



MEMORANDUM

October 18, 2012

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Russell Truell, ACA/ Chief Financial Officer – Finance & Administration
Fred Banner, MIT Director

SUBJECT: E.Discovery Software Discussion

Purpose

The purpose of this memorandum is to review the current status of the City's electronic discovery (e.discovery) software system with a proposal to move to a different system.

Background

The City installed Near Point (Mimosa) in December 2008 to provide a system that would keep all email data in a secured environment for later retrieval and analysis as needed for e.discovery requirements. We started using the system in March 2009 and continue to use the system today.

The primary user for e.discovery is our Legal Department. All email users can retrieve their information from Near Point whenever necessary. As email transactions occur they are written to the archive server and also to our Exchange server. After thirty days, email is dropped from the Exchange server but not the Near Point (archive) server.

In 2010, Near Point was acquired by another company of which we were not made aware of until that entity sold the system to Iron Mountain (Third party records storage company). No problems were experienced with Iron Mountain as they have been in business for years. Hewlett Packard (HP) acquired this system from Iron Mountain in 2011 with the intent to create a satellite company.

Net impact of this change is that our support is basically non-existent today. Although we have kept maintenance up to date, it can take up to two days to get a return call from support and even longer for a "fix" to the issue. On occasion, we have called contacts that used to work for Near Point for assistance.

A further concern is that Near Point is not going to be updated in the future which for us means that we cannot implement a new version of our email program, Microsoft Exchange, (usually an annual event) and still use this system. It basically is a move on HP's part to sell us another product which we reviewed and do not consider to be a viable fit for us as have other users of Near Point whom we have polled.

IT along with Legal met and reviewed a replacement system from Source 1 (an EMC subsidiary for several years). This appears to be the system that Near Point customers are migrating to currently. IT



reviewed other systems and found them deficient as to how e.discovery can be run efficiently. A major enhancement from Source 1 over our current system is the ability to include desired computer system files as well as SharePoint media in any future searches Legal may need.

EMC is a current vendor for the City (our disaster recovery system and our future UCS [universal communication system] server configuration.

The current data from Near Point will be converted to Source 1 to enable us to use one system. We contacted users who have made the conversion to Source 1 utilizing services from Bishop Technologies, Inc. who EMC recommends as they were previously Near Point employees. Near Point is a very complex system (as most e.discovery systems are due to the encryption and other file access security needed to prevent data corruption and hack attacks) which prevents us from attempting to convert the data in house.

Financial Impact

If our current system fails and cannot be fixed, we may face financial losses if we cannot provide e.discovery data on a timely basis. An estimated outlay for conversion costs and system costs of Source 1 is around \$170,000. Since 2008, we have spent \$153,548 on Near Point for assistance. This expenditure could be incorporated into the 2013-14 budget.

Options

Continue with Near Point until we are ready to upgrade to the next version of MS Exchange (March – April 2013) or start the process to acquire and migrate to Source 1. EMC does provide lease options which may be a consideration.

Recommendation

Start the process to move from Near Point to Source 1.