

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT

Board of Trustees Meeting

June 10, 2024

CONSENT CALENDAR

7

Approval of Sole Source Vendor: Anatomage, Inc.

Status: **Action**

Presented by: Ron Perez
 Assistant Superintendent/Vice President of Administrative Services

Issue

It is recommended that the Board of Trustees authorize the District to negotiate and enter into a contract with Anatomage, Inc. on a single source basis for the sole source products and equipment it exclusively distributes in the state of California as described herein, pursuant to California Public Contract Code, Section 3400.

Background

Under California Public Contract Code Section 3400 (c)(3), the District may make a finding designating that certain products, things, or services are only available from one source. Career Technical Education has designated funds through Strong Workforce 7 and California Apprenticeship Imitative for funding up to \$326,598.60 for Anatomage tables that will help prepare Pre-Nursing students and Paramedic students for success in their academic programs.

Sole Source Product Justification: College of the Sequoias has identified Anatomage, Inc. as the vendor distributing Anatomage tables to provide digitizing real anatomy. Stimulating the stages of childbirth to tracing the effects of disease on an aging body. Anatomage tables deepen clinical care through anatomical insights.

Investing in Anatomage tables will aid in preparing students and increasing success rates for academic programs such as Registered Nursing, Paramedic, Physical Therapy Assistant, Pharmacy Tech, and Sports Medicine increasing students' knowledge of the human body, functions of various organs, real life case studies and scenarios creating experiences that will prepare students for successful program outcomes and well a prepared workforce.

Single Source Vendor Justification: Purchasing from Anatomage, Inc. is the only way to provide our students with the advantage of being prepared for their academic programs and the workforce. Attached is the sole source letter from Anatomage, Inc. confirming they are the exclusive distributor in the state of California for Anatomage Tables. Therefore, this agenda item is requesting the Governing Board consideration for approval of Anatomage, Inc. as the single source vendor for its respective sole source equipment. The proposed amount is \$326,598.60.

Recommended Action

It is recommended that the Board of Trustees finds the Anatomage, Inc. as the Sole Source Vendor for the Anatomage Table. Anatomage, Inc is the Sole Source for the product and services described in this agenda item, and Sequoias Community College District may proceed to negotiate and enter into a Sole Source Vendor agreement with Anatomage, Inc. for the products and services described herein.

GUIDE TO SUBMITTING SOLE SOURCE JUSTIFICATIONS

Definition of Sole Source Procurement: Sole source procurement refers to those purchases where there is only one supplier that can provide the product you wish to procure. Usually these are unique products that cannot be found anywhere, however, only thru one supplier/manufacturer (ex., a proprietary designed).

By submitting a Sole Source Justification request, you, as the Requestor, acknowledge that the requested item is the only acceptable material, product, thing or service that can ensure the District's academic, curriculum and/or research meets the standards advocated by an identified academic standard (center or organization) and enables students to learn and participate in the field of said academic study, curriculum and/or research.

What Constitutes a Valid Sole Source Justification? The simple answer is: It must contain the facts that show there is only one source of supply for your purchase requirement. If your requirement is available from more than one source, it is not considered a sole source.

The Requester must furnish the following on the Sole Source Justification Form:

1. State the specific features or performance specifications that are essential or required. (i.e., Exterior / interior size or dimensions are only acceptable as justification if the space available is critical.) Please note: Sole source justifications, written by the vendor / manufacturer, are not acceptable. The Requester must complete the Sole Source Justification form.
2. The Requester must specify the names of vendors who can furnish similar products and which of these vendors were contacted, along with a description of the essential requirement(s) that other vendors cannot furnish.
3. If your requirements involve purchasing a commodity that must be compatible with existing equipment and is available from only one source of supply, the Requester must specifically explain this in the Sole Source Justification form and furnish the previous purchase order number(s) for the existing equipment.
4. A written quote must be furnished, which indicates what discount(s) the District is receiving. A quote indicating a discount does not negate the Buyer from performing a price analysis. If the discount amount or percentage is not given on the quote, the Buyer may need to contact the vendor for that information in order to complete a price analysis. (e.g., All purchases over \$3,000 or greater require three quotes – See Purchasing Guidelines). These requirements must be satisfied prior to a purchase order being issued.

