



**SOUTH TEXAS
COLLEGE**

Board of Trustees

Special Board Meeting

Tuesday, September 10, 2024
5:00 p.m.

Pecan Campus
Ann Richards Administration
Building
Board Room
McAllen, Texas

Online Board Packet

**SOUTH TEXAS COLLEGE
BOARD OF TRUSTEES SPECIAL MEETING
Tuesday, September 10, 2024 @ 5:00 p.m.
Ann Richards Administration Building Board Room
Pecan Campus, McAllen, Texas 78501**

AGENDA

“At anytime during the course of this meeting, the Board of Trustees may retire to Executive Session under Texas Government Code 551.071(2) to confer with its legal counsel on any subject matter on this agenda in which the duty of the attorney to the Board of Trustees under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Texas Government Code. Further, at anytime during the course of this meeting, the Board of Trustees may retire to Executive Session to deliberate on any subject slated for discussion at this meeting, as may be permitted under one or more of the exceptions to the Open Meetings Act set forth in Title 5, Subtitle A, Chapter 551, Subchapter D of the Texas Government Code. At this meeting, the Board of Trustees may deliberate on and take any action deemed appropriate by the Board of Trustees on the following subjects:”

COVID-19 Public Health / Attendance Measures

Due to COVID-19 and Social Distancing recommendations, members of the public are encouraged to watch the live broadcast of the meeting at:

<https://admin.southtexascollege.edu/president/agendas/live.html>.

- I. Call Meeting to Order**
- II. Determination of Quorum**
- III. Public Comments**
- IV. Consideration of New Items**
 - 1. Discussion and Action as Necessary on Award of Contract for Operation of College Bookstore 3 - 8
- V. Announcements**
 - A. Next Meetings:
 - Tuesday, September 24, 2024
 - 5:15 p.m. – Public Hearing and Special Board Meeting
 - 5:30 p.m. – Regular Board Meeting
 - B. Other Announcements:
 - South Texas College Convocation will be held on Friday, September 27, 2024 from 8:00 a.m. to 12:00 p.m.

Discussion and Action as Necessary on Award of Contract for Operation of College Bookstore

Purpose and Justification – Administration requests Board approval on the award of a contract for the Operation of the College Bookstore for a term of five (5) years beginning from November 1, 2024 through October 31, 2029.

The bookstore services will be available for students, faculty, and staff district-wide to purchase books, reference materials, and testing forms related to academic courses.

Background – A bookstore services contract has been awarded to an outsourced vendor since 1999. The bookstore vendors have been Follett Higher Education Group, Inc., from 1999 to 2004, and Barnes and Noble College Bookseller, LLC. from 2004 to 2024.

The College requested proposals for the management of the South Texas College bookstores located at the Pecan, Mid Valley, Nursing and Allied Health, Starr County, and Technology campuses.

The project timeline and information are as follows:

Advertised RFP	May 22, 2024 and May 29, 2024
RFP Responses Due	July 9, 2024
RFP Issued To	Ten (10) Vendors
Responses Received From	Three (3) Vendors. One (1) response was not considered due to incomplete information.
Responses Reviewed By	Facilities Operations and Maintenance, Campus Administrators, College Administrators, Bookstore Committee (Faculty & Staff), and Purchasing Department

A bookstore consultant, Mr. Tom Byrne from Campus Bookstore Consulting (CBC), was contracted to assist with developing the request for proposals solicitation document and to review and analyze the proposals. Mr. Byrne will be present at the meeting to discuss the proposals and answer questions.

Copies of the complete proposals from BibliU, Inc. and Follett Higher Education Group, Inc., including a copy of the consultant’s proposal analysis, were provided to the South Texas College evaluation committee for review. The evaluations were completed by the South Texas College evaluation committee consisting of administrators and staff.

The current Barnes and Noble contract has the following financial components:

5-Year Term Commission Percentage	14.5% to \$2.0M 15.5% from \$2.0M to \$3.0M 17% over \$3.0M
Minimum Annual Guarantee	Years 1-5 - \$500,000 Modified as follows:

	Year 1 - \$400,000; Year 2 - \$325,000; Year 3 - \$300,000; Year 4 - \$300,000; Year 5 - \$300,000
One-Time Unrestricted Donation	\$0
Annual Textbook Scholarship	\$15,000.00
Facility Investment	Up to \$100,000.00
Technology Investment	\$0

On August 27, 2024, the Board of Trustees approved for staff to request a best and final offer from the two (2) respondents, which were due on Friday, August 30, 2024.

