the authority and the executive director have agreed on all necessary matters pursuant to subparagraph (III) of paragraph (f) of subsection (2) of this section. The executive director shall begin the collection, administration, and enforcement of a sales and use tax on a date mutually agreeable to the department of revenue and the authority.

(II) The area in which the sales or use tax authorized by this paragraph (f) is levied shall not include less than the entire area of any municipality located within the area in which the tax will be levied. The area may also include portions of unincorporated areas located within a county.

(III) The executive director of the department of revenue shall make monthly distributions of the tax collections to the authority, which shall apply the proceeds solely to the acquisition, construction, financing, operation, or maintenance of public library services within the jurisdiction of the authority.

(IV) The department of revenue shall retain an amount not to exceed the cost of the collection, administration, and enforcement and shall transmit the amount retained to the state treasurer, who shall credit the same amount to the regional library authority sales tax fund, which fund is hereby created in the state treasury. The amounts so retained are hereby appropriated annually from the fund to the department to the extent necessary for the department's collection, administration, and enforcement of the provisions of this section. Any moneys remaining in the fund attributable to taxes collected in the prior fiscal year shall be transmitted to the authority; except that prior to the transmission to the authority of such moneys, any moneys appropriated from the general fund to the department for the collection, administration, and enforcement of the tax for the prior fiscal year shall be repaid.

(g) Notwithstanding any other provision of law, any sales tax authorized pursuant to subparagraph (I) of paragraph (f) of this subsection (3) shall not be levied on:

(I) The sale of tangible personal property delivered by a retailer or a retailer's agent or delivered to a common carrier for delivery to a destination outside the boundaries of the authority; and

(II) The sale of tangible personal property on which a specific ownership tax has been paid or is payable when such sale meets the following conditions:

(A) The purchaser does not reside within the boundaries of the authority or the purchaser's principal place of business is outside the boundaries of the authority; and

(B) The personal property is registered or required to be registered outside the boundaries of the authority under the laws of this state.

(h) Subject to the provisions of subsection (9) of this section, to levy, in all of the area within the boundaries of the authority, an ad valorem tax in accordance with the requirements of this section. The tax imposed pursuant to this paragraph (h) shall be in addition to any other ad valorem tax imposed pursuant to law. In accordance with the schedule prescribed by section 39-5-128, C.R.S., the board of the authority shall certify to the board of county commissioners of each county within the authority, or having a portion of its territory within the district, the levy of ad valorem property taxes in order that, at the time and in the manner required by law for the levying of taxes, such board of county commissioners shall levy such tax upon the valuation for assessment of all taxable property within the designated portion of the area within the boundaries of the authority. It is the duty of the body having authority to levy taxes within each county to levy the taxes provided by this subsection (3). It is the duty of all officials charged with the duty of collecting taxes to collect the taxes at the time and in the form and manner and with like interest and penalties as other taxes are collected and when collected to pay the same to the authority ordering the levy and collection. The payment of such collections shall be made monthly to the authority or paid into the depository thereof to the credit of the authority. All taxes levied under this paragraph (h), together with interest thereon and penalties for default in payment thereof, and all costs of collecting the same shall constitute, until paid, a perpetual lien

on and against the property taxed, and the lien shall be on a parity with the tax lien of other general taxes.

(i) To incur debts, liabilities, or obligations;

(j) To sue and be sued in its own name;

(k) To have and use a corporate seal;

(l) To fix, maintain, and revise fees, rents, security deposits, and charges for functions, services, or facilities provided by the authority;

(m) To adopt, by resolution, rules respecting the exercise of its powers and the carrying out of its purposes;

(n) To exercise any other powers that are essential to the provision of functions, services, or facilities by the authority and that are specified in the contract; and

(o) To do and perform any acts and things authorized by this section under, through, or by means of an agent or by contracts with any person, firm, or corporation.

(4) The authority established by such contracting member governmental units shall be a political subdivision and a public corporation of the state, separate from the parties to the contract, and shall be a validly created and existing political subdivision and public corporation of the state, irrespective of whether a contracting member governmental unit withdraws, whether voluntarily, by operation of law, or otherwise, from the authority subsequent to its creation under circumstances not resulting in the rescission or termination of the contract establishing such authority pursuant to its terms. It shall have the duties, privileges, immunities, rights, liabilities, and disabilities of a public body politic and corporate. The authority may deposit and invest its moneys in the manner provided in section 43-4-616, C.R.S.