Please remember that what the Requester would like to have does not constitute adequate justification for a sole source. A Requester's preference for one vendor/product following market studies, quotations, demonstrations / testing, does not constitute a sole source.

Next Steps:

- Buyer will conduct a thorough market analysis/research to ensure no other vendor/product is available.
- Buyer will submit a Request for Quotes via Public Purchase
- If no responses, and research from Buyer presents the request to be a true Sole Source, Buyer will work with Requester to submit a Board Resolution and Communication to ensure proper protocol is legally met and approved by the District's Board.

Note: The timeline for a Sole Source could take up to 90 – 120 days.

Bidding and Proposals

Purchase requests that meet or exceed the bid threshold (see Purchasing Guidelines) will require Purchasing to request bids from other vendors. If any of those other vendors reply with a bid that meets the essential requirements supplied by the Requester, Purchasing must then proceed with an Advertised Competitive Bid Process. See the following CA State requirements:

- PCC § 3400 states that a community college district cannot limit “the bidding, directly or indirectly, to any one specific concern,” when letting “contracts for the construction, alteration, or repair of public works”;
- Public Contract Code section 20651 states that a community college district is required to competitively bid any purchase of equipment with a contract value over \$96,700 or any procurement of public works with a contract value over \$15,000; and
- California law provides that, “Where competitive proposals work an incongruity and are unavailing as affecting the final result or where they do not produce any advantage . . . the statute requiring competitive bidding does not apply” (*Hiller v. City of Los Angeles* (1961) 197 Cal.App.2d 685, 694), and that public entities need not comply with competitive bidding processes where to do so would be impractical or futile and would not serve the purposes of competitive bidding. (*Los Angeles Dredging Company v. City of Long Beach* (1930) 2 Cal. 348; *Graydon v. Pasadena Redevelopment Agency* (1980) 104 Cal.App.3d 63.

We understand how complex a Sole Source Justification request can be. We strongly suggest that you please contact your division's assigned Buyer or purchasing@cos.edu if you have further questions concerning sole sourcing.



Sole Source Justification Form

In accordance with the following CA State requirements:

- PCC § 3400 states that a community college district cannot limit “the bidding, directly or indirectly, to any one specific concern,” when letting “contracts for the construction, alteration, or repair of public works”;
- Public Contract Code section 20651 states that a community college district is required to competitively bid any purchase of equipment with a contract value over \$86,000 or any procurement of public works with a contract value over \$15,000; and
- California law provides that, “Where competitive proposals work an incongruity and are unavailing as affecting the final result or where they do not produce any advantage . . . the statute requiring competitive bidding does not apply” (*Hiller v. City of Los Angeles* (1961) 197 Cal.App.2d 685, 694), and that public entities need not comply with competitive bidding processes where to do so would be impractical or futile and would not serve the purposes of competitive bidding. (*Los Angeles Dredging Company v. City of Long Beach* (1930) 2 Cal. 348; *Graydon v. Pasadena Redevelopment Agency* (1980) 104 Cal.App.3d 63.

If Requester deems its request to be a true Sole Source, Requester must provide a minimum of one (1) competitive quote that indicates discount(s) District is receiving along with completed Sole Source Justification form to Purchasing for review and approval. Competitive quotes are the best way to show that the price is "fair and reasonable". If competitive quotes were not secured, then there should be an explanation of the method used to determine the reasonableness of the price and technical reasons for selecting the suggested supplier. Completion of this form does not guarantee an automatic approval of the "Sole Source" justification. Purchasing will make the determination if it is a justifiable sole source purchase. Please complete the following (additional pages may be attached for further documentation):

Purchase Requisition # R0024298, R0024297, R0024296 Date: 5/8/2024
Requester's Name: Ashley Land Phone: 559-737-6236
Department: Career Technical Education E-mail: ashleyla@cos.edu
Requester's Signature Ashley M. Land Digitally signed by Ashley M. Land
Date: 2024.05.22 12:25:49 -07'00' Dean's Signature J. Schenkel (May 22, 2024 1:43 PDT)

NOTE: Sole Source Justification form must be submitted to the Purchasing Department for review and final approval. (See Guide to Submitting Sole Source Justification for details on process and timeline).