The best and final offers were reviewed by Mr. Byrne, Bookstore Consultant, George McCaleb, Director of Operations and Maintenance, and Deyadira Leal, Director of Purchasing and it is proposed that the contract for the operation of the College Bookstore be awarded to BibliU, Inc.

Enclosed – The proposal summary including the best and final offers, the financial summary including the best and final offers, and the evaluation committee’s evaluation summary in the packet for the Board’s review and consideration.

Mr. Byrne, Bookstore Consultant, Mary Del Paz, Vice President for Finance and Administrative Services, George McCaleb, Director of Operations and Maintenance, and Deyadira Leal, Director of Purchasing, will be present at the meeting to address any questions.

It is recommended that the Board of Trustees of South Texas College approve and authorize the following Minute Order proposed for consideration:

The Board of Trustees of South Texas College approves and authorizes the award of a contract for the Operation of the College Bookstore with BibliU, Inc., for a term of five (5) years beginning from November 1, 2024 through October 31, 2029 as presented.

Approval Recommended:

Dr. Ricardo J. Solis
President

**SOUTH TEXAS COLLEGE
OPERATION OF COLLEGE BOOKSTORE - BEST AND FINAL OFFERS
PROJECT NO. 24-25-1010**

VENDOR		Barnes and Noble College Bookseller, LLC.	BibliU, Inc.	Follet Higher Education Group, Inc.		
ADDRESS		120 Mountain View Blvd	8501 Technology Circle	3 Westbrook Corp Ctr Ste 200		
CITY/STATE/ZIP		Basking Ridge, NJ 07920	Greenville, TX 75402	Westchester, IL 60154		
PHONE		504-444-6335	801-971-6261	925-785-3376		
CONTACT		Paul Stevenson	Carli Tegtmeier	Mark Sproat		
		Current Contract		Option 1: Traditional Bookstore and Virtual Services	Option 2: Traditional Bookstore Model 1 Store and 2 Stores Management	Option 3: Traditional Bookstore Model for Three Stores
1	Commission Percentage	Commission as a percent of commissionable sales: 14.5% up to \$2.0M 15.5% from \$2.0M - \$3.0M 17.0% over \$3.0M ***** Commission as a percent of Pure Digital Course Materials sales: 7.0%	Commission as a percent of course materials commissionable sales: 8% ***** Commission as a percent of Pure Digital Course Materials sales: 8.0% ***** Commission as a percent of General Merchandise sales: 13%	Commission as a percent of course materials and general merchandise commissionable sales: 5.0% up to \$1,500,000 7.0% over \$1,500,000 and less than \$2,000,000 10.0% over \$2,000,000 ***** Commission as a percent of Pure Digital Course Materials sales: 7.0%	Commission as a percent of course materials and general merchandise commissionable sales: 3.0% up to \$1,500,000 5.0% over \$1,500,000 and less than \$2,000,000 7.0% over \$2,000,000 ***** Commission as a percent of Pure Digital Course Materials sales: 5.0%	Commission as a percent of course materials and general merchandise commissionable sales: 2.0% up to \$1,500,000 4.0% over \$1,500,000 and less than \$2,000,000 6.0% over \$2,000,000 ***** Commission as a percent of Pure Digital Course Materials sales: 3.0%
1a	Commission Percentage - Best and Final		Commission as a percent of course materials commissionable sales: 13% ***** Commission as a percent of Pure Digital Course Materials sales: 8.0% ***** Commission as a percent of General Merchandise sales: 13%			Commission as a percent of course materials and general merchandise commissionable sales: 4.0% up to \$1,500,000 5.0% over \$1,500,000 and less than \$2,000,000 6.0% over \$2,000,000 ***** Commission as a percent of Pure Digital Course Materials sales: 4.0%
2	Minimum Annual Guarantee**	Years 1-5 \$500,000 Modified as follows: Year 1 - \$400,000; Year 2 - \$325,000; Year 3 - \$300,000; Year 4 - \$300,000; Year 5 - \$300,000	Years 1-5: \$150,000	\$0	\$0	\$0
2a	Minimum Annual Guarantee** - Best and Final		Years 1-5: \$250,000			N/A
3	Signing Bonus/Transition Payment	\$0.00 - Barnes & Noble College will make a one time, \$50,000 bonus upon completion of LMS integration and financial aid in the bookstore. Additionally, upon implementation of a First Day Program, Barnes & Noble will make a one time donation of \$25,000 to be used at the discretion of STC.	\$100,000	\$0.00	\$0.00	\$0.00
3a	Signing Bonus/Transition Payment - Best and Final		\$100,000			N/A
4	Additional Financial Incentives	\$15,000 Annual Textbook Scholarships	\$10,000 Annual Scholarship	\$0.00	\$2,000 Textbook Scholarship \$2,000 General Scholarship	\$0.00

