

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**

**Item No.** 6e

**Date of Meeting** June 23, 2009

**DATE:** June 17, 2009

**TO:** Tay Yoshitani, Chief Executive Officer

**FROM:** Linda Strout, Deputy Chief Executive Office  
Peter Garlock, Chief Information Officer

**SUBJECT:** Hummingbird to SharePoint replacement project

**REQUEST:** Request for authorization for the Chief Executive Officer to approve all work, purchases and contracts including: advertise, award, administer, prepare, execute and amend any and all necessary service agreements for the SharePoint Records and Document Management System project in an amount not to exceed \$800,000.

**SYNOPSIS:** Replace the current records and document management system (Hummingbird) with SharePoint in order to resolve technical problems, improve functionality, and reduce operating costs.

**BACKGROUND**

The Port of Seattle has a statutory obligation to archive, protect, and retrieve information relevant to our operations. Examples include: electronic and printed documents related to projects, leases, contracts, general correspondence, Commission meeting agendas, minutes and resolutions, and email. In 2003, the Port purchased and implemented a state of the art document and records management software application called Hummingbird.

Over the last several years, new workplace collaboration tools have increased the complexity of compliance with records management statutes. To make matters worse, over the ensuing six years, the company that developed the Hummingbird system was sold to a competitor who has failed to keep pace with rapid advances in the technology used to create, revise, and store digital information or to provide adequate technical support for the product. This has caused Hummingbird to become incompatible with the latest versions of our office automation applications. In addition, as technical and functional limitations have increased, Hummingbird operating and support costs remain very high.

**PROJECT DESCRIPTION AND SCOPE OF WORK**

***Project Statement***

Improve statutory compliance, increase functionality, and lower operating costs by replacing Hummingbird with SharePoint for records and document management.

## COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

June 17, 2009

Page 2 of 4

### *Project Objectives*

- Reduce operating costs - Eliminating Hummingbird will save \$1.5 Million in software license fees over a 5 year period. The Port already owns Enterprise licenses for SharePoint.
- Increase functionality and provide an easy to use solution - SharePoint will enable the Port staff to easily save, store and retrieve records and documents from any source. The user interface is intuitive and faster than Hummingbird.
- Easy integration with other systems - SharePoint is compatible with the Port's office automation applications and has advanced features to capture, manage version workflow, archive, and easily retrieve documents and records.

### *Scope of Work*

- Configure Sharepoint tool to support policies and organizational procedures.
- Migrate data from Hummingbird into SharePoint.
- Develop and implement a system to replace the Account and Procurement Services Invoice System (APSIS) currently built on the Hummingbird Platform.
- Develop a comprehensive communication and training plan.
- Implement test and production infrastructure to support the new SharePoint environment.

## STRATEGIC OBJECTIVES

Moving to SharePoint supports public understanding, environmental stewardship, and airport and seaport vitality.

<b>Strategy</b>	<b>Alignment</b>
Enhance <b>public understanding</b> and support of the Port's role in the region	Improves transparency by providing a simple tool to save and search records and documents, providing improved document and records retrieval.
Exhibit <b>environmental stewardship</b> through our actions	Reduces paper waste by enabling groups to share documents and work collaboratively in an on-line environment and enhances records archival and disposal functions.
Ensure Airport and Seaport Vitality	Reduces operational costs by \$1,500,000 over 5 years.

## **COMMISSION AGENDA**

T. Yoshitani, Chief Executive Officer

June 17, 2009

Page 3 of 4

### **ALTERNATIVES CONSIDERED/RECOMMENDED ACTION**

**Recommended:** Replace Hummingbird with SharePoint for records and document management. SharePoint, already owned by the Port of Seattle, will provide significant maintenance savings. Sharepoint is fully integrated with Microsoft Office 2007 and users are comfortable with the look and feel of Microsoft office products.

**Not Recommended:** Continue using Hummingbird for records and document management with limited functionality and continued high operating costs (\$278,000/year).

### **FINANCIAL IMPLICATIONS**

#### **Budget/Authorization Summary**

Original Budget	\$500,000
Budget Transfers	\$300,000
Revised Budget	\$800,000
Previous Authorizations – Executive	\$0
Current request for authorization	\$800,000
Total Authorizations, including this request	\$800,000
Remaining budget to be authorized	\$0

#### **Project Cost Breakdown**

Port Labor	\$126,000
Hardware	\$172,000
Software	\$45,000
Professional Services	\$364,000
Sales tax 9.5%	\$19,000
Contingency 10%	\$74,000
<b>Total</b>	<b>\$800,000</b>

#### **Source of Funds**

This project is included in the 2009 capital budget and plan of finance as a \$500,000 committed project, CIP C800322. Upon authorization, \$300,000 additional funds will be transferred from Infrastructure Small Capital CIP C800009 to account for the infrastructure costs required for this project. The source of capital funds is 64% Airport Development Fund and 36% General Fund.

## **COMMISSION AGENDA**

T. Yoshitani, Chief Executive Officer

June 17, 2009

Page 4 of 4

### **Financial Analysis Summary:**

<b>CIP Category</b>	Renewal/Enhancement
<b>Project Type</b>	Technology
<b>Risk adjusted Discount rate</b>	7.0%
<b>Key risk factors</b>	NA
<b>Project cost for analysis</b>	\$800,000
<b>Business Unit (BU)</b>	ICT
<b>Effect on business performance</b>	Reduction of Operations Costs
<b>IRR/NPV – 5 Years</b>	46.5%/\$501,000
<b>CPE Impact</b>	NA

### **ECONOMIC IMPACTS**

- An investment of **\$800,000** today can be used to implement this proposal in less than 10 months
- Our analysis shows a breakeven point in third year after project completion
- \$501,000 5 year Net Present Value

### **PROJECT SCHEDULE**

Commission Approval	June 2009
Design/Development Begins	July 2009
Deployment Begins	January 2010
Project Completion	April 2010