I am requesting this purchase as a sole source because (check if applies):

Vendor is sole provider of licensed or patented goods or services
 Match existing/compatible with my existing equipment:

COS ASSET # _____ Serial # _____

- As a replacement or repair part to match existing equipment (standards)
- As an accessory or option
- As a component to be interfaced with the existing equipment

- Vendor is a sole provider of factory-authorized warranty service
- Maintenance is from the original equipment manufacturer

Classroom/teaching Maintenance/repair

Other (specify) _____

Name of Academic, Curriculum and/or Research: Sciences, Nursing & Allied Health, Paramedic

The purchase will meet the standards advocated by the following (provide the name(s) of center/organization): Kaweah Health, Visalia Fire Department, Tulare Fire Department, American Ambulance

What are the unique performance factors of the product specified (list each factor individually with an explanation of its purpose)?

Anatomage Table is the world's only fully-segmented real human 3D anatomy system. Users of the Anatomage Table can visualize anatomy exactly as they would on a fresh cadaver. Individual structures of the body are reconstructed in accurate 3D, resulting in an unprecedented virtual dissection experience deepening clinical care through anatomical insights.

Why are these specific factors required?

This technology bridges the gap between concepts learned in Anatomy with the opportunity to dissect and visualize real 3-D human cadavers, digitizing anatomy and providing a hands on learning experience preparing students for success in academic programs and in the workforce.

Names of other Vendors who can furnish similar products:

Vendor Name	Essential Requirement(s)	Vendor Unable to Provide
N/A	N/A	

What other products have been examined and rejected and why?

We have evaluated other 3D, virtual reality type anatomy products but these products do require substantially more end user knowledge to function properly and they are not well designed for work in group settings.

Why is the acquisition restricted to this good/service/supplier?

The Anatomage technology holds a US patent, and Anatomage, Inc. is the sole distributor of the Anatomage Table 10 that will allow learning to visualize anatomical details of the human body and real-life 3-D simulations.

Provide the background of events leading to this acquisition.

Over the last several years this Anatomage table has become the industry leader in Education related to Anatomy and Physiology throughout the nation. With the addition of the Paramedic Program to COS we were able to identify the benefits to multiple programs on all three campus sites. The request was made to utilize existing funding sources to purchase these Anatomage tables after discussion and demonstrations of the product.

Describe the uniqueness of the acquisition (why was the good/service/supplier chosen?)

Anatomage is the sole provider of the Anatomage Table 10 and software that provides hands on visual anatomical details with real life simulations and lesson plans.

What other Community College Districts have utilized this vendor as a Sole Source Purchase?

Colleges in Both the Kern Community College District and Merced Community College District have purchased and successfully utilized Anatomage Table 10 throughout academic programs on the respective college campuses.

What are the consequence of not purchasing the good/service or contracting with the proposed supplier?

Traditional instruction and 2D materials will remain the primary means of teaching anatomy. This generation of students will benefit tremendously from direct interaction with the newest technology and instructional techniques that this product provides.

What market research was conducted to substantiate no competition, including evaluation of other items considered? (Provide a narrative of your efforts to identify other similar or appropriate goods/services, including a summary of how the department concluded that such alternatives are either inappropriate or unavailable, the names, phone numbers and addresses of suppliers contacted and the reasons for not considering them must be included or an explanation of why the survey or effort to identify other goods/services was not performed. Be sure to specify the reasons for not meeting specifications.)

Site visits with other community colleges and educational conferences have provided opportunities to evaluate and test current relatable products on the market. Anatamoge, Inc. provides the equipment but also access to curriculum, lesson plans, real life scenarios and a platform to connect with other colleges who also use their products to share best practices of usage.

Please describe and provide estimates and methodology for total ownership costs that will be required each year beyond this initial acquisition.

No subscription or annual fees after the initial acquisition of the equipment. Optional warranty is available after the first four years of the acquisition of the equipment.

Describe any cost savings realized or costs avoided by acquiring the goods/services from this supplier.

Some costs to students can potentially be avoided by using Anatomage Table 10 in place of hardcopy text or printed materials.

With the added bonus of the hands-on component compared to hard copy text or other printed materials.