**SOUTH TEXAS COLLEGE
OPERATION OF COLLEGE BOOKSTORE - BEST AND FINAL OFFERS
PROJECT NO. 24-25-1010**

VENDOR		Barnes and Noble College Bookseller, LLC.	BibliU, Inc.	Follet Higher Education Group, Inc.		
ADDRESS		120 Mountain View Blvd	8501 Technology Circle	3 Westbrook Corp Ctr Ste 200		
CITY/STATE/ZIP		Basking Ridge, NJ 07920	Greenville, TX 75402	Westchester, IL 60154		
PHONE		504-444-6335	801-971-6261	925-785-3376		
CONTACT		Paul Stevenson	Carli Tegtmeier	Mark Sproat		
		Current Contract		Option 1: Traditional Bookstore and Virtual Services	Option 2: Traditional Bookstore Model 1 Store and 2 Stores Management	Option 3: Traditional Bookstore Model for Three Stores
4a	Additional Financial Incentives - Best and Final		\$10,000 Annual Scholarship			N/A
5	Facility Investment	--Up to \$100,000 to renovate and fixture the Pecan Campus store facility --Depreciated on a straight-line basis over a 5-year period, with an annual depreciation expense of \$20,000, beginning in Year 1 of the contract	\$100,000	\$0.00	\$30,000 to create a beautiful and efficient retail space that enhances your image, attracts customers, and increases sales. ***** Depreciated on a straight-line basis by October 31, 2029.	\$0.00
5a	Facility Investment - Best and Final		\$100,000			\$45,000
6	Technology Investment	\$0.00 - We already invested	\$58,000	\$45,000 to install a point-of-sales and store management systems.	\$135,000 to install a point-of-sales and store management systems.	\$135,000 to install a point-of-sales and store management systems.
6a	Technology Investment - Best and Final		\$58,000			\$135,000 to install a point-of-sales and store management systems.
TOTAL EVALUATION POINTS			94.65	****	****	56.03
RANKING			1	****	****	2

Note: The red font is the best and final offer change from the original proposal

**Annually, the contractor shall pay STC the greater of (i) the minimum annual guarantee or (ii) the sum of the commission as a percent of course materials commissionable sales; plus the commission as a percent of pure digital course materials commissionable sales; plus, the commission as a percent of general merchandise commissionable sales.

****The vendor's proposals did not meet the required specifications, therefore were not evaluated.

The Director of Purchasing has reviewed all the responses and evaluations completed.

