

Collin County Community College District Board of Trustees

6. Finance and Audit Committee

June 19, 2018

Resource: Ken Lynn
Chief Financial Officer

DISCUSSION ITEM:

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

DISCUSSION:

On July 7, 2016 the 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.