What are the consequences of not having this sole source approved and going out for full and open competition? (Describe in detail the impact to the department and to the programs)

This product is the industry standard for education in Anatomy and related educational programs. The current allocated funding for

Anatomage tables could potentially be forfeited if not approved and the process is delayed for open competition bid.

Purchasing Department Use Only

Buyer's Sole Source verification research/results:

Confirmed (specify or attach backup documents) _____ Denied (specify reason for denial)

Request for Quotes submitted date (Public Purchase): _____

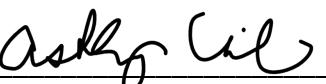
Responses? Y N

List responses:

Verified other Community College Districts that have utilized vendor as sole source

If responses ID'd as in-adequate, submit draft of Sole Source Justification Board Resolution and Communication to Requester for Board approval on: _____ (Month)

Buyer's name: _____ Date: _____

Purchasing Manager: Ashley Collins  Date: 5/28/2024

Sole Source Letter of Exclusive Technological Equipment

January 29, 2024

This letter certifies the following:

The **Anatomage Table**, a 3D, interactive, virtual dissection table, is manufactured and distributed exclusively from Anatomage, Inc. domestically in San Jose, CA. Our technology is one-of-a-kind as follows:

- We are the only provider of this type of Virtual Dissection Table utilizing the imaging of Real Human Cadavers
- There are no other products that are compatible with the Anatomage Table
- The purchase of the Anatomage Table cannot be made from any other vendor
- The Anatomage technology holds a patent #Patent No. US 9,867,543 B2
- We are the only provider of the Anatomage Virtual Science Table (software & hardware)

The **Anatomage Table Application**, installed on the Anatomage Table and the Anatomage Tablet is manufactured exclusively from Anatomage, Inc.

Anatomage's support for the Anatomage Table, covers but is not limited to the following:

- Anatomage Table Software Content and Functionality
- Anatomage Table Hardware & Software Troubleshooting
- Anatomage Science Table Software and Hardware

Anatomage is the sole and exclusive manufacturer and distributor in the United States of America and no other agency, institution, organization, school district, municipality, or customer receives better pricing than the DOE.

Please feel free to contact us if you have any questions regarding this matter.

Sincerely,

Jack Choi
CEO – Anatomage Inc.



ATTACHMENT 1- GENERAL SPECIFICATIONS

List the general specifications for your Sole Source Justification request.

NOTE: Do not provide specifications from a specific vendor as this can disadvantage & limit the number of vendors who could provide a bid. It is imperative that the District demonstrates a fair and impartial competitive acquisition process.

General specifications for the Sole Source Justification include the ability to bridge the gap between concepts learned in Anatomy with the opportunity to dissect and visualize real 3-D human cadavers with cost effective equipment and technology. This technology allows users to create incisions, remove structures, isolate structures and inspect them providing a dynamic hands-on educational environment using real human anatomy learning cases. Digitizing real anatomy and simulating stages of childbirth to tracing effects of diseases on the human body creates exploration for anatomy in a previously impossible way deepening clinical care through anatomical insights preparing students for related academic programs and the workforce.

Sole Source Guidelines and Justification

Final Audit Report

2024-05-22

Created:	2024-05-22
By:	Ashley Land (ashleyla@cos.edu)
Status:	Signed
Transaction ID:	CBJCHBCAABAARkp7gXPY7va-aofeHokjjKJgLnRhhLIY

"Sole Source Guidelines and Justification" History

-  Document digitally presigned by Ashley M. Land (ashleyla@cos.edu)
2024-05-22 - 7:25:49 PM GMT- IP address: 198.189.158.246
-  Document created by Ashley Land (ashleyla@cos.edu)
2024-05-22 - 7:26:21 PM GMT- IP address: 198.189.158.246
-  Document emailed to Jonna Schengel (jonnas@cos.edu) for signature
2024-05-22 - 7:26:59 PM GMT
-  Email viewed by Jonna Schengel (jonnas@cos.edu)
2024-05-22 - 8:43:00 PM GMT- IP address: 198.189.235.20
-  Document e-signed by Jonna Schengel (jonnas@cos.edu)
Signature Date: 2024-05-22 - 8:43:36 PM GMT - Time Source: server- IP address: 198.189.235.20
-  Agreement completed.
2024-05-22 - 8:43:36 PM GMT