(5) The bonds, notes, and other obligations of such authority shall not be the debts, liabilities, or obligations of the contracting member governmental units.

(6) The contracting member governmental units may provide in the contract for payment to the authority of funds from proprietary revenues for services rendered or facilities provided by the authority, from proprietary revenues or other public funds as contributions to defray the cost of any purpose set forth in the contract, and from proprietary revenues or other public funds as advances for any purpose subject to repayment by the authority.

(7) The authority may issue revenue or general obligation bonds, as the term "bond" is defined in section 43-4-602 (3), C.R.S., and may pledge its revenues and revenue-raising powers for the payment of the bonds. The bonds shall be issued on the terms and subject to the conditions set forth in section 43-4-609, C.R.S.

(8) The income or other revenues of the authority, all properties at any time owned by an authority, any bonds issued by an authority, and the transfer of and the income from any bonds issued by the authority are exempt from all taxation and assessments in the state.

(9) (a) No action by an authority to establish or increase any tax authorized by this section shall take effect unless first submitted to a vote of the registered electors residing within the boundaries of the authority in which the tax is proposed to be collected.

(b) No action by an authority creating a multiple-fiscal year debt or other financial obligation that is subject to section 20 (4) (b) of article X of the state constitution shall take effect unless first submitted to a vote of the registered electors residing within the boundaries of the authority.

(c) The questions proposed to the registered electors under paragraphs (a) and (b) of this subsection (9) shall be submitted at a general election or any election to be held on the first Tuesday in November of an odd-numbered year. The action shall not take effect unless a

majority of the registered electors voting thereon at the election vote in favor thereof. The election shall be conducted in substantially the same manner as county elections and the county clerk and recorder of each county in which the election is conducted shall assist the authority in conducting the election. The cost of the election shall be incurred by the contracting member governmental units that have formed the authority in proportion to the percentage of the population of the governmental units within the territorial boundaries of the authority. No moneys of the authority may be used to urge or oppose passage of an election required under this section.

(10) (a) For the purpose of determining any authority's fiscal year spending limit under section 20 (7) (b) of article X of the state constitution, the initial spending base of the authority shall be the amount of revenues collected by the authority from sources not excluded from fiscal year spending pursuant to section 20 (2) (e) of article X of the state constitution during the first full fiscal year for which the authority collected revenues.

(b) For purposes of this subsection (10), "fiscal year" means any year-long period used by an authority for fiscal accounting purposes.

(11) An authority established by contracting member governmental units shall, if the contract so provides, be the successor to any nonprofit corporation, agency, or other entity theretofore organized by the contracting member governmental units to provide the same function, service, or facility, and the authority shall be entitled to all the rights and privileges and shall assume all the obligations and liabilities of such other entity under existing contracts to which such other entity is a party.

(12) (a) The authority granted pursuant to this section shall in no manner limit the powers of any governmental unit to cooperate on an intergovernmental basis, to enter into any contract with another governmental entity, or to establish a separate legal entity pursuant to the provisions of section 29-1-203, C.R.S., or any other applicable law, or otherwise to carry out their individual powers under applicable statutory or charter provisions, nor shall such authority limit the powers reserved to cities and towns pursuant to the state constitution.

(b) Notwithstanding any other provision of law, any governmental unit that has entered into a contract for the purpose of forming an authority may form such authority in accordance with the requirements of this section without any effect on the ability of the unit to own its own property, maintain a separate governing body or board of trustees, levy its own taxes for library purposes, or retain its own identity.

(c) Notwithstanding any other provision of law, nothing in this section shall be construed to authorize any one or more library districts to:

(I) Form an authority without entering into a contract with one or more governmental units to form such authority in accordance with the requirements of this section; or  
(II) Exercise any of the powers of said authority, including, without limitation, the power to levy a sales or use tax, in the absence of entering into a contract with one or more governmental units for the purpose of forming such authority in accordance with the requirements of this section.