DATE: December 2, 2025

TO: Stephen P. Metruck, Executive Director

FROM: Mike Tasker, Director Aviation Maintenance
Delmas Whittaker, Chief Operating Officer Maritime
Matt Breed, Chief Information Officer

SUBJECT: Enterprise Asset Management System Upgrade (CIP #C801383)

Amount of this project request:	$1,200,000
Total estimated project cost:	$1,200,000
Four-year hosting services agreement:	$1,300,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to 1) proceed with the Enterprise Asset Management System Upgrade project; 2) use vendor services and Port staff for implementation; and 3) execute a contract for up to four years for software hosting services and maintenance fees estimated at $1,300,000. The amount requested for project implementation under this authorization is $1,200,000.

EXECUTIVE SUMMARY

The Port of Seattle Aviation Maintenance (AVM) and Marine Maintenance (MM) teams use IBM Maximo Enterprise Asset Management (EAM) System to track and manage assets, parts inventories, work orders and incidents. It was last updated in 2019. IBM published support for our current Maximo version 7.6.1.1 ended in September 2025; we continue to receive support because we've been planning and preparing for a software upgrade. The required operating system version and database will also be unsupported within the next year. This project will provide a technical upgrade to the current offering of Maximo, which is an updated platform called Maximo Application Suite (MAS), v9.1. It will also move the software to a cloud hosted and managed environment. The project is for a technical upgrade keeping application changes to a minimum. It sets up the Port for additional projects that will take advantage of the updated platform providing enhanced functionality, e.g., implementing a Transportation module. The project will help ensure high availability and security of the maintenance management software solution critical to many operations across the Port.

Information and Communication Technology (ICT), AVM, MM, Information Security, and Accounting & Financial Reporting (AFR) resources will be utilized along with vendor services to complete this project estimated at $1,200,000. Recurring software license and maintenance costs are budgeted within the ICT Department operating budget and unchanged by this project. Future software-as-a-service subscription fees and management costs are estimated at $325,000 annually and will be budgeted by ICT.

JUSTIFICATION

The upgrade of Maximo 7.6.1.1 to MAS 9.1 will help ensure the availability, reliability and security of a system critical to Port maintenance operations. Specific benefits include:

- Improves the security and compliance exposure of remaining with a legacy system.
- Removes end of support risks of losing security patches and bug fixes, losing technical support and increased cyber threat vulnerability.
- Provides modern future-ready architecture, enhanced user experience and modular licensing model that provides flexible access as needs evolve.

Diversity in Contracting

Project staff will work with the Diversity in Contracting Department to determine if a direct women-and-minority-owned business enterprise (WMBE) aspirational goal should be assigned.

DETAILS

Scope of Work

(1)   Upgrade IBM Maximo 7.6.1.1 to MAS 9.1.
(2)   Clean-up data integrity issues and clear legacy ICT data.
(3)   Create new cloud hosted environment and move the existing application to the new environment using a copy of the database, then upgrade to MAS 9.1.
(4)   The current system integrations will also be updated, and all integrations and configurations will be tested to confirm functionality.
(5)   In parallel with the upgrade activities, site configuration changes will be made to address the challenges of having duplication of data across core functions for the fleet teams.

Schedule

Commission authorization	2026 Quarter 1
Project start	2026 Quarter 1
In-use date	2027 Quarter 1

Cost Breakdown	This Request	Total Project
Vendor services	$730,000	$730,000
Port labor	$470,000	$470,000
Total	$1,200,000	$1,200,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Postpone the upgrade to MAS 9.1.

Cost Implications: $0

Pros:
  (1) Capital and operating dollars are available for other projects.

Cons:
  (1) Extended support for the current Maximo environment would result in higher support and operational costs.
  (2) Adds significant cybersecurity risk.
  (3) Further delays new functionality and continued enhancements that support the Port's Century Agenda goal to "be a highly effective public agency."

This is not the recommended alternative.

Alternative 2 – Proceed with the MAS 9.1 upgrade deployed in a fully managed cloud environment.

Cost Implications: $1,200,000 Capital Project; $1,300,000 Additional Hosting Costs over 4 years

Pros:
  (1) Removes end of support risks of losing security patches and bug fixes, losing technical support and an increased threat vulnerability.
  (2) Provides modern future-ready architecture, enhanced user experience, and a modular licensing model that provide flexible access as needs evolve.
  (3) Sets up the maintenance teams for future improvements for fleet, Satellite Transit System (STS), scheduling tools and mobility.

Cons:
  (1) Capital and operating dollars aren't available for other projects.
  (2) Change management considerations for the hundreds of Port users will necessitate frequent communication and well-thought-out training.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Cost Estimate/Authorization Summary	Capital	Expense	Total
COST ESTIMATE			
Original estimate	$1,600,000	$0	$1,600,000
AUTHORIZATION			
Previous authorizations	$0	$0	$0
Current request for authorization	$1,200,000	$1,300,000	$2,500,000
Total authorizations, including this request	$1,200,000	$1,300,000	$2,500,000
Remaining amount to be authorized	$0	$0	$0

Annual Budget Status and Source of Funds

This project, CIP C801383 – Enterprise Asset Management System Upgrade, is included in the 2026–2030 Capital Budget and Plan of Finance with an allocated budget of $1,600,000. With our new project estimate of $1,200,000, $400,000 can be reallocated or saved. The project will be funded by a combination of the Airport Development Fund (81.3%) and the General Fund (18.7%).

Financial Analysis and Summary

Project cost for analysis	$1,200,000
Business Unit (BU)	Admin
Effect on business performance (NOI after depreciation)	NOI after depreciation will increase due to inclusion of capital (and operating) costs in airline rate base.
IRR/NPV (if relevant)	N/A
CPE Impact	$0.01 in 2028

Future Revenues and Expenses (Total cost of ownership)

Average annual cloud hosting and management costs of approximately $325,000 will be budgeted within the ICT operating budget. Total system maintenance costs—including licenses, maintenance fees, and recurring Port labor—are not expected to change because of this project.

ATTACHMENTS TO THIS REQUEST

None

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None