Anatomage

Price Quotation

Anatomage Inc.
 3350 Thomas Rd, Ste 150
 Santa Clara, CA 95054
www.anatomage.com
 info@anatomage.com
 (408) 885-1474 Phone

Prepared By	Garett Onstot	Created Date	5/6/2024
Email	garett.onstot@anatomage.com	Expiration Date	6/30/2024
		Quote Number	2024-15661

Contact Name Ashley Land
 Email ashleyla@cos.edu

Bill To Name College of the Sequoias - Hanford Campus
 Bill To 925 13th Avenue
 Hanford, California 93230
 United States
 Ship To Name College of the Sequoias - Hanford Campus
 Ship To 925 13th Avenue
 Hanford, California 93230
 United States

Additional Information Hanford Sales Tax: 7.25%

Product	Line Item Description	Sales Price	Quantity	Total Price
Anatomage Table Convertible		USD 79,500.00	1.00	USD 79,500.00
1st Year Warranty, Software Upgrade, Tech Support	1st year warranty Included w/ Table Convertible	USD 0.00	1.00	USD 0.00
4 Year Extended Warranty, Software Upgrade, Tech Support	Additional 4 year warranty extension for Table Convertible	USD 21,840.00	1.00	USD 21,840.00
Table On Cloud (Warranty)	Table on Cloud that is included, free of charge, for all Tables under warranty. Will be valid for as long as the Table is under warranty.	USD 0.00	1.00	USD 0.00
Anatomage Table Convertible Hardcover	Protective Hardcover for the Anatomage Table Convertible monitors.	USD 275.00	1.00	USD 275.00
Crate - Convertible	Shipping crate for the Table Convertible/Table Science	USD 875.00	1.00	USD 875.00
Online Training	Included w/ Table Convertible	USD 0.00	1.00	USD 0.00
Multi Unit Discount	Multi Unit Discount (3%)	USD -2,385.00	1.00	USD -2,385.00

Total Price USD 100,105.00

Tax USD 5,674.21

Country of Origin: United States

Place of Manufacture: San Jose, CA

For our international customers: Price does not include taxes and duties associated with importation of the product, which must be paid by Consignee

Quote is only valid in USD

Acceptance

Signature _____ Date _____

Anatomage

Price Quotation

Anatomage Inc.
3350 Thomas Rd, Ste 150
Santa Clara, CA 95054
www.anatomage.com
info@anatomage.com
(408) 885-1474 Phone

Shipping and Handling	USD 2,500.00
Grand Total	USD 108,279.21

Country of Origin: United States

Place of Manufacture: San Jose, CA

For our international customers: Price does not include taxes and duties associated with importation of the product, which must be paid by Consignee

Quote is only valid in USD

Acceptance

Signature_____ Date_____

Anatomage

Price Quotation

Anatomage Inc.
 3350 Thomas Rd, Ste 150
 Santa Clara, CA 95054
www.anatomage.com
 info@anatomage.com
 (408) 885-1474 Phone

Prepared By	Garett Onstot	Created Date	5/6/2024
Email	garett.onstot@anatomage.com	Expiration Date	6/30/2024
		Quote Number	2024-15660

Contact Name Ashley Land
 Email ashleyla@cos.edu

Bill To Name College of the Sequoias - Tulare Campus
 Bill To 4999 East Bardsley Avenue
 Tulare, California 93274
 United States
 Ship To Name College of the Sequoias - Tulare Campus
 Ship To 4999 East Bardsley Avenue
 Tulare, California 93274
 United States

