

Collin County Community College District Board of Trustees

2018-6-5

June 26, 2018

Resource: Ken Lynn
Chief Financial Officer

AGENDA ITEM: Report Out of the Finance & Audit Committee and Recommendation to Authorize the President or Designee to Negotiate and Execute a Contract Amendment to Exercise the Option to Extend the Barnes & Noble (B&N) Contract to June 30, 2026

DISCUSSION: On July 7, 2016, Collin College and B&N executed a 5-year contract which provided B&N the exclusive right to operate the College's bookstores on all campuses until June 30, 2021 (with a possible 5-year extension by mutual agreement).

Subsequent to the execution of the contract, the College passed a bond referendum that will add new college locations in Wylie, Allen, Celina and Farmersville. The capital infusion in the form of leasehold improvements to be paid by B&N at Wylie and Allen (which represent a cost avoidance from the College's perspective) will exceed \$350,000.

At the time the Wylie Campus and the Technical Campus open in August 2020, there will be approximately 10 months remaining on the original contract term. Exercising the 5-year option will afford B&N the opportunity to amortize their leasehold improvements over the remaining 70 months until the contract expires on June 30, 2026.

DISTRICT PRESIDENT'S RECOMMENDATION: The District President recommends approval to authorize the President or designee to negotiate and execute a contract amendment to exercise the option to extend the Barnes & Noble (B&N) contract to June 30, 2026.

SUGGESTED MOTION: This may come out of committee as a motion and second or a suggested motion could be: "Mr. Chairman, I make a motion that the Board of Trustees of Collin County Community College District approves the authorization for the President or designee to negotiate and execute a contract amendment to exercise the option to extend the Barnes & Noble (B&N) contract to June 30, 2026. "