**SOUTH TEXAS COLLEGE
OPERATION OF COLLEGE BOOKSTORE - BEST AND FINAL OFFERS
PROJECT NO. 24-25-1010
FINANCIAL SUMMARY**

	VENDOR	BibliU, Inc.	Follett Higher Education Group, LLC.
	ADDRESS	8501 Technology Circle	3 Westbrook Corp Ctr Ste 200
	CITY/STATE/ZIP	Greenville, TX 75402	Westchester, IL 60154
	PHONE	801-971-6261	925-785-3376
	CONTACT	Carli Tegtmeier	Mark Sproat
			Option 3: Traditional Bookstore Model for Three Stores
1	Five-Year Commission to South Texas College (Commission)	\$ 1,163,715.00	\$ 321,963.00
1a	Five-Year Commission to South Texas College (Commission) - Best and Final	\$ 1,460,262.00	\$ 533,927.00
2	Five-Year Total Financial Return to South Texas College (commission, minimum annual guarantee, one-time payment, signing bonus, textbook scholarships, facility investment)	\$ 1,413,715.00	\$ 321,963.00
2a	Five-Year Total Financial Return to South Texas College (commission, minimum annual guarantee, one-time payment, signing bonus, textbook scholarships, facility investment) - Best and Final	\$ 1,710,262.00	\$ 578,927.00
3	Comments Related to Item #2 <ul style="list-style-type: none"> ● Commission Percentage ● Minimum Annual Guarantee for Year 1-5 ● Minimum Annual Guarantee for Year 1-5 - Best and Final ● Signing Bonus/Straight-Line Depreciation ● Annual - Textbook Scholarships ● Facility Investment/Straight-Line Depreciation ● Facility Investment/Straight-Line Depreciation- Best and Final ● Technology Investment 	This includes commission, the minimum annual guarantee in Years 1-5, signing bonus, textbook scholarships, and facility investment. <p style="text-align: center;">Commission</p> <p style="text-align: center;">\$150,000</p> <p style="text-align: center;">\$250,000</p> <p style="text-align: center;">\$100,000</p> <p style="text-align: center;">\$10,000</p> <p style="text-align: center;">\$100,000</p> <p style="text-align: center;">\$45,000</p> <p style="text-align: center;">\$58,000</p>	This includes commission and facility investment. <p style="text-align: center;">Commission</p> <p style="text-align: center;">N/A</p> <p style="text-align: center;">N/A</p> <p style="text-align: center;">N/A</p> <p style="text-align: center;">\$45,000</p> <p style="text-align: center;">\$135,000</p>

Commission is based on the average of the two respondents sales projections.

**SOUTH TEXAS COLLEGE
OPERATION OF COLLEGE BOOKSTORE
PROJECT NO. 24-25-1010
EVALUATION SUMMARY**

				Option 3: Traditional Bookstore Model for Three Stores	
VENDOR		BibliU, Inc.		Follet Higher Education Group, LLC.	
ADDRESS		8501 Technology Circle		3 Westbrook Corp Ctr Ste 200	
CITY/STATE/ZIP		Greenville, TX 75402		Westchester, IL 60154	
PHONE		801-971-6261		925-785-3376	
CONTACT		Carli Tegtmeier		Mark Sproat	
1	The respondent's financial proposal. -Minimum Annual Financial Guarantee -Percentage commission on course materials commissionable sales, pure digital course material commissionable sales, and general merchandise commissionable sales -Capital investment plan for Bookstore Facilities -Additional Financial Incentives (up to 35 points)	35	35	7	7
		35		7	
		35		7	
		35		7	
		35		7	
		35		7	
		35		7	
		35		7	
		35		7	
		35		7	
2	The respondent's management plan and its responsiveness to the needs of the STC community. -Operations, Staffing/Personnel, Customer Service, Course Materials Program, Course Materials Adoption Tool, Course Materials Affordability/Pricing Policies, General Merchandise/General Merchandise Pricing Policies, Facility, Financial Reporting, Website/Technology Program, Exceptions to the RFP/Acceptance of Requirements (up to 40 points)	40	37.57	30	29.76
		30		25	
		36.36		25.44	
		40		25	
		36		35	
		38		25	
		40		30	
		38		32	
		40		30	
		35		30	
40	40				
3	The quality and reputation of the respondent's goods and services. -Company History and Background -Financial standing and resources of organization -Quality of references -Experience in providing similar services to other institutions of higher education -Quality of proposed services (up to 20 points)	20	17.63	10	15
		15		10	
		12		12	
		15		15	
		16		19	
		19		15	
		19		15	
		19		15	
		20		15	
		19		19	
20	20				
4	The respondent's transition plan. (up to 5 points)	5	4.45	3	4.27
		3		3	
		5		5	
		3		4	
		5		5	
		5		5	
		4		4	
		5		4	
		4		4	
		5		5	
5	5				
TOTAL EVALUATION POINTS		94.65		56.03	
RANKING		1		2	

The Director of Purchasing has reviewed all the responses and evaluations completed.