Additional Information Tulare Sales Tax: 8.25%

Product	Line Item Description	Sales Price	Quantity	Total Price
Anatomage Table Convertible		USD 79,500.00	1.00	USD 79,500.00
1st Year Warranty, Software Upgrade, Tech Support	1st year warranty Included w/ Table Convertible	USD 0.00	1.00	USD 0.00
4 Year Extended Warranty, Software Upgrade, Tech Support	Additional 4 year warranty extension for Table Convertible	USD 21,840.00	1.00	USD 21,840.00
Table On Cloud (Warranty)	Table on Cloud that is included, free of charge, for all Tables under warranty. Will be valid for as long as the Table is under warranty.	USD 0.00	1.00	USD 0.00
Anatomage Table Convertible Hardcover	Protective Hardcover for the Anatomage Table Convertible monitors.	USD 275.00	1.00	USD 275.00
Crate - Convertible	Shipping crate for the Table Convertible/Table Science	USD 875.00	1.00	USD 875.00
Online Training	Included w/ Table Convertible	USD 0.00	1.00	USD 0.00
Multi Unit Discount	Multi Unit Discount (3%)	USD -2,385.00	1.00	USD -2,385.00

Total Price USD 100,105.00

Tax USD 6,456.86

Country of Origin: United States

Place of Manufacture: San Jose, CA

For our international customers: Price does not include taxes and duties associated with importation of the product, which must be paid by Consignee

Quote is only valid in USD

Acceptance

Signature _____ Date _____

Anatomage

Price Quotation

Anatomage Inc.
3350 Thomas Rd, Ste 150
Santa Clara, CA 95054
www.anatomage.com
info@anatomage.com
(408) 885-1474 Phone

Shipping and Handling	USD 2,500.00
Grand Total	USD 109,061.86

Country of Origin: United States

Place of Manufacture: San Jose, CA

For our international customers: Price does not include taxes and duties associated with importation of the product, which must be paid by Consignee

Quote is only valid in USD

Acceptance

Signature_____ Date_____

Anatomage

Price Quotation

Anatomage Inc.
 3350 Thomas Rd, Ste 150
 Santa Clara, CA 95054
www.anatomage.com
 info@anatomage.com
 (408) 885-1474 Phone

Prepared By	Garett Onstot	Created Date	5/6/2024
Email	garett.onstot@anatomage.com	Expiration Date	6/30/2024
		Quote Number	2024-15659

Contact Name Ashley Land
 Email ashleyla@cos.edu

Bill To Name College of the Sequoias - Visalia
 Bill To 915 S. Mooney Blvd.
 Visalia, California 93277
 United States
 Ship To Name College of the Sequoias - Visalia
 Ship To 915 S. Mooney Blvd.
 Visalia, California 93277
 United States

Additional Information Visalia Sales Tax: 8.5%

Product	Line Item Description	Sales Price	Quantity	Total Price
Anatomage Table Convertible		USD 79,500.00	1.00	USD 79,500.00
1st Year Warranty, Software Upgrade, Tech Support	1st year warranty Included w/ Table Convertible	USD 0.00	1.00	USD 0.00
4 Year Extended Warranty, Software Upgrade, Tech Support	Additional 4 year warranty extension for Table Convertible	USD 21,840.00	1.00	USD 21,840.00
Table On Cloud (Warranty)	Table on Cloud that is included, free of charge, for all Tables under warranty. Will be valid for as long as the Table is under warranty.	USD 0.00	1.00	USD 0.00
Anatomage Table Convertible Hardcover	Protective Hardcover for the Anatomage Table Convertible monitors.	USD 275.00	1.00	USD 275.00
Crate - Convertible	Shipping crate for the Table Convertible/Table Science	USD 875.00	1.00	USD 875.00
Online Training	Included w/ Table Convertible	USD 0.00	1.00	USD 0.00
Multi Unit Discount	Multi Unit Discount (3%)	USD -2,385.00	1.00	USD -2,385.00

Total Price USD 100,105.00
 Tax USD 6,652.53

Country of Origin: United States

Place of Manufacture: San Jose, CA

For our international customers: Price does not include taxes and duties associated with importation of the product, which must be paid by Consignee

Quote is only valid in USD

Acceptance

Signature _____ Date _____

Anatomage

Price Quotation

Anatomage Inc.
3350 Thomas Rd, Ste 150
Santa Clara, CA 95054
www.anatomage.com
info@anatomage.com
(408) 885-1474 Phone

Shipping and Handling	USD 2,500.00
Grand Total	USD 109,257.53

Country of Origin: United States

Place of Manufacture: San Jose, CA

For our international customers: Price does not include taxes and duties associated with importation of the product, which must be paid by Consignee

Quote is only valid in USD

Acceptance

Signature_____ Date_____