

**PORT OF SEATTLE
MEMORANDUM**

CPO-6 Competition Waiver #2025-010

DATE: 4/18/2025
TO: Karen Goon, Deputy Executive Director
FROM: Mike Tasker, Director, Aviation Maintenance
SUBJECT: Request CPO-6 Competition Waiver for the Daifuku Company Onsite System Support Agreement – Baggage Handling System Controls

Agenda Item: 8c_Attach_1
Meeting Date: November 18, 2025

REQUEST:

We request a sole source competition waiver authorizing the Port to contract Daifuku Services America Corporation to provide a dedicated onsite Daifuku Controls Engineer to support the baggage handling system program modifications, control system performance, and aviation maintenance teams in coordination with their home office engineering team.

PERIOD:

This waiver shall be in effect for five years or until the upper and lower-level control system is replaced, whichever comes first.

BACKGROUND:

Baggage Handling Control Systems ensure that the motorized sections of the conveyor are integrated into the multiple segments of the conveyor systems to operate as required to properly transport customer baggage to the Transportation Security Administration (TSA) owned screening equipment. From there, the control systems properly track and transport that baggage to TSA staff for searching or to the appropriate airlines for loading onto the aircraft. All this must be done rapidly, safely, and efficiently to ensure that 100% of the public's baggage is effectively screened and delivered. The upper-level control systems, or supervisory control systems as they are sometimes called, provide the "real-time" data management and interface responsibilities of the baggage handling system as well as provide common user interface screens for monitoring, control, reporting and diagnostics. The upper-level controls system is linked to the lower-level control system.

The lower-level control system, closest to the physical equipment, is the controller(s) for individual equipment. These controllers are Programmable Logic Controllers (PLC's) in the Port's baggage handling systems. They interface to peripheral Input/Output (I/O) devices such as photo-eye scanners, motors, etc. as well as data collection devices such as bar code scanners (barcode readers) and are responsible for the physical operation of the baggage handling equipment. The equipment controllers are also responsible for the physical handling of baggage and tracking from point-to-point based on the direction from the upper-level control systems.

The multi-phased system upgrade will be complete with the final delivery of the Baggage Optimization Phase III. While this phased replacement is taking place, the Phase I & II systems provided by Daifuku will need to continue to operate, unless replaced, and more of the airlines will be utilizing them.

JUSTIFICATION FOR WAIVER:

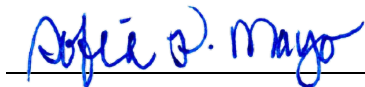
The Baggage Optimization Phase I and II project systems selected, through competitive solicitation, Daifuku for upper-level controls and lower-level controls. Those upper-level control, and reporting software systems are proprietary to Daifuku and require Daifuku-specific training, and as such, we are requesting this waiver for an onsite Daifuku technician that must be trained by Daifuku's home office engineering team located in Novi, Michigan to make program modifications to the baggage handling system and to support Port aviation maintenance teams.

In accordance with RCW 39.04.280, this memorandum requests a sole source waiver for Daifuku Services America Corporation related to proprietary baggage system software programming, applications, and graphics.

REQUESTED ACTION:

We request a sole source competition waiver authorizing the Port to contract Daifuku Services America Corporation to provide an onsite technician for up to five years in support of the Daifuku baggage handling system in the amount of \$3,187,003.

CONCURRENCE:



Sofia P. Mayo, Director, Central Procurement Office

4/18/2025

Date



Pete Ramels, General Counsel

4/21/2025

Date

APPROVAL:



Karen Goon, Deputy Executive Director

04/21/2025

Date