

**A RESOLUTION OF THE LEBANON)
CITY COUNCIL AWARDED A CONTRACT)
TO AIRESpace, INC. AS A SOLE-SOURCE)
PROCUREMENT PURSUANT TO THE)
PROVISIONS OF ORS 279B.075)**

**Resolution Number 06
for 2005**

WHEREAS, ORS 279B.075 allows a contracting agency to award a contract for goods or services without competition under certain circumstances whereby those goods or services are available from only one source; and

WHEREAS, the Lebanon City Council, acting as the local contract review board for the city has adopted rules under ORS 279A.065; and

WHEREAS, after due consideration of the evidence presented concerning the need to procure radios and associated equipment to complete a project constructing an internet network in the city; and

WHEREAS, the City Council determines that the Airespace product is designed specifically for use in large outdoor wireless networks, such as the network to be constructed by the city. This product and technical support provides for user friendly centralized authentication and radio management, which is essential to providing efficient operation of the system which has heretofore been approved by the Council. The radios and power supplies are designed specifically for outdoor mounting in climates such as the surrounding environment. These radios make use of self-healing mesh networking technology which the Council hereby determines is critical to the success of this project's implementation; and

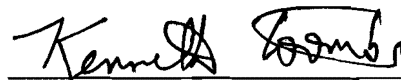
WHEREAS, the City Council further finds that the product which is currently offered by Airespace is in the final stages of beta testing. The City has been offered the opportunity to take part in a unique pilot project to prove the feasibility of this technology. As a part of this pilot project, the City receives additional technical support from the Airespace engineering staff which would not otherwise be available if another vendor was procured for this project. In addition, this vendor has offered a special pricing which results in a substantial (40%) discount to the City for this project.

NOW, THEREFORE, BASED UPON THE AFOREMENTIONED EVIDENCE, THE LEBANON CITY COUNCIL, ACTING AS THE LOCAL CONTRACTING BOARD FOR THE CITY OF LEBANON, RESOLVES AS FOLLOWS:

Section 1. Based upon the evidence recited above, the City Council finds that the efficient utilization of existing goods which have been obtained for the Wi-Fi internet network project require the acquisition fo compatible goods from Airespace which is the only vendor that produces and sells a product that meets the needs of the City's network implementation.

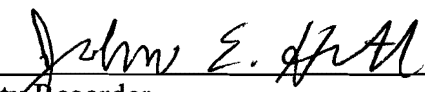
- Section 2. There is only one source for goods which meet the needs of the City's proposed network, Airespace, Inc.
- Section 3. The use of the proposed products from Airespace, Inc. will be for a pilot or an experimental project which the City is a participant.
- Section 4. The use of Airespace, Inc. for the procurement of radios, power supplies and mountings are vital to the success of the City's wireless network, with the use of Wi-Fi mesh. Only one vendor provides such goods and services. Additionally, by the use of the single vendor, Airespace, Inc., the City will be able to take advantage of substantial pricing discounts and additional technical support. The use of a single vendor under these circumstances does not substantially reduce any advantage that the City would have had with the use of traditional public bidding as it is unlikely that traditional bidding would promote competition to the best interests of the City for this project.
- Section 5. The City has, with reasonable practicality, negotiated with the sole source and has been able to obtain contract terms which are advantageous to the City.
- Section 6. Therefore, based upon the above findings, the City awards as a sole source procurement, a contract for the purchase of goods and services for the citywide wireless network, the proposed agreement with Airespace, Inc.
- Section 7. This resolution is effective upon its passage.

Passed this 30th day of March, 2005 by the Lebanon City Council by a vote of
5 for and 0 against.



Mayor

ATTEST:



City Recorder